CHASEN™

Chasen Holdings Limited

Advancing Our Strengths

ANNUAL REPORT 2012

OUR VISION

We aim to be the leading logistics service provider in the region, specializing in equipment and machinery relocation solutions with complementary technical and engineering service capabilities to meet the diverse needs of the market place.

WHAT WE DO

SPECIALIST RELOCATION SOLUTIONS

THIRD PARTY LOGISTICS SERVICES

TECHNICAL & ENGINEERING SERVICES

Contents

Corporate Profile

Founded in 1995 as a partnership entity, Chasen was incorporated as a private limited company in November 1999. In February 2007, it was acquired by a company listed on SESDAQ (now known as Catalist) of the Singapore Exchange in a reverse takeover and renamed Chasen Holdings Limited (the "Group" or the "Company"). Chasen is an investment holding company with subsidiaries providing Specialist Relocation Solutions, Third Party Logistics ("3PL") with facilities for packing and warehousing of machinery and equipment and complementary Technical & Engineering services for the region's manufacturing, marine and construction industries.

Chasen provides turnkey solutions for the relocation of various sophisticated equipment and machinery such as those used in wafer fabrication, TFT LCD panel production, chip testing and assembly, solar panel and pharmaceutical manufacturing. The Group's 3PL services utilize state-of-the-art packaging material to pack machinery and equipment to Original Equipment Manufacturer ("OEM") standards. The Group's warehouses, which have appropriately constructed floors, are mainly air-conditioned with humidity control. The Group also provides technical and engineering services to extend the scope of its service capability further up the supply chain to customers in the high-tech electronics, telecommunication and defence industries as well as construction, marine, oil and gas and other energy-related sectors. This suite of capabilities serves its existing and new customers in Singapore, Malaysia, Vietnam, the People's Republic of China, where the Group operates from and others in North America and the European Union.

As testaments to our expertise and quality services, several of Chasen's operating subsidiaries have received certification for ISO 9001 in Quality Management System, ISO 14001 in Environmental Management System and OHSAS 18001 in Occupational Health and Safety Management Systems.

Report to Shareholders

Low Weng Fatt
Managing Director and CEO

Dear Shareholders,

FY2012 was another milestone year for the Group as we completed the fifth year of our listing on the Exchange in February 2012. In the year under review the Group reported a 37% increase in revenue to S$99.0 million, our highest ever and very close to our milestone revenue target of S$100 million. The resulting S$8.5 million profit before tax was also the highest recorded by the Group and despite a much higher tax bill, the Group managed to maintained its profit after tax close to last year's record.

The good business performance were mainly achieved in the earlier part of the year and as the prevailing recessionary global economic environment set in, the Group's growth slowed in the last quarter. Nevertheless, I am pleased to report on behalf of the Board of Directors, that the Group's growth strategy implemented since we were listed has borne fruit and generated continuing set of commendable results with sterling growth and consistent dividend payout throughout the past years.

Developing into an Integrated Service Provider

The primary business of Chasen when it was listed in 2007 was as a Specialist Relocation Solutions provider. It was the tail end service in the supply chain in the setting up of manufacturing facilities. As we have moved further up the supply chain, we are now able to provide Third Party Logistics and Technical & Engineering services to complement the original Specialist Relocation Solutions services. Our Group now has the capability to provide turnkey services from the construction and facilitating of a manufacturing or service capability to relocating and hooking up the sophisticated machinery and equipment used by the customer. After commencement of operations, the Group is able to continue servicing the customer with other logistics solutions including warehousing and other third party logistics and technical services such as plant maintenance support.

Chasen is currently recognized by major multinational players employing highly sophisticated machinery and equipment in their operations as a quality global relocation solutions provider and we will strive over the next few years to establish our other complementary service capabilities into strong regional players in their respective industries.

Our established track record and expanded service offerings earned us a wider and diversified customer pool. Our list of renowned global customers grew from clients in the electronics sectors of thin-film transistor liquid crystal display ("TFT LCD") panel manufacturers, wafer fabrication and other semi-conductor related industries to encompass customers in the telecommunications, renewable energy, oil & gas, marine and construction sectors as well. Consequently, the

Chasen is currently recognized by major multinational players employing highly sophisticated machinery and equipment in their operations as a quality global relocation solutions provider and we will strive over the next few years to establish our other complementary service capabilities into strong regional players in their respective industries.

Group current business model of diversified revenue source enabled us to weather cyclical industry downturns as shown by the growth of the Group over the past few years.

In our bid to establish ourselves regionally Chasen successfully replicated our business model in both Malaysia and China, as evident in our contracts winning momentum. Notably, the Group clinched more than RMB100 million worth of relocation projects in the People's Republic of China in the financial year under review, a breakthrough vindication of the Company's decision to enter the Chinese market in 2004. The Group currently employs more than 1200 workers region-wide and a good portion of this workforce can be deployed for project execution out of their operating base.

3-D digital museum concept created by Chasen Sinology showcasing ancient Chinese relics.

Business Performance

We achieved yet another record high revenue of S$99.0 million in FY2012, a 37% year-on-year revenue growth from FY2011, and close to a five-fold increase over the revenue in the financial year of our public listing in 2007. This represents a 36.6% CAGR growth over the five years period from FY2007. Increase in the Group's revenue growth was supported by broad-based growth across all three business segments, Specialist Relocation Solutions, Third Party Logistics and Technical & Engineering services. Specialist Relocation Solutions remained to the Group's main revenue driver, contributing about 45% of the Group's revenue in FY2012. Singapore continues to be the Group's main geographical revenue base, contributing S$58.0 million or 59% of total revenue in FY2012.

We concluded FY2012 with a net profit attributable to shareholders of S$7.3 million, achieving 30% CAGR growth from FY2007 to FY2012, representing basic earnings per ordinary share of 3.07 Singapore cents (FY2011: 3.22 Singapore cents) over the enlarged shareholdings.

The Group continues to acquire strategic additions to our total capability and set annual growth and investment return targets to gauge the performance of each subsidiary. We are pleased to present the report card of the business performance of the various subsidiaries for the period under review as measured against the set targets. These results help management to focus its resources on those subsidiaries that require greater support and attention.

Report to Shareholders

Business Unit	Operating / Acquired Since	Achieve y-o-y Growth Target (15% PBT growth)	Achieve Annual Returns Target (25% ROF)	Investment Result
Chasen Logistics Services Limited	1995	Yes	Yes	Successful original business with sustainable annual profit growth.
Chasen (Shanghai) Hi Tech Machinery Services Pte Ltd	2004	Yes	Yes	Had its best year yet in revenue and profits, justifying the investment into the PRC market.
Chasen Sino-Sin (Beijing) Hi Tech Services Pte Ltd/ Chasen Sinology (Beijing) Logistics Co., Ltd	2006, 2008	No	No	A very niche business relying heavily on government budgetary allocation to museums.
REI Technologies Pte Ltd	2006	No	No	Investment returns justified its setup but now needs a change in business model to reset its growth path.
Chasen Logistics Sdn Bhd	2006	Yes	Yes	Successful investment with further growth potential in Malaysian market.
Goh Kwang Heng Group	2008	No	No	Change in business strategy to return to growth.
Hup Lian Engineering Pte Ltd	2008	No	No	Investment justified despite current losses.
DNKH Logistics Pte Ltd	2008	Yes	Yes	Successful investment into the third party logistics business sector with further growth potential.
City Zone Express Sdn. Bhd	2008	No	Yes	Successful acquisition of third party logistics business with high growth potential in Malaysian market.
REI Promax Technologies Pte Ltd / Suzhou Promax Communication Technology Pte Ltd	2009	Yes	No	Business with good growth potential in a low margin contract manufacturing business.
Global Technology Synergy Pte Ltd/ Towards Green Sdn Bhd	2010	Yes	Yes	Investment in growth industry with good growth potential in the region.
Liten Logistics Services Pte Ltd	2011	NA	Yes	Successful acquisition giving good returns.

We are also pleased to report that the Group's efforts in business expansion had attracted international attention. In January 2012, the Group was ranked the 4th fastest growing Singapore company by International Business Times and ranked No. 1 in the Road & Rail category worldwide. This international ranking serves as encouragement for the Group to continue our emphasis on business growth.

Prospects and Outlook

Market conditions are expected to remain challenging for the year ahead resulting in lesser project tender opportunities and delays in project commencement or work in progress. The sales and marketing team will continue to seek business opportunities through sales leads in the regional market so as to build a strong project pipeline.

Report to Shareholders

The Group will still rely substantially on revenue from projects from all its business segments. Such projects require substantial financial resources to execute them successfully. Management recently established a department headed by our Executive Director to vet the viability of these projects before committing our resources to them. The department will also conduct the necessary due diligence and establish the required legal and operational management framework for each project and oversee their successful execution by the subsidiary concerned.

The Group also has a steady recurring revenue base in its relocation and third party logistics businesses where Chasen continues to service their customers by providing on-site relocation support in case any equipment or machinery needs to be relocated to be retrofitted, refurbished or reconfigured due to change in production settings, improvement in product or production technology.

Stiff competition may compromise margins but we will continue to devote conscientious efforts to manage our operating costs so as to remain competitive and nimble in this business environment. We will explore ways to streamline our Group structure to improve efficiency and productivity.

We are committed to enhance shareholders' value through continued sustainable growth. We will work on enlarging and further diversification of our revenue stream to ensure the Group's growth through expanding customer base, market share and geographical spread.

Investor Relations

The Group remains dedicated to improving communications with stakeholders through a series of investor friendly measures to achieve greater corporate transparency, awareness and enhanced brand equity.

We announced our financial results well within 45 days and 60 days for our quarterly and annual results respectively. Briefings were arranged on a quarterly basis where Directors shared with investors the Group's corporate updates, financial review and their views on market outlook. Chasen also participates actively in media interviews and supplements by mainstream media like Straits Times, Lianhe Zaobao, Business Times and online media portal like NextInsight.

The Board updates the Group's shareholders on an annual basis through the Annual General Meeting where robust discussions are encouraged through questions and answers during the meeting.

In December 2011, the Group was also awarded the Certificate of Excellence for "Best Investor Relations" by a SGX Catalist Company at the IR Magazine South East Asia Conference and Awards 2011.

Corporate Citizenry

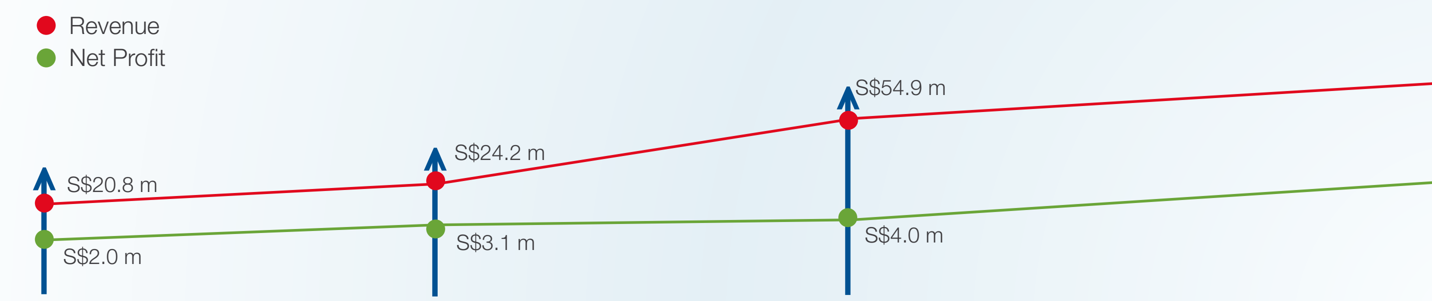
As part of its corporate citizenship philosophy, Chasen continues to exercise its social responsibility to the local community. Chasen sponsored a charity golf tournament organized by the Lions Clubs, participated in a charity golf tournament organized by one of our principal customers (M+W Singapore Pte Ltd) and donated to a children's home that is managed by the Singapore Statutory Board Employees' Co-operative Thrift & Loan Society.

Appreciation

I will like to express my heartfelt gratitude and appreciation to my fellow Directors and all our employees for the breakthroughs we achieved during the year. I would also like to thank our customers and other stakeholders including business partners, associates, suppliers, service providers, professional advisors and intermediaries for their continuing confidence in Chasen's ability to deliver the desired results. Our journey has been made pleasant by your unwavering support.

