

CHUAN HUP HOLDINGS LIMITED
(Co. Reg. No. 197000572R)
(Incorporated in the Republic of Singapore)

SUBSCRIPTION AND ACQUISITION OF INTEREST IN HOMESTEAD CAPITAL PTE. LTD.

1. INTRODUCTION

1.1 The Board of Directors (the “**Board**”) of Chuan Hup Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Company has completed the acquisition of an aggregate of 51% of the ordinary shares (“**Shares**”) in the issued share capital of Homestead Capital Pte. Ltd. (“**HCPL**”) which was carried out by way of the following transactions:

- (a) an acquisition of 408 Shares, being approximately 7.7% of the total Shares, from Homestead Properties Pte. Ltd. (“**HPPL**”), the sole shareholder of HCPL, for an aggregate consideration of S\$800,000 (“**Acquisition Consideration**”); and
- (b) a subscription of 2,295 Shares, being approximately 43.3% of the total Shares, for an aggregate subscription price of S\$4,500,000 (“**Subscription Amount**”),

(collectively, the “**Transaction**”).

1.2 HCPL is an investment holding company newly incorporated in Singapore and it is the sole shareholder of Homestead KS Pte. Ltd. (“**HKSP**”). HKSP is a company incorporated in Singapore, and is in the business of holding, leasing, operating and managing properties for the student accommodation business.

2. RATIONALE

The Board is of the view that the completion of the Transaction will enable the Group to expand its property-related business and capture the opportunities in the rising demand for student accommodation and leasing. The Transaction is considered an acquisition by the Company in connection with its ordinary course of business.

3. SUBSCRIPTION AMOUNT AND ACQUISITION CONSIDERATION

3.1 The Acquisition Consideration of S\$800,000 and Subscription Amount of S\$4,500,000 for the Transaction were arrived at following arm’s length negotiation between the Company and HPPL, on a willing buyer willing seller basis, after taking into account, *inter alia*, various commercial factors, including the existing assets, financial position, and business prospects of HKSP.

3.2 The net tangible asset value of HKSP is S\$388,528, based on the audited financial statements as at 31 December 2022.

3.3 The Acquisition Consideration and Subscription Amount were satisfied in cash, funded through internal resources.

4. FINANCIAL EFFECT

The Transaction is not expected to have any material impact on the net tangible assets per share or earning per share of the Company for the financial year ending 30 June 2023.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, or are deemed to be interested in the Transaction, save for their shareholdings in the Company.

6. DOCUMENT FOR INSPECTION

A copy of the sale and purchase agreement that was entered into by the Company and HPPL in relation to the Transaction is available for inspection during normal business hours at the Company's registered office for three months from the date of this announcement.

BY ORDER OF THE BOARD

Anne Liew Mei Hong
Company Secretary
6 May 2023