


[Print this page](#)**Miscellaneous**

\* 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
Date & Time of Broadcast	29-Jan-2008 18:18:20
Announcement No.	00119

**>> Announcement Details**

The details of the announcement start here ...

Announcement Title *	SALE AND PURCHASE AND INVESTMENT AGREEMENTS
Description	Please see attached.
<b>Attachments</b>	 <a href="#">CHL Acquisition of GKH.pdf</a> Total size = <b>24K</b> (2048K size limit recommended)

[Close Window](#)

## **SALE AND PURCHASE AND INVESTMENT AGREEMENTS**

---

### **1. Background**

The Board of Directors of Chasen Holdings Limited (the “Company”) wishes to announce that the Company has completed the following acquisitions on 25 January 2008:-

- (a) sale and purchase and investment agreement (“GKHPL Agreement”) dated 8 January 2008 with Mr Goh Koon Kang (“GKK”) and Goh Kwang Heng Pte Ltd (“GKHPL”) pursuant to which the Company has (i) subscribed for an aggregate of 624,490 new ordinary shares in GKHPL, representing approximately 51.0% of the issued and paid up share capital of GKHPL, for a cash consideration of S\$1.68 per subscription shares amounting to an aggregate consideration of approximately S\$1,049,143.20; and (ii) purchased from GKK 156,122 ordinary shares in the issued and paid up capital of GKHPL, representing approximately 12.7% of the issued and paid up share capital of GKHPL, for an aggregate cash consideration of S\$300,000 on the terms and conditions in the GKHPL Agreement.
- (b) sale and purchase and investment agreement (“GKHSPL Agreement”) dated 8 January 2008 with GKK and Goh Kwang Heng Scaffolding Pte Ltd (“GKHSPL”) pursuant to which the Company has subscribed for an aggregate of 104,082 new ordinary shares in GKHSPL, representing approximately 51.0% of the issued and paid up share capital of GKHPL, for a cash consideration of S\$1.44 per subscription shares amounting to an aggregate consideration of approximately S\$149,878.08.

(collectively the “Transactions”)

### **2. Information on the GKH Group**

GKK is presently the sole shareholder of GKHPL and GKHSPL (the “GKH Group”). The GKH Group’s principal activities are that of a scaffolding equipment and service provider to the marine and construction industries in Singapore. The GKH Group has been a resident scaffolding contractor to Singmarine Shipyard and Keppel Shipyard since 1991 and its clientele includes government bodies and their project contractors and the shipyard subsidiaries of the Keppel Group. The GKH Group is an ISO 9001:2000 certified scaffold solutions provider and mandated by Singapore’s Ministry of Manpower as an Approved Scaffolding Contractor since 2004. Projects undertaken by the GKH Group include the Concorde Hotel, Biopolis, Admiralty Industrial Park and Changi Airport Terminal 3. The GKH Group has been awarded its initial contract last month in the Sands I R Project.

### **3. Consideration**

The consideration ("Consideration") for the Transactions was determined on a willing buyer and willing seller basis and arrived at after arm's length negotiations between the Company and the Vendor. The Consideration was based on an indicative value of S\$1,050,000 and S\$150,000 for GKHPL and GKHSPL respectively. In the event that the net audited profit after tax ("NPAT") for the 12 months period after the completion is equal to or less than S\$1,400,000, the Consideration will be based on a Price Earnings ("PE") ratio of 3 times the NPAT. In the event that the NPAT exceeds S\$1,400,000, then the PE ratio will be 4 times. The adjustment to the Consideration would be in cash in accordance to the terms of GKHPL Agreement and GKHSPL Agreement.

### **4. Rationale for the Transactions**

The Transactions are in line with the Company's policy to invest in potential profitable business and to diversity its revenue stream.

### **5. Financing**

The Transactions was funded by the proceeds from the recent rights issue.

### **6. Financial Effects of the Transaction**

The Transactions are not expected to have a material effect on the net tangible asset value and earnings of the Company and the Group for the financial year ending 31 March 2008.

### **7. Interest of Directors and Controlling Shareholders**

None of the Directors and Substantial Shareholders of the Company has any interest, directly or indirectly, in the Transactions.

By order of the Board

Low Weng Fatt  
Managing Director

29 January 2008