LOW WENG FATT
Managing Director and CEO

Corporate Milestones

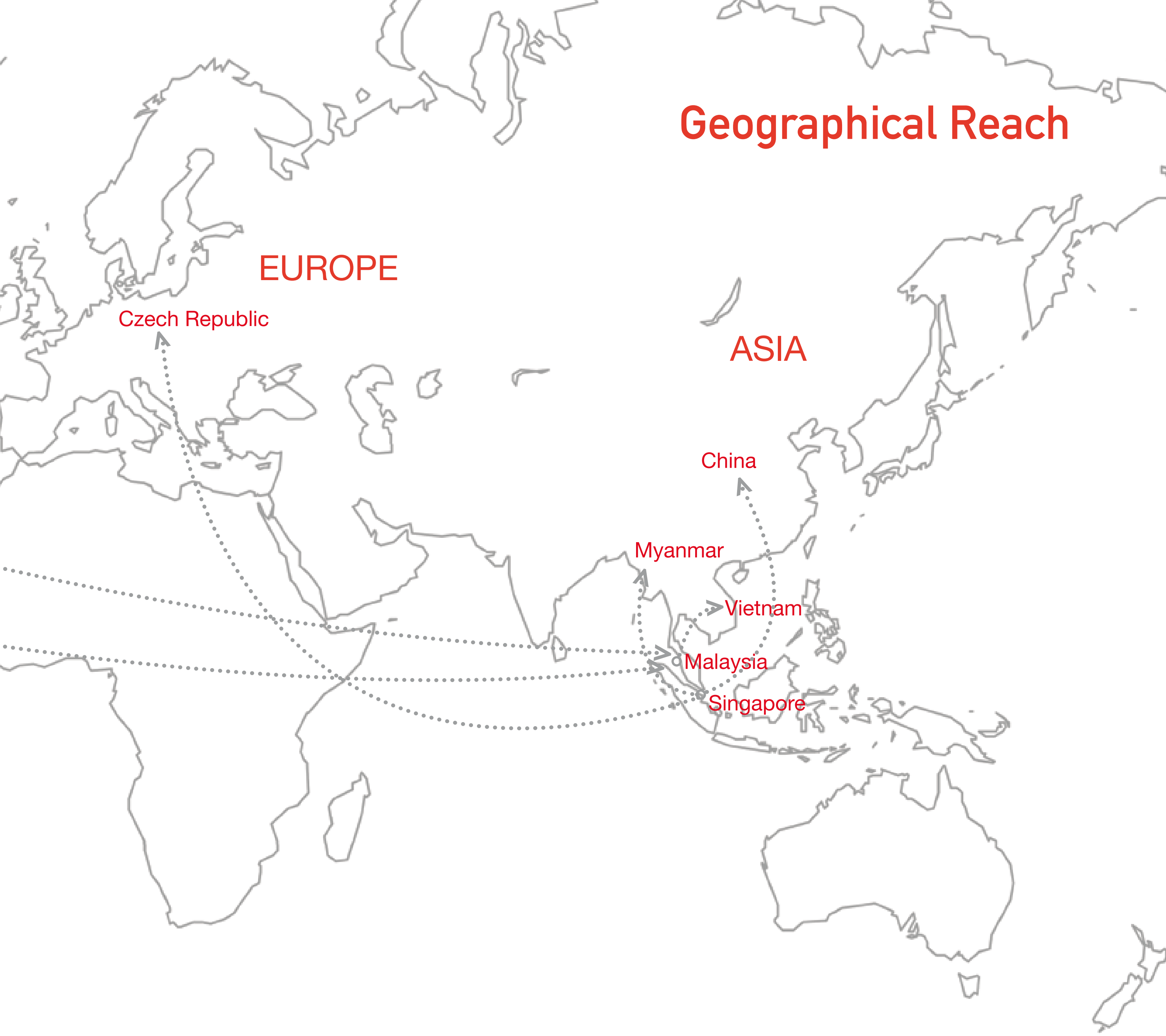


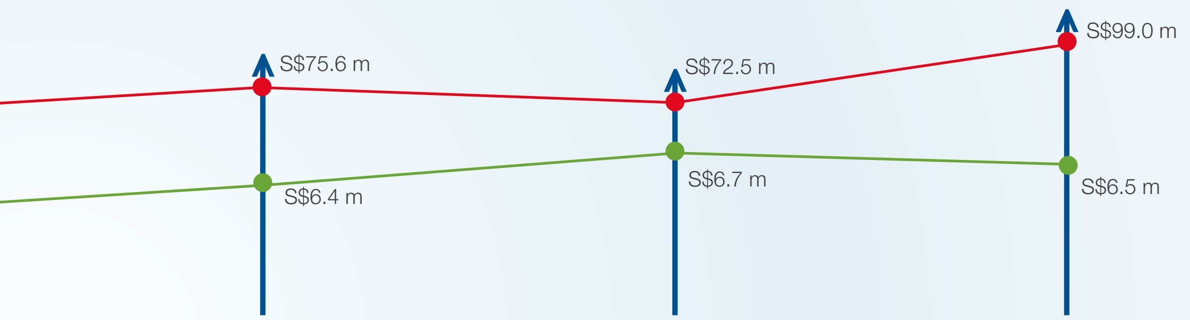
2007
Listed on SESDAQ
(now known as Catalist)

2008
Chasen Reports Exceptional
Jump Of 56% in Net Profit

2009
New Businesses Lift Chasen's
Revenue Higher by 122%

Geographical Reach





2010
Chasen Holdings Limited Reports Sterling Full Year Results

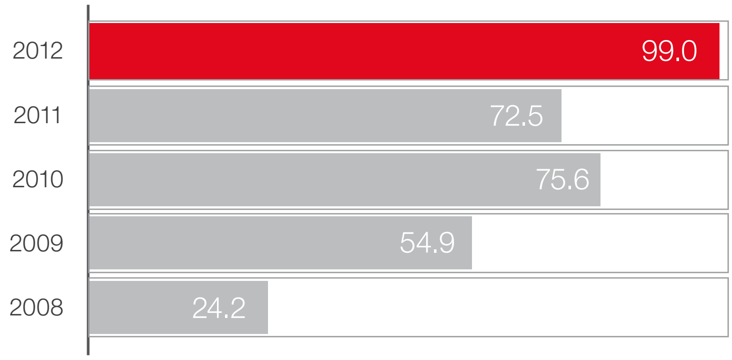
2011
Chasen Delivers All Time High Record Earnings

2012
Chasen Achieves Record Historical High Revenue Since Listing

Financial Highlights

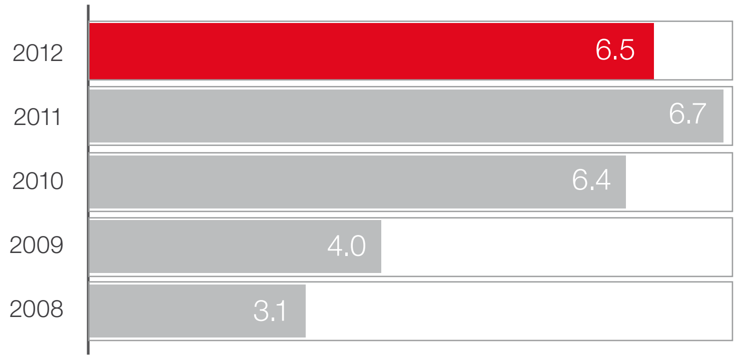
REVENUE ANALYSIS

(S$'MIL)



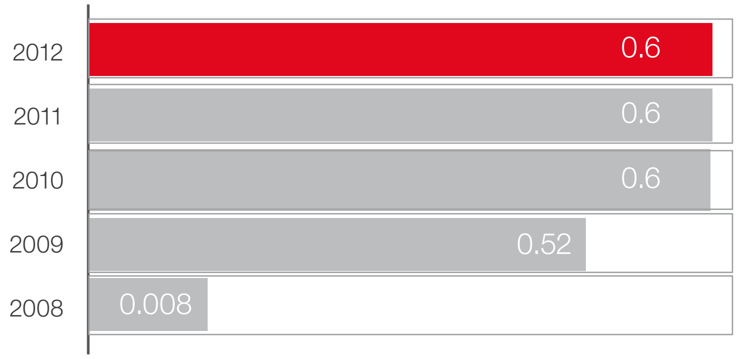
PROFIT AFTER TAX

(S$'MIL)



DIVIDEND PER SHARE

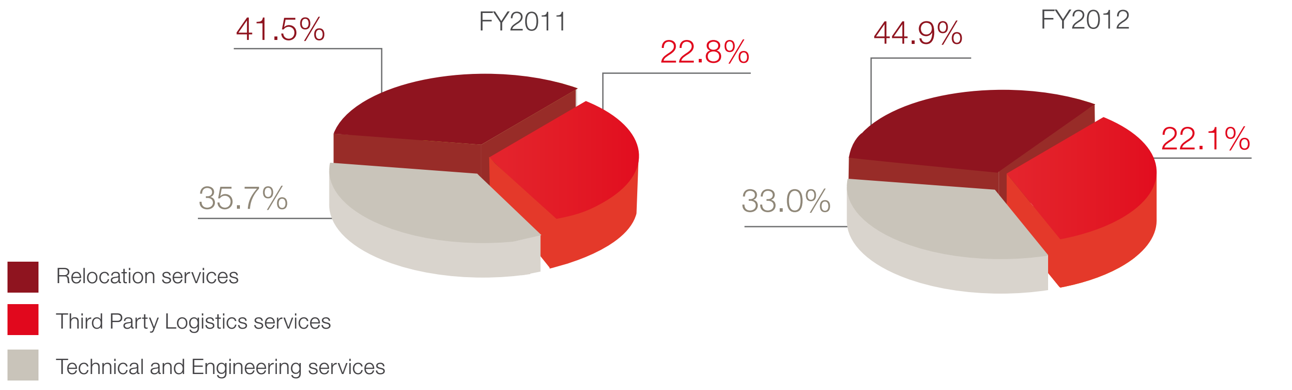
(S$'CENTS))



Financial Highlights

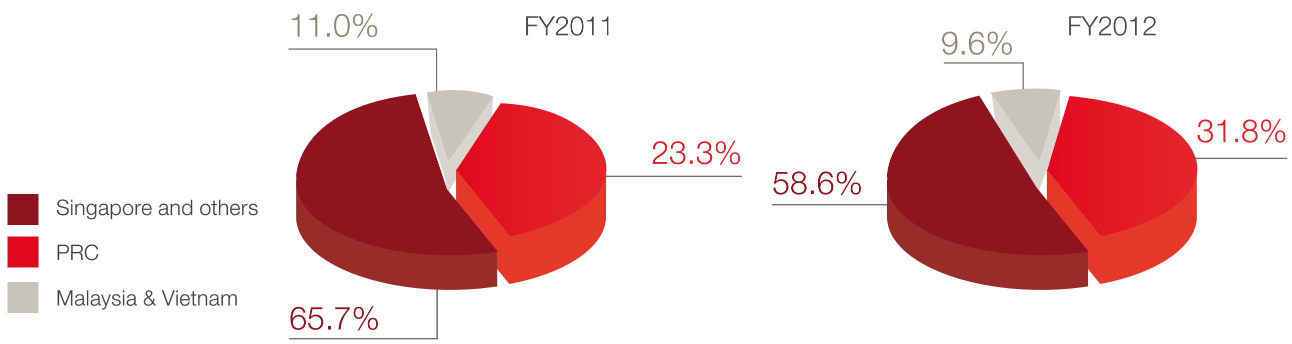
REVENUE BREAKDOWN

BY BUSINESS SEGMENT



REVENUE BREAKDOWN

BY GEOGRAPHICAL



REVENUE CAGR GROWTH

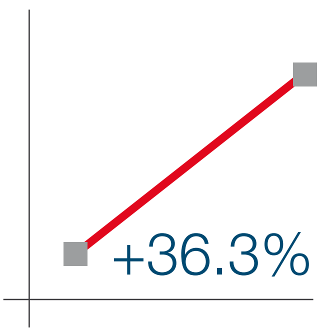
(2007-2011)

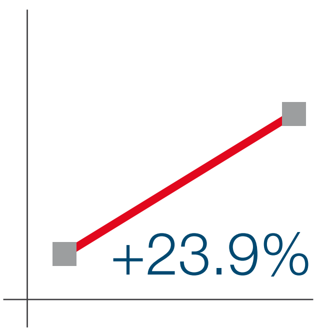
GROSS PROFIT CAGR GROWTH

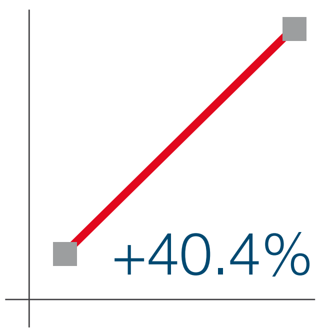
(2007-2011)

NET PROFIT CAGR GROWTH

(2007-2011)

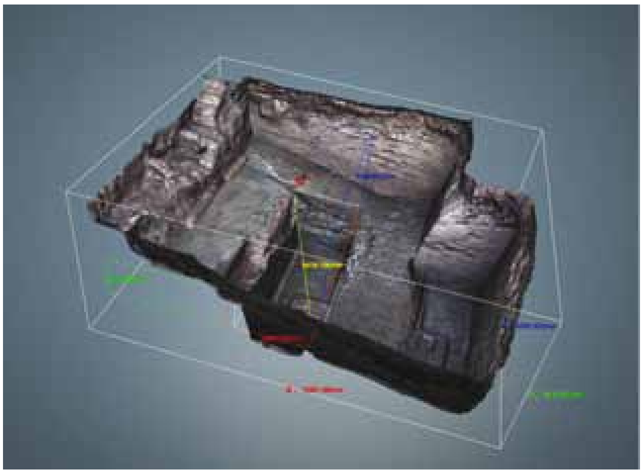






Since our listing on SESDAQ (now known as Catalist) of the Singapore Exchange in February 2007, the Group has been steadily increasing and expanding its capabilities. The Group's revenue for the 4th quarter of the financial period ended 31 March 2012 increased by 22%, up from S$17.8 million to S$21.6 million. Going forward, we will continue pursuing new opportunities in unexplored geographical markets, as we work towards leaving more footprints in the global arena.

