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* Asterisks denote mandatory information

Name of Announcer *	CHASEN HOLDINGS LIMITED
Company Registration No.	199906814G
Announcement submitted on behalf of	CHASEN HOLDINGS LIMITED
Announcement is submitted with respect to *	CHASEN HOLDINGS LIMITED
Announcement is submitted by *	CHEW KOK LIANG
Designation *	COMPANY SECRETARY
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>> Announcement Details

The details of the announcement start here ...

Announcement Title *	PURCHASE OF PROPERTY AT 6 PIONEER WALK, SINGAPORE 627751
Description	Please see attached.

Attachments Annct_Purchase_of_Property.pdf
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CHASEN HOLDINGS LIMITED
(Company Registration No. 199906814G)
Incorporated in the Republic of Singapore

PURCHASE OF PROPERTY AT 6 PIONEER WALK, SINGAPORE 627751

1. INTRODUCTION

The Board of Directors of Chasen Holdings Limited (the "Company") wishes to announce that the Company's wholly-owned subsidiary, Chasen Logistics Services Limited ("Chasen Logistics" or "Purchaser") has entered into a Put and Call Option Agreement on 1st June 2012 (the "PCOA") with HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) ("A-REIT") (the "Vendor") in respect of the purchase of 6 Pioneer Walk, Singapore 627751 (the "Property") for a total purchase consideration of S\$32.0 million (the "Consideration").

2. CONSIDERATION

The Consideration was arrived at after arm's length negotiations and on a willing buyer willing seller basis after taking into account, *inter alia*, the valuation of the Property carried out by the bank's valuers.

There is no valuation engaged by the Company. The Company is satisfied with the bank's valuation.

The payment terms for the purchase of Property will be as follows:

- (a) 1% of the Consideration to be paid by the Company upon signing of the put and call option; and
- (b) 99% of the Consideration to be paid by the Company upon completion of the Purchase of Property.

The 1% consideration has been paid by the Company.

The purchase of Property would be funded through bank borrowings and internal sources.

3. INFORMATION ON THE PROPERTY

The Property is located at 6 Pioneer Walk within the Jurong Industrial Estate. It is a 2-storey warehouse with a ramp-up driveway and a 4-storey ancillary office as well as a single storey workshop and a container yard with a gross floor area of 20,094 sqm. The Property has a remaining land tenure of about 24 years. The existing lease which will expire in December 2017 will be assigned to the Purchaser upon completion of the sale.

4. MATERIAL TERMS AND CONDITIONS OF THE PURCHASE

The Vendor shall sell the Property free from all encumbrances on completion.

The purchase of Property is subject to, *inter alia*, the following conditions: -

- a. the approval from the relevant authorities and Jurong Town Corporation ("JTC") including terms and conditions set out in the Schedule 1 of the PCOA.

The purchase of Property shall be completed by end June 2012 or such other dates the parties may agree in writing.

The acquisition is not expected to be material in terms of EPS of the Group for the current FY2013.

5. FINANCIAL EFFECTS OF THE PURCHASE OF PROPERTY

The proforma financial effects of the purchase of Property on the Group are set out below. Given that the proforma financial effects set out below are theoretical in nature and only for illustrative purposes, they do not represent the actual financial position and/or results of the Group's operations after the completion of the purchase of Property and are not indicative of the future financial position and earnings of the Group.

For the purpose of illustration and based on the consolidated financial statements of the Group for the financial year ended 31 March 2012, the financial effects of the purchase of the Property are set out below:-

	Before the purchase of Property (cents)	After the purchase of Property (cents)
Net tangible asset per share (assuming the purchase was effected as at 31 March 2012)	21.05	21.05
Earnings per share (assuming the purchase was effected on 1 April 2011) – Basic *	3.08	3.14
Earnings per share (assuming the purchase was effected on 1 April 2011) – Diluted **	3.07	3.13
Gearing (assuming the purchase was effected as at 31 March 2012)	23.4%	76.2%
Net profit/(loss) attributable to the assets being acquired (based on existing tenancy's net rental income)	-	158

* Basic number of shares ('000) = 236,928

** Diluted number of shares ('000) = 237,738

The relative figures computed on the basis set out in Rule 1006 of the SGX-ST Listing Manual Section B: Rules of Catalyst ("Catalist Rules") for the Purchase of Property are as follows:-

		Relative Figures in %
Rule 1006(a)	Net asset value of the Property to be disposed of as compared with the Group's net asset value as at 31 March 2012	Not applicable
Rule 1006(b)	Net profit/ (loss) attributable to the property acquired or disposed of, compared with the Group's net profits***	1.9%
Rule 1006(c)	Aggregate value of the consideration given or received, compared with the Company's market capitalization based on the total number of issued shares excluding treasury shares****	41.9%
Rule 1006(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
Rule 1006(e)	Aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves	Not applicable

The relative figures set out in Rule 1006(c) exceed 5% but not 75%, the purchase of Property constitutes a discloseable transaction as defined in Chapter 10 of Catalyst Rules.

*** The relative figure is derived by dividing net profit before tax attributable to the property acquired of amount S\$158,000 by the group's profit before tax of amount S\$8,537,000.

**** The share price as at 31 May 2012 is S\$0.31 and the total number of issued shares excluding treasury shares is 246,588,164.

6. RATIONALE FOR THE PURCHASE OF PROPERTY

The Property is purchased in the ordinary course of business to be occupied by the Company and its subsidiaries and to contribute to the revenue of the Group through the generation of rental income.

The acquisition of the Property effectively doubles the Group's existing capacity and positions the group to secure more relocation projects on a turnkey basis. This represents a step forward in the Group's objective to increase its warehouse space to complement its relocation operations, third party logistics and facility management services for its customers. With the acquisition, the Group is now able to house about 80% of its operations under one roof, allowing flexibility and opportunities to derive operational efficiencies. In addition, the reduced need for leased spaces effectively lowers overhead expenses, translating into better profitability for the group.

7. DIRECTORS AND CONTROLLING SHAREHOLDERS' INTEREST

None of the directors or the controlling shareholders of the Company has any interest, direct or indirect in the purchase of Property.

8. DOCUMENTS FOR INSPECTION

Copies of the PCOA is available for inspection during normal business hours at the Company's registered office at 18 Jalan Besut, Singapore 619571, for 3 months from the date of this announcement.

By Order of the Board

Low WengFatt
Managing Director and CEO
2 June 2012

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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