

# PAN ASIAN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. : 197902790N)

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## SALE OF PROPERTY LOCATED AT NO. 2 TRACTOR ROAD, SINGAPORE 627966

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### Introduction

The Board of Directors (the “**Board**”) of Pan Asian Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), wishes to announce that the Company granted an option to purchase (the “**Option**”) to Stonrich Pte Ltd, an independent third party, (the “**Purchaser**”), the property located at No. 2 Tractor Road, Singapore 627966 (the “**Property**”) and the Purchaser has on 24 February 2015 exercised the Option (the “**Sale**”).

The Group considers it an appropriate time to sell the Property as it is currently underutilised by the Group. Hence, as part of the Group’s continued plans to optimise its resources, the Group has undertaken the Sale to re-deploy its capital more efficiently towards the Group’s existing business and other potential business opportunities.

The Company intends to purchase another property which would be more suitable to the Group’s current operations. In the interim period of searching for the new property, the Company shall rent a separate premise to house the Group’s current business operations. It is estimated that the transition from the Sale to the purchase of a new property would take approximately a year. The purchase would be funded by the proceeds from the Sale and the remainder of the proceeds would be utilised for working capital purposes.

### Information on the Property

The Property is a leasehold property and its lease was granted by JTC Corporation (“**JTC**”) for a term of 24 years from June 2006. The Property is a JTC purpose built factory comprising of three storey office blocks and a single storey factory with an estimated land area of 96,843 square feet (approximately equivalent to 8,997 square meters). The Property is currently used for the purposes of the Group’s Singapore business operations.

### The Sale

The consideration for the Property is Singapore Dollars (“**S\$**”) 8,250,000 (the “**Consideration**”). The Consideration was agreed between Company and the Purchaser at arm’s length, on a willing-buyer, willing-seller basis after taking into consideration the prevailing market conditions.

The Consideration will be satisfied wholly in cash and is to be paid by the Purchaser in the following manner:

- (i) 5% of the Consideration; amounting to S\$412,500, upon exercise of the Option; and
- (ii) the reminder 95% of the Consideration; amounting to S\$7,837,500, upon completion of the sale of the Property.

### **Condition Precedents**

The Sale is conditional upon:

- (a) Necessary approvals by JTC for the assignment of the residue term under the lease to the Purchaser; and
- (b) Satisfactory replies to the Legal Requisitions and applications for interpretation plans to the various government departments and Land Transport Authority (Rapid Transit System). A satisfactory reply is one that reveals nothing which materially adversely affects the Property.

### **Financial Effects**

The financial effects which have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2013 (“FY2013”), are purely for illustrative purposes only and do not reflect the actual financial performance or position of the Group after the completion of the Sale.

#### **Gain on Disposal**

Based on the audited consolidated financial statements of the Group for the FY2013, the net carrying value of the Property was S\$2,138,000. Accordingly, the estimated proceeds from the Sale would be S\$6,112,000.

#### **Net Tangible Assets (“NTA”)**

	Before the Sale	After the Sale
NTA (S\$'000)	19,122	25,234
Number of shares ('000)	214,202	214,202
NTA per share (cents)	8.93	11.78

#### **Profit/(loss) per Share**

	Before the Sale	After the Sale
Profit/(loss) attributable to shareholders (S\$'000)	(1,622)	4,490
Number of shares ('000)	213,197	213,197
Profit/(loss) per share (cents)	(0.76)	2.11

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

Save for their shareholding interests in the Company, none of the Company's Directors, controlling shareholders or any of their respective associates, has any interest, direct or indirect, in the Sale.

The Company would announce further updates as and when appropriate.

BY ORDER OF THE BOARD  
Richard Koh Chye Heng  
Executive Chairman  
24 February 2015

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Thomas Lam, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.*