Chasen Sinology conservation work on the centuries old Genghis Khan palace found buried underground in Inner Mongolia



3-D model of Genghis Khan palace in Inner Mongolia constructed by Chasen Sinology.

Overall Performance

The year under review has been one with record revenue growth for Chasen. Revenue increased by 37% to S$99.0 million in FY2012, with growth registered across all three business segments of Specialist Relocation, Third Party Logistics and Technical & Engineering services. This achieves the benchmark $100 million set by management when it became a publicly listed company in 2007 and reported revenue of about $16 million in its first financial report as a listed company.

In terms of business segment performance, Specialist Relocation Solutions continued to be the core revenue driver making up 45% of Group revenue, and was the largest contributor to growth, recording a 48% increase to S$44.5 million. Technical & Engineering services, which makes up 33% of Group's revenue, was the second largest contributor to growth with a gain of 26% to S$32.6 million as compared to FY2011. The Group also reported strong growth for Third Party Logistics services, with a 32% growth to S$21.9 million representing 22% of Group's revenue.

Chasen's entry into the People's Republic of China has borne fruit with the award of several major projects from multinationals and their local joint venture partners during the year. It enabled the Group to achieve the annual revenue target of RMB100 million set for its relocation business when it entered the Chinese market in 2004. As a result, the China geographical segment posted the highest revenue growth performance in FY2012 with an 87% improvement over the last financial year to S$31.5 million. Meanwhile, the Group's original market, Singapore, also posted a growth rate of 22% to S$58.0 million while Malaysia and Vietnam registered a combined 19% growth rate for a revenue of S$9.5 million in FY2012.

Beyond the revenue line, gross profit margin remained stable at 28% in FY2012, while other operating income declined 35% due to lower fair value gain on investment properties recognized during the year. Operating expenses, primarily administrative expenses and distribution and selling expenses, increased 28% to S$19.2 million in FY2012, in line with increased business activities in existing and newly acquired subsidiaries. Income tax expenses increased 143% to S$2.1 million in FY2012 upon the expiry of tax incentives it previously enjoyed in the PRC, which also has a higher corporate tax rate than that of Singapore. Consequently, the Group concluded FY2012 with a 3% increase in net profit attributable to shareholders at S$7.3 million.

Specialist Relocation Solutions

The Group completed a number of major relocation projects during the year, some of which were secured during the previous financial year. Wholly-owned PRC subsidiary, Chasen (Shanghai) Hi-Tech Machinery Services Pte Ltd ("Chasen Hi-Tech") was awarded the following projects:

- A RMB40.0 million relocation project to move a 8.5-Generation TFT LCD panel manufacturing plant to a new factory in Beijing, China. This project commenced in November 2010 and was completed in June 2011;

- Another RMB50 million relocation project that involved the relocation and installation of equipment for a 8.5-Generation TFT LCD factory from overseas to Shenzhen, Guangdong Province. It commenced work in March 2011 and completed the project before the end of 2011.

Operations Review

- Relocate an organic light emitting diode (OLED) production plant of a major Korean electronics manufacturer from Busan in South Korea to Guangdong Province in China. The project was for a value of approximately S$1.6 million and was completed in six months by October 2011.

In FY2012, the Group's other Singapore and Malaysia-based specialist relocation units also executed major projects to relocate equipment from factories from various parts of the world to production plants in Johor, Malaysia, Shenzhen, China and the Czech Republic for a total combined value of about S$4.7 million with varying project duration within the current financial year.

These projects firmly established Chasen as the market leader in specialist relocation solutions in this region and a leading industry player with a global reach.

Third Party Logistics

Both DNKH (in Singapore) and City Zone (in Peninsular Malaysia) continue to establish themselves as substantial players in their respective markets with annual revenue exceeding ten million in SGD and RM respectively.

- DNKH secured several large projects one of which was as the main logistics service provider in the Singapore General Elections. It continued to expand its warehousing capacity to meet demand for external warehouse space by its customers.

- City Zone expanded its trucking fleet to service customers of its long distance road haulage of cargo from Thailand across the breadth of West Malaysia to Singapore. It moved closer to being able to offer one-stop third party logistics services with increased warehouse capacity and a distribution service in Kuala Lumpur, outside of its Penang home base.

CZ CITY ZONE EXPRESS

- To manifests its confidence in the Malaysian market and City Zone's ability to command a bigger share of the local market, we acquired the stake of one of the original shareholders when he decided to leave this business in pursuit of other opportunities.

- Chasen Logistics itself secured a long term contract from one of its key semiconductor customers to manage the inventory of the customer's wafer fab-related manufacturing machinery and equipment stored in the Group's air-conditioned and humidity controlled warehouse facility. This contract is worth S$3.94 million and runs from December 2011 to November 2013.

LITEN Logistics Services Pte Ltd

To further strengthen our position in the Singapore market, the Group completed its acquisition of Liten Logistics Services Pte Ltd and its subsidiary, Liten Holdings Pte Ltd, in April 2011. The companies are in the business of goods transportation and distribution, moving services for hi-tech manufacturing industries, moving of heavy machineries such as those used in the construction industry, general warehousing, freight forwarding, packing and crating services. The Group believes that this acquisition will consolidate complementary services to extend the scope of its logistics capability in the region.

Technical & Engineering Services

The newly acquired GTS (Global Technology Synergy) and its Malaysian subsidiary, Towards Green (TG) made further inroads in the market with projects showcasing its versatile engineering and project management capability as follows:

- Designed and built Class 100K and 10K clean rooms including ancillary facilities for de-ionized water, process cooling water, waste water treatment, process vacuum, compressed dry air, electrical & instrumentation, BMS and fire protection system. The contract included equipment hook-up was worth a total of S$4.09 million executed between November 2011 and April 2012.

- Completed an engineering project management contract in Port Dickson, Malaysia to plan the network layout, supply, installation, testing and commissioning of the electrical instrumentation works of a MNC lubricant processing facility with a value of some S$2.13 million from March to August 2011.

- GTS is also finalizing contracts to manage water treatment facilities in the northern provinces of the People's Republic of China.

Engineering fabrication and construction arm, Hup Lian Engineering (HLE) continues to secure and complete projects in Singapore while sourcing and bidding for major construction projects in PRC and Malaysia. Among its more notable projects were:

- Renovation and refurbishment contract involving the supply and installation of hoardings that includes steel and structural and metal cladding works to a wing of a major local five-star hotel. This project, valued around $0.8 million started in November 2011 and was completed the following month.

- It is currently in negotiation for a handful of infrastructural, public housing and resort construction projects in Singapore, Malaysia and China and hopes to close the deal in the current year.

Conclusion

The financial year ahead poses some challenges as the recessionary macro-economic environment continues to affect business sentiments and operations worldwide. The Group's prospects could be impacted as the commencement of projects already bided in the PRC and elsewhere may be delayed. A more competitive business environment places strain on margins. Nevertheless, the Group will focus on increasing operational productivity to enhance competitiveness and to reduce operational costs during lean times. Sales and marketing personnel will continue to strive to secure projects in all its business segments across existing and new geographical markets.

The Group has always been mindful of good corporate governance in financial and operational matters. It will continue to maintain a high standard of internal controls and risk management, regulatory compliance and disclosure to ensure continued success and achievement of its corporate vision and mission.

Corporate Structure

CHASEN™

Chasen Holdings Limited

- 100% Chasen Logistics & Engineering Services Pte Ltd (Singapore)
  - 100% Chasen (Shanghai) Hi Tech Machinery Services Pte Ltd (PRC)
  - 100% Chasen Sino-Sin (Beijing) Hi Tech Services Pte Ltd (PRC)
  - 100% Chasen Logistics (Shanghai) Co., Ltd (PRC)
  - 100% Chasen Sinology (Beijing) Logistics Co., Ltd (PRC)
  - 100% Lelecai Pte Ltd (Singapore)
- 100% Chasen Logistics Services Limited (Singapore)
  - 100% DNKH Logistics Pte Ltd (Singapore)
  - 50% Chasen Globus Logistics Pte Ltd (Singapore)
- 100% Ruiheng International Pte Ltd (Singapore)
  - 100% Chasen Logistics Sdn Bhd (Malaysia)
  - 73.2% City Zone Express Sdn Bhd (Malaysia)
  - 100% Liten Logistics Services Pte Ltd (Singapore)
    - 100% Liten Holdings Pte Ltd (Singapore)
  - 49% Chasen Transport Logistics Co., Ltd (Vietnam)
- 100% REI Technologies Pte Ltd (Singapore)
  - 100% REI Hitech Sdn Bhd (Malaysia)
  - 32% REI Promax Technologies Pte Ltd (Singapore)
- 100% CLE Engineering Services Pte Ltd (Singapore)
  - 23% REI Promax Technologies Pte Ltd (Singapore)
    - 100% Suzhou Promax Communication Technology Co., Ltd (PRC)
  - 51% Hup Lian Engineering Pte Ltd (Singapore)
    - 100% HLE International Pte Ltd (Singapore)
    - 100% Shanghai FengChuang M&E Equipment Co., Ltd (PRC)
      - 100% Shanghai FengChuang Enterprise Management Consultant Co., Ltd (PRC)
    - 100% Shanghai ZhuangHe Construction Co., Ltd (PRC)
  - 100% Goh Kwang Heng Pte Ltd (Singapore)
  - 100% Goh Kwang Heng Scaffolding Pte Ltd (Singapore)
  - 100% Global Technology Synergy Pte Ltd (Singapore)
    - 100% Towards Green Sdn Bhd (Malaysia)
- 100% Chasen Leasing Pte Ltd (Singapore)

Investment Holdings Companies

Relocation Services

3rd Party Logistics Services (3PL)

Technical & Engineering Services

Corporate Information

Board of Directors

Low Weng Fatt (Managing Director and CEO)
Siah Boon Hock (Executive Director)
Yap Koon Bee @ Louis Yap (Non-Executive Director)
Yap Beng Geok Dorothy (Alternate Director to Yap Koon Bee @ Louis Yap)
Ng Jwee Phuan @ Frederick (Eric) (Lead Independent Director)
Tan Sin Huat Dennis (Independent Director)

Audit Committee

Ng Jwee Phuan @ Frederick (Eric) (Chairman)
Tan Sin Huat Dennis
Yap Koon Bee @ Louis Yap

Remuneration Committee

Ng Jwee Phuan @ Frederick (Eric) (Chairman)
Tan Sin Huat Dennis
Yap Koon Bee @ Louis Yap

Nominating Commitee

Tan Sin Huat Dennis (Chairman)
Ng Jwee Phuan @ Frederick (Eric)
Low Weng Fatt

Company Secretary

Chew Kok Liang

Registered Office and Principal Place of Business

18 Jalan Besut
Singapore 619571
Tel: (65) 6266 5978
Fax: (65) 6262 4286
Website: www.chasen.com.sg

Share Registrar and Share Transfer Office

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Auditors

Mazars LLP
Certified Public Accountants
133 Cecil Street
#15-02 Keck Seng Tower
Singapore 069535
Partner in charge: Chan Hock Leong
(a member of the Institute of Certified Public Accountants of Singapore)
(appointed with effect from the financial year ended 31 March 2012)

Principal Banker

DBS Bank Ltd
6 Shenton Way
DBS Building Tower One
Singapore 068809

Board of Directors

Low Weng Fatt
Managing Director and CEO

Siah Boon Hock
Executive Director

Mr Low Weng Fatt, the Managing Director and CEO of the Group, was appointed to the Board of Chasen Holdings Limited since 2007. He was instrumental in ensuring the success of the reverse acquisition of China Entertainment Sports Ltd, which led to the listing of the Chasen Group on SESDAQ (now known as Catalist). As Managing Director and CEO, Mr Low is responsible for establishing the general business direction for the Group, providing the leadership to steer the Group through its growth plans in local and regional markets and pioneering the Group's investment into the region. He continues to identify new business opportunities for the Group in its post-listing growth strategy.

