

CHOSEN HOLDINGS LIMITED

Co. Reg. No. 199804325C

(Incorporated in Singapore)

ACQUISITION OF INDUSTRIAL PROPERTY BY CHOSEN THAILAND COMPANY LIMITED

INTRODUCTION

The Board of Directors of Chosen Holdings Limited (the “Company”) would like to announce that Chosen Thailand Company Limited (the “Purchaser”), a wholly owned subsidiary of the Company, has entered into a Sale & Purchase Agreement (the “Agreement”) with Pinthong Industrial Park Co., Ltd (the “Vendor”), to purchase (the “Acquisition”) an industrial property located at 150/83 Moo 1 Nongkham Sriracha, Chonburi Province 20110, Thailand (the “Property”) of which it is currently leasing from the Vendor.

CONSIDERATION, RATIONALE AND TERMS OF ACQUISITION

The purchase consideration for the Property, which has a freehold land area of 9,366.8 square meters and a built-up area of 3,984 square meters, is THB72,781,817/- (approximately S\$2,930,000/-).

The Board is of the view that the purchase of the Property would provide better management of cost compared with having to rent the Property from the Vendor. The annual rental cost (including service charge) is THB9,322,560/- (approximately S\$375,000/-) and the lease which is due to expire in November 2015 will be subject to renegotiation.

The purchase consideration was arrived at on a willing buyer willing seller basis and will be satisfied by cash through bank borrowings and internal resources. The Property has been valued by a Thailand property valuer, namely 1989 Consultants Co., Ltd at a value of THB73,160,000/- as stated in their Valuation Report dated 28 April 2015 which was commissioned by the Purchaser.

The Acquisition is not subjected to any condition precedent. 50% of the purchase consideration is payable within 14 days after the execution of the Agreement and the balance will be payable upon the transfer of the title deed to the Purchaser.

RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

The relative figures for the Acquisition computed on the applicable bases set out in Listing Rule 1006 of the Listing Manual are as set out below:

(a)	Rule 1006(a) The net asset value of the assets to be disposed of compared with the Group's net asset value.	Not Applicable to the Acquisition
(b)	Rule 1006(b) The net profits (or loss) attributable	Not Applicable to the Acquisition

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	to the assets acquired or disposed of, compared with the Group's net profits.	
(c)	Rule 1006(c) The aggregate value of consideration given or received compared with the Company's market capitalisation based on the total number of Shares excluding treasury shares (if any)	The aggregate value of the consideration represents approximately 6% of the Company's market capitalization of S\$47,786,000/- as at 14 May 2015.
	Rule 1006(d) The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable to the Acquisition

As the aggregate value of the consideration to be paid by the Company for the Acquisition does not exceed 20% of the market capitalization of the Company, the Acquisition of the Property constitutes a disclosable transaction under Rule 1010 of the Singapore Exchange Securities Trading Limited's Listing Manual ("Listing Manual").

FINANCIAL EFFECTS OF THE ACQUISITION

For the purpose of illustration and based on the consolidated financial statements of the Group for the financial year ended 30 June 2014, the financial effects of the Proposed Acquisition are set out below:-

(a) Net tangible assets ("NTA") per share

Assuming the Acquisition had taken place on 30 June 2014, the Group's NTA per share as at 30 June 2014 will remain at 23.11 cents after completion of the Acquisition.

(b) Earnings per share ("EPS")

Assuming the Acquisition had taken place on 1 July 2013, the Group's EPS for the financial year ended 30 June 2014 will increase from 1.18 cents to 1.24 cents after completion of the Acquisition as a result of savings in rental cost but offset by depreciation charge and finance cost.

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**DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTEREST IN THE
PROPOSED ACQUISITION**

None of the Directors and substantial shareholders of the Company has any interest, direct or indirect, in the Acquisition.

DOCUMENTS FOR INSPECTION

Copies of the Agreement and Valuation Report will be made available for inspection during normal business hours from 9.00 am to 5.00 pm at the Company's registered address at 17 Woodlands Terrace Singapore 738442 for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Liew Meng Ling/Soong Wee Choo

Joint Company Secretaries

14 May 2015