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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 *

PROPOSED ACQUISITION OF HLN PROMAX PTE. LTD.

Description

Please see attached.

Attachments [Annct Acquisition of HLN Promax Pte Ltd.pdf](#)Total size = **34K**
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CHASEN HOLDINGS LIMITED
(Company Registration No. 199906814G)
Incorporated in the Republic of Singapore

PROPOSED ACQUISITION OF HLN PROMAX PTE. LTD.

This announcement has been reviewed by the Company's sponsor, KW Capital Pte. Ltd., for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.

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.

The details of the contact person for the Sponsor is: -

*Name: Ms Nicole Tan Siew Ping (Registered Professional, KW Capital Pte. Ltd.)
Address: 80 Raffles Place, #25-01 UOB Plaza 1, Singapore 048624
Tel: 6238 3377*

Omega Capital Limited was the financial adviser to the Company in relation to the acquisition of Chasen Logistics Services Limited completed in February 2007.

The Board of Directors of Chasen Holdings Limited (the "Company") wishes to announce that the Company, through two of its subsidiaries, namely REI Technologies Pte. Ltd. ("REI") and CLE Engineering Services Pte Ltd ("CLE"), completed their subscription of 737,550 ordinary shares in the capital of HLN Promax Pte. Ltd. ("HLN Promax") representing an aggregate of 55% of the enlarged issued and paid-up capital of the HLN Promax (the "Sale Shares") (the "Transaction") on 13 January 2009. The Transaction was made pursuant to an agreement dated 27 September 2008 amongst REI; the then-existing shareholders of HLN Promax, namely, Magarich Holdings Pte Ltd, Ho Chee Chin and Asia Dot Investment Pte. Ltd.; and HLN Promax (the "Subscription Agreement").

1. Information on HLN Promax

HLN Promax (Company Registration Number 200607578D) is a private company limited by shares incorporated in Singapore with a paid up and issued capital of S\$1,000,000 and having its registered office at 11 Kallang Place #02-09 Singapore 339155. HLN Promax is in the business of contract manufacturing serving the electronics and telecommunications industries.

2. Rationale for the Transaction

Our Company intends through this acquisition to extend the services of our technical business segment to include contract manufacturing business with operational facilities in Singapore and PRC catering to multi-national clientele in the electronics, telecommunications and other high technology industries.

3. Consideration

- 3.1 The aggregate consideration (the "Consideration") for the Sale Shares is S\$1,026,667 was satisfied in cash payable by REI to HLN Promax based on the valuation of S\$840,000 for 100% of HLN Promax based on the net tangible asset ("NTA") of HLN Promax, which was determined following an audit of its financial report as at 30 June 2008 by an independent audit firm acceptable to REI and HLN Promax.
- 3.2 In the event that the net profit after tax ("NPAT") of HLN Promax, computed in accordance with International Financial Reporting Standards ("IFRS") for the fiscal year ending 31 December 2009 or the first 12 months after completion of the Transaction, whichever will be the later (the "Computation Period") exceeds 50% of the aggregated projected NPAT represented during the negotiations for 2008 and 2009, the Consideration shall be increased by the amount equivalent to 20% of the audited NPAT for the Computation Period.

4. Conditions Precedent

The Company is pleased to report that all conditions precedent for the completion of the Subscription Agreement were fulfilled as on date of Completion.

5. Financing and Financial Effects of the Transaction

The Transaction is funded entirely through internal sources of our Group.

The Transaction is not expected to have any significant impact on the net tangible assets and the earnings per share of the Company for the current financial year.

As the relative figures computed on the bases set out in Rule 1006(a) to Rule 1006(d) of the SGX-ST Listing Manual – Section B: Rules of Catalist did not exceed 5%, the aforesaid transaction is not a discloseable transaction under Part VI of Chapter 10 of the SGX-ST Listing Manual – Section B: Rules of Catalist and the approval of the Company's shareholders is not required. This announcement is made under Rule 704(14)(c) of the Listing Manual – Section B: Rules of Catalist.

Subsequent to the above transaction, HLN Promax Pte Ltd will become a subsidiary of the Company.

6. Interest of Directors and Controlling Shareholders

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

A copy of the Subscription Agreement will be made available for inspection during normal business hours at the Company's registered office for a period of 3 months from the date of this announcement.

ON BEHALF OF THE BOARD

**Low Weng Fatt
Managing Director
14 January 2009**