Mr Low joined Chasen Logistics Services as a Project Manager in 1996. He was responsible for project management, operational and technical support, service consultation and after-sales support. He recognised and identified the growth potential of the specialist relocation business in his early years with the Company and focused on the development and growth of this niche logistics business. He gradually built up the Group's operational capability, strengthened its efficiency and management in third party logistics services and complementary technical and engineering businesses.

In late 2003, he extended the Group's operations to PRC, and in 2005 into Malaysia where revenue contribution is substantial enough to be classified as a distinct geographical segment. In 2009, the Group entered the Vietnamese market. He successfully replicated the business success of the Singapore operations in these regional markets.

Given his vision and experience in the Group's niche in the global logistics industry, the Group's performance for the financial year ended 31 March 2012 achieved a historical record high revenue of S$99 million with contributions from all business segments and geographic regions. Mr Low intends to continue extending the scope of the Group's services with regular income stream and to grow the Group's bottom line through greater operational efficiency.

Given his vision and experience in the Group's niche industry, Mr Low also continues to expand the scope of its services to include businesses with regular income streams and to grow the Group's revenue.

Mr Siah Boon Hock, the Executive Director of the Group, was appointed to the Board of Chasen Holdings Limited since 2007. Besides assisting the Managing Director and CEO in strategic planning and following up new business opportunities, he was also appointed the Managing Director for Hup Lian Engineering Pte Ltd and Global Technology Synergy Pte Ltd.

Mr Siah as Executive Director is the Chief Operating Officer of the Company taking direct responsibility for the business success and growth of various operating subsidiaries with the head of these subsidiaries reporting directly to him. Mr Siah is also responsible for overseeing the sourcing, establishment of legal framework and successful execution of major projects in the Technical and Engineering Business Segment that requires specific project funding and resources procured through the parent company that is over and above the normal working capital of the subsidiary involved in the project.

Mr Siah brings with him over 15 years of experience in sales and marketing, which include being a regional sales manager responsible for the sales and market development of supply chain management solutions to personal computer OEMs with internationally recognized brands such as Apple, IBM, Compaq (now known as Hewlett Packard) in Asia. Prior to joining Chasen, Mr Siah was a director with Ascomp Cyberware International Pte Ltd from 2000 to 2001, where he managed the sales development of the trading company.

Board of Directors

Yap Koon Bee @ Louis Yap
Non-Executive Director

Mr Yap Koon Bee @ Louis Yap, a Non-Executive Director of the Group, was appointed to the Board of Chasen Holdings Limited since 2007. He founded the business in 1995 and managed the Group's business until 2001 when he retired from active business management but remains a Non-Executive Director of the Group. His involvement in the industry since the early 60s brings along with him substantial experiences especially in the business of labour supply, transportation as well as warehousing operations. As a Non-Executive Director, Mr Yap acts as an advisor to the Group and continues to provide business network and market contacts to the Group and its subsidiaries.

Ng Jwee Phuan @ Frederick (Eric)
Lead Independent Director

Mr Ng Jwee Phuan @ Frederick (Eric) was appointed as a Lead Independent Director of Chasen Holdings Limited on 6 February 2007. He has been the Principal Consultant of Chadway Management Service Pte Ltd since 1982. He is responsible for providing operational management, planning and executing growth strategies, merger and acquisitions activities and corporate finance services to companies in Singapore and the region. He also advises on business growth and globalization strategies, capital market and corporate governance issues and is an active capital market intermediary matching capital with business. Mr Ng is also active in various societies and institutions, being a member of the Singapore Institute of Directors and a Fellow of the Singapore Human Resource Institute. He had served as District Governor for Singapore of Lions Clubs International from 2002 to 2003.

Mr Ng is also sitting on the Boards of Greater Bendigo Gold Mines Limited and Richfield International Limited, both listed on ASX (Australian Securities Exchange).

Tan Sin Huat Dennis
Independent Director

Mr Tan Sin Huat Dennis was appointed as an Independent Director of Chasen Holdings Limited on 31 July 2009.

Mr Tan also sits on the Boards of Renewal Energy Asia Group Ltd as an Independent Director, China Fashion Holdings Ltd as an Executive Director and Hartawan Holdings Ltd as a Non-Executive Director.

He is the Founder & Director of Innospaces Consulting Pte Ltd., a business consultancy firm that helps organizations in the areas of strategic management, organizational development, leadership development and change management for the public and private sectors.

Mr Tan is an Adjunct Professor teaching Strategic Management, Organizational Behaviour and Leadership in Organization for MBA programs.

He holds a MBA degree from the Nanyang Technological University, Singapore; a Bachelor of Arts degree from the National University of Singapore; and a postgraduate certificate in Executive Coaching from Lancaster University Management School, UK.

Executive Officers

Chew Choy Seng

Chief Financial Officer

Mr Chew Choy Seng was appointed as the Chief Financial Officer of Chasen Holdings Limited on 5 April 2010. He is responsible for the Group's overall financial management, internal controls and compliance requirements of the Group. He is also responsible for developing and improving the efficiency of the Group's financial reporting system and financial resources to fund the Group's expanding business operations. Mr Chew has over 30 years of experience in diversified industries and has held various senior positions in German MNCs like Siemens, Peiniger and Westfalia. He is an Associate Member of the Chartered Institute of Management Accountants, UK and the Institute of Chartered Secretaries and Administrators, UK and Institute of Certified Public Accountants of Singapore.

Prior to joining the Group, Mr Chew was the Group General Manager, Chief Financial Officer and Company Secretary of Compact Metal, a company listed on the SGX.

Yap Beng Geok Dorothy

Administration Manager

Ms Yap Beng Geok Dorothy is the Administration Manager of Chasen Holdings Limited and an Alternate Director to Mr Yap Koon Bee @ Louis Yap, Non-Executive Director. She is responsible for the day-to-day administrative workflow, human resource management and the general administration of the Group businesses in Singapore and Malaysia. She also provides support to other regional operations whenever required. She provided invaluable assistance during the reverse listing of the Chasen Group and continues to be the main liaison with professional advisors in corporate activities of the Company in its continuing listing obligations. Ms Yap joined Chasen Logistics Services in 1995 and over the past 17 years she has been with the Group, she has acquired indepth knowledge of many aspects of the Group's business, including its operation and administration. Prior to joining the Group, Ms Yap worked as an Administrative Officer with a Japanese multinational in Singapore. She is the daughter of Mr Yap Koon Bee @ Louis Yap, a Controlling Shareholder of the Group.

Heads of Business Units

DixzyQuo Nurman
General Manager (Regional)
Chasen Logistics Services Limited ("CLSL")
Chasen Logistics Sdn Bhd ("CLSB")
Chasen Transport Logistics Co., Ltd ("CTL")

Mr DixzyQuo is the General Manager (Regional) in charge of the Group's subsidiaries in the Specialist Relocation Solution business segment in Singapore, Malaysia and Vietnam. He joined Chasen Logistics Singapore in 2000 as a Business Planning Manager, responsible for planning and coordinating the business processes, preparing sales reports and market analysis. Mr DixzyQuo was promoted to his current position in 2004 to oversee general management, including sales and marketing for the Specialist Relocation business, warehousing management services and after-sales support for local and MNC companies in Singapore, Malaysia and Vietnam. He was responsible for the execution of turnkey relocation projects for major international manufacturing companies where machinery and equipment from plants in Singapore and Malaysia were relocated to the Czech Republic, and those from USA and Europe to PRC and Malaysia.

Mr DixzyQuo continues to assist the Managing Director and CEO in expanding the Relocation and 3PL business for the Group. He is a suma cum laude graduate from the Bandung Institute of Technogy, Indonesia where he graduated with a Bachelor of Science (Industrial Engineering) degree, majoring in Economics Engineering.

Cheong Tuck Nang
General Manager/Director
Chasen (Shanghai) Hi Tech Machinery Services Pte Ltd ("HTS")
Chasen Logistics (Shanghai) Co., Ltd ("CLSJ")

Mr Cheong Tuck Nang is the General Manager and the legal representative of the Group's PRC subsidiaries in the Specialist Relocation Solutions business segment. He is responsible for the overall management, sales and marketing and project execution in the People's Republic of China. The Relocation business in China specialized in the relocation of hi-tech equipment for MNC companies from Singapore, Malaysia, Japan, Korea, USA into and within the PRC.

Mr Cheong has been with the Chasen Group since the partnership days of Chasen Logistics Services and he brings with him more than 20 years of experience in the logistics, warehousing management and Specialist Relocation business. He was a pioneer in the setting up of the Group's PRC operation and is responsible for the execution of major large-scale relocation projects of the Group in the region.

Yeo Seck Cheong
General Manager/Director
Chasen Sino-Sin (Beijing) Hi Tech Services Pte Ltd ("SINO")
Chasen Sinology (Beijing) Co., Ltd ("SINOLOGY")

Mr Yeo Seck Cheong is the General Manager and the legal representative of the Group's PRC subsidiaries in the relics digitisation and logistics business. He is responsible for the general management, sales and marketing of the artefact digitization, packaging and transportation for both domestic and international art exhibitions and cultural exchanges in the PRC market. He joined Chasen Logistics in 2000 as a Project Manager responsible for executing relocation projects. Having been in the logistics and relocation industry for more than 15 years, Mr Yeo successfully transferred this experience to the PRC when he set up the relocation business operations for the Group in the PRC. He currently assists the Group Managing Director and CEO in developing and executing the Group's growth strategy in the PRC market, specializing in artefact relocation.

Chiang Mun Hoe Alvin
General Manager
REI Technologies Pte Ltd ("REIS")
REI Hitech Sdn Bhd ("REIM")

Mr Chiang Mun Hoe Alvin is the General Manager of the Group's subsidiaries, REIS and REIM. He is responsible for steering the growth of the business, successful execution of its service operations and strategic planning for the Singapore and Malaysian business units under his charge.

Mr Chiang joined the Group in May 2006 to set up REIS to provide equipment repair, maintenance and related technical services to complement the Group's relocation logistics business. Mr Chiang was responsible in securing a facility management contract where the MNC granted REI Certified Vendor status.

Prior to joining the Group, he was with a SGX-listed technology company, Ellipsiz Ltd, where he oversaw operations, regional market growth, business development as well as co-ordinated public and investor relations for the company. He was also with TECH Semiconductor (S) Pte Ltd (currently a subsidiary of Micron Technology Inc) where his responsibilities covered production / material planning and control, equipment maintenance, special device / technology conversion projects and procurement.

Mr Chiang holds a Diploma in Mechanical Engineering from the Singapore Polytechnic and a graduate of the University of Oklahoma, USA with a Bachelor of Science (Mechanical Engineering) degree.

Lim Wui Liat
General Manager/Director
Liten Logistics Services Pte Ltd ("LLS")
Liten Holdings Pte Ltd ("LH")

Mr Lim Wui Liat is the General Manager/Director of the Group's newly acquired subsidiaries, Liten Logistics Services and Liten Holdings since April 2011. He is responsible for overall management, sales & operations for the entities under his charge.

Mr Lim brings with him more than 20 years of experience in general logistics such as transportation, moving services for heavy machineries, general warehousing, freight forwarding and packing and crating of machineries for the manufacturing and construction industries. Prior to joining the Group, Mr Lim was a major shareholder of the Liten companies.

Mr Lim continues to facilitate complementary capabilities to extend the scope of logistics services for the Group in the region.

Lim Jit Sing Jackson
General Manager
Goh Kwang Heng Pte Ltd ("GKH")
Goh Kwang Heng Scaffolding Pte Ltd ("GKHS")

Mr Lim Jit Sing Jackson is the General Manager of the Group's subsidiaries in the scaffolding business, the Goh Kwang Heng companies. Mr Lim who was originally from the Liten companies, became head of the GKH companies from April 2012. He will be responsible for the overall management, sales and operations

Heads of Business Units

for both companies under his charge. Mr Jackson Lim had joined Liten soon after completing his National Service, where he was responsible for sales, operations and administration in the (Liten) companies. He has more than 10 years of experience in the specialist relocation solutions, general logistics, freight forwarding, packing and crating of machineries for MNC customers. With his good project management skills, he will continue to lead and grow the specialist scaffolding business for the Group in the region.

Prior to joining Chasen, Mr Lim was a shareholder of Liten. He remains as a Director of the Liten companies.

Cheng Chee Chai
General Manager
Hup Lian Engineering Pte Ltd ("HLE")
HLE International Pte Ltd ("HLEI")
Shanghai FengChuang M&E Equipment Co., Ltd ("SHFCM&E")
Shanghai ZhuangHe Construction Co., Ltd ("SHZHC")
Shanghai FengChuang Enterprise Management Consultant Co., Ltd ("SHFCEMC")

Mr Cheng Chee Chai is the General Manager of the Group's subsidiaries in the engineering business segment in Singapore and People's Republic of China. He is also a director and minority shareholder of HLE. Mr Cheng is responsible for engineering, design, supervision and project management for the group of companies under his charge. He assists the Managing Director of HLE Group in strategic planning and oversees the company's expansion into overseas markets. He also looks into the marketing and development of the HLE Group's total capability, extending the Group's presence into new markets.

Mr Cheng has over 20 years of experience in the construction industry. Prior to joining Hup Lian Engineering, he was a Project Manager with Kay Lim Construction & Trading Pte Ltd. He was also an Engineer with Jurong Town Corporation, Tuffi Coatings Pte Ltd and CH & Associates Consulting Engineers from 1988-1994 where he planned, supervised, coordinated and managed design of various construction works.

Mr Cheng graduated with a Bachelor of Civil Engineering and attained his Masters of Science (Civil Engineering) from the National University of Singapore. He also has a Masters of Applied Science in Computer Engineering (MASCE). Mr Cheng is a certified Professional Engineer and is a Member of the Institute of Engineers Singapore (MIES).

Hein Ke Long
General Manager
REI Promax Technologies Pte Ltd ("REIPMX")
Suzhou Promax Communication Technology Co., Ltd ("SZPMX")

Mr Hein Ke Long is the General Manager of the Group's subsidiaries in the contract manufacturing business in Singapore and the PRC. He is also a director and minority shareholder of Promax where he is responsible for the overall sales and marketing function of the precision machining business. He is responsible for providing solutions such as prototype, machining, precision engineering and machining for components such as moulds, jigs and fixtures, mechanical sub-assemblies, design and fabrication of special purpose machines and reverse engineering.

He is also responsible for steering the growth of the business, ensuring that the companies under his charge, are able to secure more orders for its operations in Singapore and Suzhou.

Mr Hein has more than 20 years of experience in the precision engineering manufacturing industry.

Lim Chor Ghee
General Manager/Director
Global Technology Synergy Pte Ltd ("GTS")
Towards Green Sdn Bhd ("TG")

Mr Lim Chor Ghee is the General Manager/Director of the Group's subsidiaries, GTS and TG. He is responsible for strategic planning, overall management, operations and profitability of the entities under his charge. Mr Lim has more than 14 years experience in project management in the construction industry. He is also familiar with the operations, design and system start-up for ultra-pure deionize water, acid/caustic scrubber, VOC abatement system, wastewater reclamation, wastewater treatment facilities and system. Mr Lim has managed projects, design, lead, production and quality control, establishing and executing work plans and construction management for MNCs both in Singapore and Malaysia. He also oversee the marketing and development of the entities business, extending the Group's presence in new markets for the technical and engineering business segment.

Mr Lim holds a Bachelor in Chemical Engineering degree from the National Taiwan University, Taiwan.

Heng Khim Soon
General Manager
DNKH Logistics Pte Ltd ("DNKH")

Mr Heng Khim Soon is the General Manager of the Group's Singapore subsidiary in third party logistics, DNKH. He is responsible for the overall management, operations and control of the entity under his charge. He brings with him a wealth of experience accumulated over the past 20 years in the freight forwarding and third party logistics business. Mr Heng is tasked with the challenges to ensure the Group enjoys the most competitive rates for shipment to/fro Singapore and within the region. He provides the other business units within the Group with value-added services for their customers who require logistics services in freight forwarding, warehousing, transportation, customs brokerage and other supply chain services. Under the helm of Mr Heng, there is currently a fleet of more than 20 units of trucks and almost a hundred field operation personnel working on the distribution and warehousing business. Mr Heng also assists the Group with strategic expansion plans to strengthen our global network in the freight industry.

S. Pirithivaraj Selvarajoo
General Manager/Director
City Zone Express Sdn Bhd ("CZE")

Mr S. Pirithivaraj Selvarajoo is the General Manager/Director of the Group's Malaysian 3PL subsidiary, CZE. He is responsible for the overall management of the entity under his charge. CZE provides freight forwarding, warehousing, transportation, customs brokerage and other logistics supply chain services, operating out of Penang. He is also responsible for the control and operation of a sizeable truck fleet comprising some 35 units, which are deployed for daily interstate long and short haul overland transportation between Singapore, Peninsular Malaysia and Thailand. Mr Raj continues to work on strengthening CZE's cross-border logistics service to enhance the Group's revenue base. He also assists the Group in identifying business opportunities to grow the Group's business in Malaysia.

Financial Contents

Corporate Governance Statement

The Board of Directors of Chasen Holdings Limited (the "Company" and together with its subsidiaries, the "Group") is committed to setting in place corporate governance practices which are in line with the recommendations of the Singapore Code of Corporate Governance 2005 (the "Code") to provide the structure through which protection of the interests of its shareholders, stakeholders and investing public is met. This report sets out the Company's corporate governance practices for the year ended 31 March 2012 with specific reference made to each principles of the Code.

BOARD MATTERS

Board's Conduct of its Affairs

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with Management to achieve this and the Management remains accountable to the Board.

The Board's primary role is to protect and enhance long-term shareholders' value and returns. The Board meets quarterly and as warranted by particular circumstances, as deemed appropriate by the members of the Board.

The principal functions of the Board include, amongst other things, the following:-

- providing entrepreneurial leadership, setting strategic directions, overseeing management effectiveness and ensuring proper conduct of the Group's business;
- providing the overall strategy of the Group;
- establishing a framework of prudent and effective controls which enables risks to be assessed and managed;
- reviewing management performance;
- sets the Company's values and standards, and ensures that obligations to shareholders and other stakeholders are understood and met; and
- assuming responsibility of corporate governance framework of the Group.

To assist the Board in the execution of its responsibilities, the Board is supported by three Board committees, namely the Nominating Committee, the Remuneration Committee and the Audit Committee. Each Board committee has its own defined terms of reference. All Board committees are headed by Independent Directors.

As an added control mechanism, the Company has identified the following areas for which the Board's approval must be sought: -

- Approval of quarterly and full-year result announcements for release to the Singapore Exchange Securities Trading Limited (the "SGX-ST");
- Approval of the annual reports and audited financial statements;
- Convening of shareholders' meetings;
- Approval of corporate strategies;
- Approval of material acquisitions and disposal of assets; and
- Approval of major investment and funding decisions.

Formal Board meetings are held at least four times a year to approve the quarterly results announcement and to oversee the business affairs of the Group. The Board is free to seek clarification and information from Management on all matters within their purview. Ad-hoc meetings are convened when the circumstances require. In the course of the financial year under review, as at the date of this report, the number of Board and Board committee meetings held and attended by each Board member is set out as follows:

Name	Board		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of meeting held	No. of meeting attended	No. of meeting held	No. of meeting attended	No. of meeting held	No. of meeting attended	No. of meeting held	No. of meeting attended
Low Weng Fatt	4	4	4*	4*	2	2	1*	1*
Siah Boon Hock	4	4	4*	4*	2*	2*	1*	1*
Yap Koon Bee @ Louis Yap	4	4	4	4	2*	2*	1	1
Ng Jwee Phuan @ Frederick (Eric)	4	4	4	4	2	2	1	1
Tan Sin Huat Dennis	4	3	4	3	2	2	1	1
Yap Beng Geok Dorothy [1]	4	4	4	4	2	2	1	1

(1) Alternate Director to Yap Koon Bee @ Louis Yap

* By Invitation

The Company's Articles of Association provide for the Directors to participate in Board and Board Committee meetings by means of telephonic conference or in such manner as the Board may determine.

The Board has in place an orientation and training programme for newly appointed Directors in order to familiarize them with the Group's business operations, strategic directions, directors' duties and responsibilities and corporate governance practices. Upon appointment of new Director, a formal letter setting out his duties and responsibilities will be provided. The Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of directors' duties and responsibilities. The Directors are also kept abreast of any developments which are relevant to the Group and any developments of relevant new laws and regulations.

BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board consists of six members, the majority of whom are non-executive including two who are Independent Directors:-

Executive Directors
Low Weng Fatt (Managing Director and CEO)
Siah Boon Hock

Non-Executive Director
Yap Koon Bee @ Louis Yap
Yap Beng Geok Dorothy, Alternate Director to Yap Koon Bee @ Louis Yap

Independent Directors
Ng Jwee Phuan @ Frederick (Eric)
Tan Sin Huat Dennis

The Board considers a Director independent if he has no relationship with the Company, its related companies or its officers that could interfere or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

The independence of each Director is reviewed annually by the Nominating Committee in accordance with the Code's definition of independence. Each Director is required to complete a 'Confirmation of Independence' form to confirm his independence. The said form, which was drawn up based on the definitions and guidelines set forth in Guideline 2.1 in the Code and the Guidebook for Audit Committees in Singapore issued by Audit Committee Guidance Committee ("Guidebook") in October 2008, requires each Director to assess whether he considers himself independent despite not having any of the relationships identified in the Code.

The Nominating Committee has reviewed the forms completed by each Director and is satisfied that at least one-third of the Board comprises Independent Directors.

The Nominating Committee is of the view that the Board comprises Directors who have the appropriate mix of diversity, expertise and experience, and collectively possess the necessary core competencies for effective functioning and informed decision-making.

The Board takes into account the scope and nature of the Company's operations and is of the opinion that the size is ideal to facilitate effective deliberations and decision making of the Board. The Non-Executive Directors would constructively challenge and help develop proposals on strategy and would review performance of Management in meeting agreed goals and objectives and monitoring the reporting of performance.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There should be a clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

During the financial year ended 31 March 2012, Low Weng Fatt being the Managing Director and CEO of the Company, has executive responsibility for the Group's businesses. Responsibility for the workings of the Board is jointly held by Low Weng Fatt and the Lead Independent Director Ng Jwee Phuan @ Frederick (Eric) to ensure that procedures are introduced to comply with the Code.

In line with corporate governance best practices, the Board has appointed Ng Jwee Phuan @ Frederick (Eric) as the Lead Independent Director to lead and co-ordinate the activities of the Independent Directors, to act as the principal liaison between the Independent Directors and the Managing Director and CEO on sensitive issues and to hold meetings with Independent Directors when required.

The Board has set clear guidelines in respect of decisions that are to be made by the Board, decisions that are to be made by the Managing Director and CEO in consultation with the Board while leaving it to the judgement of Management as to other matters that ought to be referred to the Board. The Board is of the opinion that the process of decision making by the Board has been independent and has been based on collective decisions without any individual exercising any considerable concentration of power or influence.

The Board has to date not appointed a Chairman. The Lead Independent Director is elected to chair each Board meeting while the Chairman's role to ensure the effectiveness of the Board in all aspects, set its agenda; ensure that the directors receive accurate, timely and clear information; ensure effective communication with shareholders; encourage constructive relations between the Board and Management; facilitate the effective contribution of Non-Executive Directors in particular; encourage constructive relations between Executive Directors and Non-Executive Directors; and promote high standards of corporate governance, is jointly assumed by Mr Low Weng Fatt and Mr Ng Jwee Phuan @ Frederick (Eric).

BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment of new directors to the Board.

The Nominating Committee currently comprises the following three members, of whom two are Independent Directors:

Tan Sin Huat Dennis (Chairman)
Ng Jwee Phuan @ Frederick (Eric)
Low Weng Fatt

The Nominating Committee is governed by its written terms of reference. In accordance with the requirement of the Code, the Chairman of the Nominating Committee is not directly associated with a substantial shareholder of the Company. The Nominating Committee makes recommendation to the Board on all nominations for appointment and re-appointment to the Board, and the Board committees. It ascertains the independence of Directors and evaluates the Board's performance. The Nominating Committee assesses the independence of Directors, based on the guidelines set out in the Code, the Guidebook and any other salient factors.

Following its annual review, the Nominating Committee has endorsed the independence status of Ng Jwee Phuan @ Frederick (Eric) and Tan Sin Huat Dennis. The Nominating Committee, in recommending the nomination of any Director for re-election, considers the contribution of the Director, which includes his attendance record, overall participation, expertise, strategic vision, business judgment and sense of accountability.

The Nominating Committee is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group, notwithstanding that some of the Directors have multiple board representations, and there is presently no need to implement internal guidelines to address the competing time commitments. This matter is reviewed on an annual basis by the Nominating Committee.

Pursuant to the Company's Articles of Association, every Director (except the Managing Director and CEO, who may be appointed for a term of up to five years) must retire from office at least once every three years by rotation. Directors who retire are eligible to offer themselves for re-election. New Directors are appointed by way of Board resolution following which they are subject to re-election by shareholders at the next Annual General Meeting.

Each member of the Nominating Committee shall abstain from voting on any resolutions in respect to his re-nomination as a Director.

Corporate Governance Statement

The Nominating Committee has recommended the re-election of Siah Boon Hock who is retiring at the forthcoming Annual General Meeting to be held on 26th July 2012 (the "forthcoming AGM"). The Board has accepted the recommendation and the retiring Director would be offering himself for re-election.

Key information regarding the Directors is set out below:

Name of Director	Date of First Appointment	Date of Last Re-election	Directorship and Chairmanship in Other Listed Companies and Major Appointments (Present and held over preceding 3 years)
Low Weng Fatt	6 February 2007	Not Applicable	Nil
Siah Boon Hock	6 February 2007	30 July 2010	Nil
Yap Koon Bee @ Louis Yap	6 February 2007	8 August 2011*	Nil
Ng Jwee Phuan @ Frederick (Eric)	6 February 2007	8 August 2011	**Listed Companies - Present** 1. Greater Bendigo Gold Mines Limited 2. Richfield International Limited **Listed Companies – Preceding 3 Years** 1. Avasplas Ltd **Major Appointments** Nil
Tan Sin Huat Dennis	31 July 2009	30 July 2010	**Listed Companies - Present** 1. Renewable Energy Asia Group Ltd 2. China Fashion Holdings Limited 3. Hartawan Holdings Ltd **Listed Companies – Preceding 3 Years** 1. Swing Media Technology Group Ltd **Major Appointments** Nil
Yap Beng Geok Dorothy [(1)]	29 May 2008	Nil	Nil

(1) Alternate Director to Yap Koon Bee @ Louis Yap

* Re-appointment as a Director pursuant to Section 153(6) of the Companies Act, Chapter 50

BOARD PERFORMANCE

Principle 5: There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

The Nominating Committee had implemented and continued with an annual performance evaluation for assessing the effectiveness of the Board as a whole and has completed the assessment. The purpose of the evaluation process is to increase the overall effectiveness of the Board. The Nominating Committee had decided unanimously, that the Directors will not be evaluated individually but factors taken into consideration for their re-nomination are the extent of their attendance, participation and contribution in the proceedings of the meetings.

Each Director was requested to complete evaluation forms to assess the overall effectiveness of the Board as a whole. The appraisal process focused on the evaluation of factors such as the size and composition of the Board, the Board's access to information, Board processes and accountability, communication with Senior Management and Directors' standards of conduct.

The Board and the Nominating Committee have endeavoured to ensure that Directors appointed to the Board possess the experience, knowledge and expertise critical to the Group's business.

ACCESS TO INFORMATION

Principle 6: In order to fulfill their responsibilities, Board members should be provided with complete, adequate and timely information prior to Board meetings and on an on-going basis.

To enable the Board to fulfill its responsibility, Management strives to provide Board members with adequate and timely information for Board and Board committee meetings on an on-going basis. Board and Board committee papers are prepared for each meeting and are disseminated to the Board members before the meetings. Board and Board committee papers include sufficient information from Management on financial, business and corporate matters of the Group so as to enable Directors to be properly briefed on matters to be considered at the Board and committee meetings. Directors are given separate and independent access to the Group's key executives and Company Secretary to address any enquiries.

The Company Secretary and/or his representatives administer, attend and prepare minutes of Board and Board committee meetings, and assist the Chairmen in ensuring that proper procedures at such meetings are followed and reviewed so that the Board and Board committees function effectively. The Company Secretary also attends all Board and Board committee meetings and assist the Chairmen in ensuring that the Company complies with the requirements of the Companies Act, Cap. 50, the Listing Manual Section B: Rules of Catalist of the SGX-ST ("Rules of Catalist") and other relevant rules and regulations that are applicable to the Company. The appointment and removal of the Company Secretary are subject to the approval of the Board.

Directors may seek professional advice in furtherance of their duties and the costs will be borne by the Company.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The Remuneration Committee currently comprises the following three members, of whom two are independent directors:

Ng Jwee Phuan @ Frederick (Eric) (Chairman)
Tan Sin Huat Dennis
Yap Koon Bee @ Louis Yap

The Remuneration Committee is governed by its written terms of reference. The principal functions of the Remuneration Committee are, *inter alia*:

(1) To review and submit its recommendations for endorsement by the Board, a framework of remuneration and the specific remuneration packages and terms of employment (where applicable) for each director, CEO (or executive of equivalent rank) if the CEO is not a Director and senior management, including but not limited to senior executives who report directly to the CEO of the Group and employees related to the Executive Directors and Controlling Shareholders of the Group. The Independent Directors on the Remuneration Committee shall review and approve annually the total remuneration of the Directors, Executive Officers and other employees who are related to the Substantial Shareholders of the Company.

(2) To review and submit its recommendations for endorsement by the Board, the awards granted under the Chasen Performance Share Plan or any long term incentive schemes which may be set up from time to time and to do all acts necessary in connection therewith.

(3) To cover all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind in its review and recommendations.

Each member of the Remuneration Committee refrains from voting on any resolutions in respect of the assessment of his remuneration. No Director was involved in determining his own remuneration.

In structuring and reviewing the remuneration packages, the Remuneration Committee seeks to align interests of Directors with those of shareholders and link rewards to corporate and individual performance as well as roles and responsibilities of each Director. All Independent Directors are paid Directors' fees that are subject to shareholders' approval at the Annual General Meeting.

The Remuneration Committee has full authority to engage any external professional advice on matters relating to remuneration as and when the need arises.

LEVEL AND MIX OF REMUNERATION

Principle 8: The level of remuneration should be appropriate to attract, retain and motivate the directors needed to run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance.

The Remuneration Committee will take into account the industry norms, the Group's performance as well as the contribution and performance of each Director when determining remuneration packages.

The Independent Directors receive Directors' fees and share awards under the Chasen Performance Share Plan, in accordance with their contributions, taking into account factors such as effort and time spent, responsibilities of the Directors and the need to pay competitive fees to attract, retain and motivate the Directors. The Independent Directors shall not be over-compensated to the extent their independence may be compromised.

The remuneration for the Executive Directors and Management comprise a basic salary component and a variable component, namely, the annual bonus and share awards under the Chasen Performance Share Plan. The latter is based on the performance of the Group as a whole and their individual performances.

The Company entered into a service agreement with our Managing Director, Low Weng Fatt for a fixed appointment period and it does not contain onerous removal clauses. The service agreement allows termination by either party giving not less than six months' notice in writing to the other. The Remuneration Committee is responsible for the review of compensation commitments the service agreement, if any, entails in the event of early termination.

The Board is of the view that the remuneration offered to the Directors and Management is fair and competitive. The Remuneration Committee will carry out annual reviews of the remuneration packages of the Directors and Management, having due regard to their contributions as well as the financial and commercial needs of the Group.

DISCLOSURE ON REMUNERATION

Principle 9: Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.

The Company's Directors receiving remuneration from the Group for the financial year ended 31 March 2012 are as follows:

Remuneration Band	**Number of Directors**	
	2012	**2011**
$500,000 and above	1	1
$250,000 to below $500,000	1	1
Below $250,000	3	3
Total	5	5

A breakdown of each individual director's and key executive's remuneration, in percentage terms showing the level and mix for the financial year ended 31 March 2012, is as follows:

	Fees %	Salary %	Bonus %	Other Benefits %	Total Compensation %
Directors					
$500,000 and above					
Low Weng Fatt	12	47	41	–	100
$250,000 to below $500,000					
Siah Boon Hock	17	56	24	3	100
Below $250,000					
Yap Koon Bee @ Louis Yap	91	–	–	9	100
Ng Jwee Phuan @ Frederick (Eric)	95	–	–	5	100
Tan Sin Huat Dennis	91	–	–	9	100
Yap Beng Geok Dorothy	–	–	–	–	–
Key Management					
$250,000 to below $500,000					
–					–
Below $250,000					
Chew Choy Seng	–	74	20	6	100
DixzyQuo Nurman	–	64	36	–	100
Cheong Tuck Nang	–	73	27	–	100
Yeo Seck Cheong	–	93	7	–	100
Chiang Mun Hoe Alvin	–	64	36	–	100
Yap Beng Geok Dorothy	–	67	22	11	100

The remuneration of one of the employees related to Yap Beng Geok Dorothy, an Alternate Director of the Company, exceeds S$150,000 for the financial year ended 31 March 2012.

The Remuneration Committee has reviewed and approved the remuneration packages of the Directors and Key Management, having due regard to their contributions as well as the financial and commercial needs of the Group and has ensured that the Directors are adequately but not excessively remunerated.

ACCOUNTABILITY

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board understands its accountability to our shareholders on the Group's position and performance.

This accountability to our shareholders is demonstrated through the presentation of our periodic financial statements as well as announcements and news releases of significant corporate developments and activities so that the shareholders can have a detailed explanation and balanced assessment of the Group's financial position and prospects.

The Management maintains close contact and communication with the Board by various means including the preparation and circulation to all Board members quarterly financial statements of the Group. This allows the Directors to monitor the Group's performance as well as Management's achievements of the goals and objectives determined and set by the Board.

AUDIT COMMITTEE

Principle 11: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The Audit Committee currently comprises the following three members, of whom two are independent directors:

Ng Jwee Phuan @ Frederick (Eric) (Chairman)
Tan Sin Huat Dennis
Yap Koon Bee @ Louis Yap

The Company has adopted and has complied with the principles of corporate governance under the Code in relation to the roles and responsibilities of the Audit Committee.

The Board is of the view that the members of the Audit Committee are appropriately qualified, having the necessary accounting or related financial management expertise or experience to discharge their responsibilities.

The Audit Committee will focus principally on assisting the Board in fulfilling its duties by providing an independent and objective review of the financial management process, internal controls and the audit function. The Audit Committee will meet at least four times a year to perform, *inter alia*, the following functions:

(a) Financial Reporting

The Audit Committee reviews the quarterly and annual results announcements, as well as any formal announcements relating to the company's financial performance, with Management and external auditors before submission to the Board for approval, focusing in particular on significant financial reporting issues and judgements; changes in accounting policies and practices, major risk areas; significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Rules of Catalist and any other relevant statutory or regulatory requirements.

(b) External Audit

The Audit Committee reviews, with the external auditors, the audit plans, the audit report and Management's response and actions to correct any noted deficiencies; to discuss problems and concerns, if any, arising from the review and audits; to review the independence of the external auditors annually; and to recommend to the Board the appointment, re-appointment or removal of the external auditors. In addition, the Audit Committee meets with the external auditors without the presence of Management at least once a year to discuss any matter that the external auditors may raise during such a meeting.

(c) Internal Audit

The Audit Committee reviews, with the internal auditors, the internal audit plan, the scope and results of the internal audit including the effectiveness of the internal audit process. It ensures that the internal audit function is adequately resourced and has appropriate standing within the Group. It also reviews annually to ensure the adequacy of the internal audit process and monitors the implementation of Management's response to the internal audit findings to ensure that appropriate follow-up measures are taken.

(d) Interested Person Transactions

The Audit Committee regularly reviews if the Group will be entering into any interested person transactions and if it does, to ensure that the Group complies with the requisite rules under Chapter 9 of the Listing Manual Section B: Rules of the Catalist of the SGX-ST.

(e) Whistle-blowing

The Audit Committee reviews arrangements by which staff of the Company and of the Group may in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for the independent investigation of such matters and for appropriate follow up action.

The Company has implemented a whistle blowing policy whereby accessible channels are provided for employees to raise concerns about possible improprieties in matters of financial reporting or other matters which they become aware and to ensure that:

(i) independent investigations are carried out in an appropriate and timely manner;

(ii) appropriate action is taken to correct the weaknesses in internal controls and policies which allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and

(iii) administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate balanced and fair, while providing reassurance that they will be protected from reprisals or victimization for whistle-blowing in good faith and without malice.

The Audit Committee has full access to the Management and also full discretion to invite any Director or key management to attend its meetings, and has been given reasonable resources to enable it to discharge its function.

In July 2010, the Singapore Exchange Limited and Accounting and Corporate Regulatory Authority had launched the “Guidance to Audit Committees on Evaluation of Quality of Work performed by External Auditors” which aims to facilitate the Audit Committee in evaluating the external auditors. Accordingly, the Audit Committee had evaluated the performance of the external auditors based on the key indicators of audit quality set out in the said Guidance.

The Company has paid the following aggregate amount of fees to Mazars LLP, the external auditors, for the financial year ended 31 March 2012 : -

Services	**Amount (S$)**
Audit service	200,000
Non-audit service	8,000
Total	208,000

The Company has complied with Rules 715 and 716 of the Rules of Catalist as all significant Singapore based subsidiaries of the Company are audited by Mazars LLP for the purposes of the consolidated financial statements of the Company and its subsidiaries. The Board and the AC is satisfied that the appointment of different auditing firm for the Company’s other subsidiaries would not compromise the standard and effectiveness of the audit of the Company.

During the financial year ended 31 March 2012, the Audit Committee met with the external auditors and internal auditors without the presence of Management.

The Audit Committee has also undertaken a review of the independence and objectivity of the external auditors. The Audit Committee is satisfied that notwithstanding non-audit services provided for by the external auditors, the Audit Committee is of the view that the external auditors are independent and the external auditors had also provided a confirmation of their independence to the Audit Committee. The Audit Committee had assessed the external auditors based on factors such as performance, adequacy of resources, experience of their audit engagement partner and audit team assigned to the Group's audit as well as the size and complexity of the Group. Accordingly, the Audit Committee is satisfied that Rule 712 of the Rules of Catalist is complied with and has recommended to the Board of Directors, the nomination of the external auditors for re-appointment at the forthcoming AGM.

As there has been no Interested Person Transactions during the financial year ended 31 March 2012, the Audit Committee is of the opinion that Chapter 9 of the Rules of Catalist has been complied with. The Audit Committee has nevertheless established the necessary review procedures should Interested Person Transactions arise.

In the event that a member of our Audit Committee is interested in any matter being considered by our Audit Committee, he will abstain from reviewing that particular transaction or voting on that particular resolution.

The Audit Committee has, within its terms of reference, the authority to obtain independent professional advice at the Company's expense as and when the need arises.

INTERNAL CONTROLS

Principle 12: The Board should ensure that the Management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.

Although the Board acknowledges that it is responsible for the Group's overall system of internal controls, the Board also recognizes that no internal control system will preclude all errors and irregularities. The Group's system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. The internal controls in place will address the financial, operational and compliance risks, and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss and assets are safeguarded.

Relying on the reports from the internal auditors and external auditors and the representation letters from the Management, the AC carried out assessments of the effectiveness of key internal controls during the year. Any material non-compliance or weaknesses in internal controls or recommendations from the internal auditors and external auditors to further improve the internal controls were reported to the AC. The AC will follow up on the actions taken by the Management and on the recommendations made by both the internal auditors and external auditors.

Material associates and joint ventures which the Company does not control are not dealt with for the purposes of this board opinion.

The Directors have received the management representation letters from the Executive Directors and the Chief Financial Officer of the Company and from the Executive Directors, General Managers and Heads of Finance, Operations and Sales of the key subsidiaries as well as Heads of Group functions in relation to the financial information for the year.

Based on the various management controls put in place, the reports from the internal auditors and external auditors, representation letters from the Management, periodic reviews by the Management, the Board with the concurrence of the AC is of the opinion that the system of internal controls addressing financial, operational and compliance risks maintained by the Company during the year are adequate in meeting the current needs of the Group's business operations and provide reasonable, but not absolute, assurance against material financial misstatements or material loss and safeguarding the Group's assets.

The Board also notes that all internal control systems and risk management systems contain inherent limitations and no system of internal controls or risk management could provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, and/or other irregularities.

As the Group continues to grow the business, the Board will continue to review and take appropriate steps to strengthen the Group's overall system of internal controls and risk management.

INTERNAL AUDIT

Principle 13: The Company should establish an internal audit function that is independent of the activities it audits.

The Board acknowledges that it is responsible for maintaining an internal audit function that is independent of the activities it audits. The effectiveness of the internal financial control systems and procedures are monitored by the Management.

Currently the Board outsources the internal audit function to a specialist professional internal audit firm. The internal auditor reports directly to the Chairman of the Audit Committee and performs its internal audit in accordance with the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The Audit Committee also reviews the internal audit program annually.

COMMUNICATION WITH SHAREHOLDERS

Principle 14: Companies should engage in regular, effective and fair communication with shareholders.

Greater Shareholder Participation
Principle 15: Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Company is committed to regular and proactive communication with its shareholders in line with continuous disclosure obligations of the Company according to the Rules of Catalist. Pertinent information will be disclosed to shareholders in a timely, fair and equitable manner.

Communications are made through:

- annual reports that are prepared and issued to all shareholders;
- periodic results announcements;
- media meetings;
- circulars and notices to the shareholders;
- press releases;
- corporate website at http://www.chasen.com.sg; and
- disclosures to the SGX-ST via SGXNET

In addition, shareholders are encouraged to attend the Annual General Meeting to ensure a high level of accountability by the Board and Management and to stay informed of the Group's strategies and growth. The participation of shareholders is encouraged at the Company's Annual General Meeting. The Chairmen of the Audit, Remuneration and Nominating Committees will be available at the forthcoming Annual General Meeting to answer questions relating to the work of these Board committees. The External Auditors will also be present to assist the Directors in addressing any relevant queries from the shareholders. The Group fully supports the Code's principle to encourage active shareholders' participation.

If any shareholder is unable to attend, he is allowed to appoint up to two proxies to vote on his behalf at the meeting through proxy forms sent in advance.

Each item of special business included in the notice of the general meetings will be accompanied by full explanation of the effects of a proposed resolution. Separate resolutions are proposed for substantially separate issues at general meetings.

DEALINGS IN SECURITIES

The Company is guided by Rule 1204(19) of the Rules of Catalist in relation to the dealings in the securities of the Company to its Directors and Management. The Company and its officers are not allowed to deal in the Company's shares (i) during the periods commencing 2 weeks before the announcement of the Company's financial results for each of the first 3 quarters of its financial year and 1 month before the full financial year results, ending on the date of the announcement of the relevant results, and (ii) if they are in possession of unpublished price-sensitive information of the Group.

In addition, the Directors and Management are expected to observe the insider trading laws at all times even when dealing in securities within permitted trading period. They are also encouraged not to deal in the Company's securities on short term consideration.

INTERESTED PERSON TRANSACTIONS

Details of Interested Person Transactions, if any, for the financial year ended 31 March 2012 are disclosed in the audited financial statements. To ensure compliance with the relevant rules under Chapter 9 of the Rules of Catalist on interested person transactions, the Board and Audit Committee regularly reviews if the Company will be entering into any interested person transaction and if it does, to ensure that the Company complies with the requisite rules under Chapter 9. When a potential conflict of interest arises, the Director concerned does not participate in discussions and refrains from exercising any influence over other members of the Board.

MATERIAL CONTRACTS

Other than disclosed in the audited financial statements, there are no material contracts of the Company or its subsidiaries involving the interest of any Director or controlling shareholder subsisting at the end of the financial year ended 31 March 2012.

RISK MANAGEMENT

Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks within the Group's policies and strategies.

Management will also review the Group's exposure to foreign exchange risk. In addition, the Company will (a) seek the approval from the Board of Directors before entering into any foreign exchange hedging transactions and (b) put in place adequate procedures which must be reviewed and approved by the Audit Committee and all foreign exchange hedging policies will be approved and reviewed by the Board of Directors.

CATALIST SPONSOR

The Company is currently under the SGX-ST Catalist sponsor-supervised regime. The continuing sponsor of the Company is Asian Corporate Advisors Pte. Ltd.

For the purposes of Rule 1204(21) of the Rules of Catalist, there was no non-sponsor fee paid to Asian Corporate Advisors Pte. Ltd. by the Company for the year ended 31 March 2012.

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Chasen Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2012.

DIRECTORS

The directors of the Company in office at the date of this report are:-

Low Weng Fatt
Ng Jwee Phuan @ Frederick (Eric)
Siah Boon Hock
Tan Sin Huat Dennis
Yap Koon Bee @ Louis Yap
Yap Beng Geok Dorothy (Alternate director to Mr Yap Koon Bee @ Louis Yap)

LISTING ON THE CATALIST BOARD

The Company's shares were listed on Stock Exchange of Singapore Dealing and Automated Quotation (the "SESDAQ") via a reverse take over of China Entertainment Sports Ltd on 12 February 2007. SESDAQ subsequently became known as Catalist Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 28 October 2008.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of the financial year nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES, WARRANTS OR DEBENTURES

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:-

	Direct Interest		Deemed Interests	
Name of the directors	**At beginning of the financial year**	**At end of the financial year**	**At beginning of the financial year**	**At end of the financial year**
The Company	**Ordinary shares, with no par value**			
Low Weng Fatt (1)	50,513,708	50,635,708	165,000	265,000
Siah Boon Hock (2)	10,374,401	10,465,901	–	–
Yap Koon Bee @ Louis Yap (3)	34,910,083	34,940,583	–	–
Ng Jwee Phuan @ Frederick (Eric) (4)	283,250	373,750	–	–
Yap Beng Geok Dorothy (5)	86,750	117,250	7,790,912	7,839,912
Tan Sin Huat Dennis	8,000	28,000	–	–

Notes:-

(1) Low Weng Fatt holds 7,281,509 warrants, pursuant to Rights Shares cum Warrants Issue, entitling him to subscribe for an equivalent number of shares at the exercise price of S$0.30 each. He is deemed to be interested in the 265,000 shares and 27,500 warrants held by his spouse.

(2) Siah Boon Hock holds 2,832,675 warrants, pursuant to Rights Shares cum Warrants Issue, entitling him to subscribe for an equivalent number of shares at the exercise price of S$0.30 each. 2,000,000 shares are held by Hong Leong Finance Nominees Pte Ltd.

(3) Yap Koon Bee @ Louis Yap holds 6,407,207 warrants, pursuant to Rights Shares cum Warrants Issue, entitling him to subscribe for an equivalent number of shares at the exercise price of S$0.30 each.

(4) Ng Jwee Phuan @ Frederick (Eric) holds 42,375 warrants, pursuant to Rights Shares cum Warrants Issue, entitling him to subscribe for an equivalent number of shares at the exercise price of S$0.30 each.

(5) Yap Beng Geok Dorothy holds 9,625 warrants, pursuant to Rights Shares cum Warrants Issue, entitling her to subscribe for an equivalent number of shares at the exercise price of S$0.30 each. She is deemed to be interested in the 7,839,912 shares and 1,288,818 warrants held by her spouse, Cheong Tuck Nang.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2012.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment, if later, or at the end of the financial year.

DIRECTORS' CONTRACTUAL BENEFITS

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company of which the director has a substantial financial interest. Certain directors have received remuneration from related corporations in their capacity as directors and/or executives of those related corporations and as disclosed in the financial statements.

CHASEN PERFORMANCE SHARE PLAN

The Chasen Performance Share Plan (the "Plan") was approved and adopted by the members of the Company at the Extraordinary General Meeting held on 16 May 2007.

The Plan is administered by the Remuneration Committee which comprises Ng Jwee Phuan @ Frederick (Eric), Tan Sin Huat Dennis and Yap Koon Bee @ Louis Yap.

Under the Plan, eligible participants are conferred rights by the Company on shares to be issued or transferred ("Awards"). The Plan contemplates the award of fully paid shares free of charge when and after pre-determined performance or service conditions are accomplished and/or due recognition is given to any good work performance and/or any significant contribution to the Company.

The rationale of the Plan is to provide an opportunity for the Directors and full-time employees of the Group to participate in the equity of the Company so as to align their interest with that of the shareholders. It would also give recognition to employees of the Group who have contributed to its success and to motivate them to greater dedication, loyalty and higher standard of performance. The participants are not required to pay for the grant of Awards or for the shares allocated pursuant to an Award.

From the commencement of the Plan to 31 March 2012, awards comprising an aggregate of 5,314,562 shares have been granted.

As at 31 March 2012, details of performance shares awarded under the Plan are set out as below:-

Date of grant	Share Awards granted since commencement of Plan to end of financial year under review	Share Awards vested since commencement of Plan to end of financial year under review	Share Awards cancelled since commencement of Plan to end of financial year under review	Share Awards outstanding as at end of financial year under review
23 August 2007	476,000	(476,000)	Nil	Nil
1 September 2008	970,000	(864,500)	(105,500)	Nil
27 July 2009	189,000	(189,000)	Nil	Nil
22 February 2010	1,346,912	(1,155,212)	(39,630)	152,070
31 March 2011	1,069,200	(378,160)	(123,800)	567,240
30 March 2012	1,263,450	Nil	Nil	1,263,450

Note: As at 31 March 2012, the total number of share awards granted to the Directors and employees of the Company and its subsidiaries during the financial year ended 31 March 2012 and since the commencement of the Plan to the end of the financial year ended 31 March 2012 are 1,263,450 and 5,314,562 respectively.

The performance shares awarded to Directors and controlling shareholders and their associates are as follows:-

Name of participant	Awards granted during financial year under review	Aggregate Awards granted since commencement of Plan to end of financial year under review	Aggregate Awards vested since commencement of Plan to end of financial year under review	Aggregate Awards outstanding as at end of financial year under review
Low Weng Fatt*	140,000	640,000	(392,000)	248,000
Siah Boon Hock	105,000	480,000	(294,000)	186,000
Yap Koon Bee @ Louis Yap*	35,000	160,000	(98,000)	62,000
Ng Jwee Phuan @ Frederick (Eric)	35,000	160,000	(98,000)	62,000
Yap Beng Geok Dorothy	35,000	160,000	(98,000)	62,000
Tan Sin Huat Dennis	35,000	90,000	(28,000)	62,000

* Low Weng Fatt and Yap Koon Bee @ Louis Yap are the only controlling shareholders.

WARRANTS

On 6 May 2010, the Company issued 36,373,444 warrants, each warrant carrying the right to subscribe for one new ordinary share at the exercise price of S$0.30 during the period commencing on and including the date of issue of the warrants and expiring on the date immediately preceding the fifth (5th) anniversary of such date of issue.

As at the date of this report, details of the warrants issued by the Company are set out as below:-

Date of grant of warrants	Warrants issued	Warrants exercised	Warrants outstanding
6 May 2010	36,373,444	(4,616,326)	31,757,118

SHARE OPTIONS

There were no share options granted by the Company or its subsidiaries during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares under option in the Company or its subsidiaries as at the end of the financial year.

AUDIT COMMITTEE

The Audit Committee ("AC") of the Company comprises three non-executive directors and at the date of this report is:-

Ng Jwee Phuan @ Frederick (Eric) – Chairman
Tan Sin Huat Dennis
Yap Koon Bee @ Louis Yap

The AC has convened 4 meetings during the financial year with key management and the internal and external auditors of the Company.

The AC carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act, Chapter 50, including the review of the following:-

a. The scope and the results of internal audit procedures with the internal auditor;

b. The audit plan of the Company's independent auditor and its report on the weakness of internal accounting controls arising from the statutory audit;

c. The assistance given by the Company's management to the independent auditor; and

d. The statement of financial position and the statement of changes in equity of the Company as at 31 March 2012 and the consolidated financial statements of the Group as at 31 March 2012 before their submission to the Board of Directors, as well as the Report of the Independent Auditors on the statement of financial position and the statement of changes in equity of the Company and the consolidated financial statements of the Group.

e. Review of the Group's quarterly and annual financial statements and the auditor's report on the annual financial statements of the Group and of the Company before their submission to the Board of Directors;

f. Review of the quarterly, half-yearly and annual announcements as well as the related press releases on the results and financial position of the Group and of the Company;

g. Review of the adequacy of the Group's risk management processes;

h. Review of the Group's compliance with legal requirements and regulations, including the related compliance policies and programmes and reports received from regulators, if any;

i. Review of interested person transactions in accordance with SGX listing rules;

j. Nomination of external auditors; and

k. Submission of report of actions and minutes of the AC to the Board of Directors with any recommendations as the AC deems appropriate.

The AC has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the AC.

The AC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, Mazars LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Based on the various management controls in place, the reports from the internal and external auditors, reviews conducted by the Management and the management representation letter, the Board with the concurrence of the AC, is of the opinion that the system of internal controls addressing financial, operational and compliance risks maintained by the Group during the year are adequate in meeting the current needs of the Group's business operations and provide reasonable assurance against material financial misstatements or material loss and to safeguarding the Group's assets.

The Board also notes that all internal control systems and risk managements systems contain inherent limitations and no system of internal controls or risk management system could provide absolute assurance against the occurrence of material errors, poor judgement in decision making, human error, losses, fraud or other irregularities.

As the Group continues to grow the business, the Board will continue to review and take appropriate steps to strengthen the Group's overall systems of internal control and risk management.

INDEPENDENT AUDITORS

Mazars LLP, Public Accountants and Certified Public Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors

Low Weng Fatt Director	**Siah Boon Hock** Director

Dated: 29 June 2012

Statement by Directors

In our opinion,

(a) the accompanying financial statements are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2012 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorized these financial statements for issue.

On behalf of the Board of Directors

Low Weng Fatt Director	**Siah Boon Hock** Director

Dated: 29 June 2012

Report of Independent Auditors

To the Members of Chasen Holdings Limited

For the financial year ended 31March 2012

Report on the Financial Statements

We have audited the accompanying financial statements of **Chasen Holdings Limited** (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 March 2012, the statements of changes in equity of the Group and the Company, and the statements of comprehensive income and cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information from pages 45 to 131.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Group and statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2012 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

Other Matter

The financial statements of the Group and the Company for the financial year ended 31 March 2011 were audited by another firm of Certified Public Accountants, whose report dated 18 July 2011 expressed a qualified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

MAZARS LLP
PUBLIC ACCOUNTANTS AND
CERTIFIED PUBLIC ACCOUNTANTS

Singapore: 29 June 2012

Consolidated Statement of Comprehensive Income

For the financial year ended 31March 2012

	Note	Group 2012 S$'000	(Restated) 2011 S$'000
Revenue	4	98,968	72,464
Cost of sales		(71,657)	(51,873)
Gross profit		27,311	20,591
Other operating income	5	2,581	3,952
Distribution and selling expenses		(6,158)	(5,061)
Administrative expenses		(13,065)	(9,924)
Other operating expenses		(1,087)	(1,334)
Finance expenses	6	(1,074)	(679)
Profit before income tax	7	8,508	7,545
Income tax expense	9	(2,050)	(842)
Profit for the financial year		6,458	6,703
Other comprehensive income:			
Net loss on fair value changes of available-for-sale financial assets		(1,575)	(2,171)
Currency translation differences arising from consolidation		700	(1,415)
Other comprehensive loss for the financial year, net of tax		(875)	(3,586)
Total comprehensive income for the financial year		5,583	3,117
Profit for the financial year attributable to:			
Owners of the Company		7,262	7,018
Non-controlling interests		(804)	(315)
Profit for the financial year		6,458	6,703
Total comprehensive income for the financial year attributable to:			
Owners of the Company		6,403	3,526
Non-controlling interests		(820)	(409)
Total comprehensive income for the financial year		5,583	3,117
Earnings per share for profit attributable to owners of the Company (cents per share)			
Basic	10	3.07	3.22
Diluted	10	3.05	3.21

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Statements of Financial Position

As at 31March 2012

	Note	Group 31/03/2012 S$'000	Group (Restated) 31/03/2011 S$'000	Group (Restated) 01/04/2010 S$'000	Company 31/03/2012 S$'000	Company (Restated) 31/03/2011 S$'000	Company (Restated) 01/04/2010 S$'000
Non-current assets							
Investment properties	11	3,060	6,765	–	–	–	–
Property, plant and equipment	12	19,352	17,638	15,309	–	–	–
Investments in subsidiaries	13	–	–	–	38,075	38,075	37,375
Investments in an associate	14	1,000	1,000	1,000	200	200	200
Goodwill on consolidation	16	10,649	6,380	3,382	–	–	–
Intangible assets	17	1,105	1,018	445	–	–	–
Club membership	18	20	38	56	9	25	43
Fixed deposits	19	–	1,000	1,000	–	1,000	1,000
Available-for-sale financial assets	20	1,135	2,710	4,336	1,135	2,710	4,336
Trade receivables	24	201	–	–	–	–	–
Other receivables, deposits and prepayments	25	496	926	1,829	214	398	1,819
		37,018	37,475	27,357	39,633	42,408	44,773
Current assets							
Inventories	22	1,244	1,441	755	–	–	–
Gross amount due from customers on contract work-in-progress	23	1,203	544	161	–	–	–
Trade receivables	24	38,245	33,837	28,890	–	–	–
Other receivables, deposits and prepayments	25	9,428	6,682	3,370	2,707	1,771	1,134
Amount due from subsidiaries	26	–	–	–	28,876	23,336	12,028
Cash and cash equivalents	27	10,700	8,646	6,957	200	67	115
		60,820	51,150	40,133	31,783	25,174	13,277
Non-current assets, held-for-sale	21	5,075	359	–	–	–	–
		65,895	51,509	40,133	31,783	25,174	13,277
Total assets		102,913	88,984	67,490	71,416	67,582	58,050

Statements of Financial Position

As at 31March 2012

	Note	Group 31/03/2012 S$'000	Group (Restated) 31/03/2011 S$'000	Group (Restated) 01/04/2010 S$'000	Company 31/03/2012 S$'000	Company (Restated) 31/03/2011 S$'000	Company (Restated) 01/04/2010 S$'000
Equity attributable to equity holders of the Company							
Share capital	28	42,037	36,947	23,737	71,565	66,475	53,265
Treasury shares	29	(32)	(9)	(358)	(32)	(9)	(358)
Other reserves	30	(4,142)	(3,290)	192	(3,643)	(2,075)	160
Retained profits		20,293	14,393	9,232	1,488	772	1,671
		58,156	48,041	32,803	69,378	65,163	54,738
Non-controlling interests		5,488	6,541	6,110	–	–	–
Total equity		63,644	54,582	38,913	69,378	65,163	54,738
Non-current liabilities							
Bank loans	31	915	5,014	4,490	–	–	947
Obligations under finance leases	33	2,032	1,629	1,237	–	–	–
Deferred income	34	–	–	14	–	–	–
Deferred tax liabilities	35	1,533	870	339	–	–	–
		4,480	7,513	6,080	–	–	947
Current liabilities							
Bank overdrafts	31	499	354	204	–	–	–
Bank loans	31	9,296	5,569	5,754	1,500	1,857	1,928
Derivative financial instruments	32	170	–	–	–	–	–
Obligations under finance leases	33	1,399	1,085	1,159	–	–	–
Deferred income	34	–	1	19	–	–	–
Trade payables	36	10,652	11,060	7,518	–	–	–
Other payables and accruals	37	12,160	8,017	6,291	538	525	400
Income tax payable		613	803	1,552	–	37	37
		34,789	26,889	22,497	2,038	2,419	2,365
Total liabilities		39,269	34,402	28,577	2,038	2,419	3,312
Total equity and liabilities		102,913	88,984	67,490	71,416	67,582	58,050

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Statement of Changes in Equity

For the financial year ended 31March 2012

2012 Group	Note	Equity, total S$'000	Equity attributable to owners of the Company, total S$'000	Share capital S$'000	Treasury shares S$'000	Retained profits S$'000	Other reserves, total S$'000	Capital reserve S$'000	Foreign currency translation reserve S$'000	Performance share plan reserve S$'000	Fair value adjustment reserve S$'000	Non–controlling interests S$'000
			← Attributable to owners of the Company →									
At 1 April 2011, as previously reported		57,758	52,274	36,947	(9)	18,631	(3,295)	69	(1,289)	96	(2,171)	5,484
Prior year adjustment 1	48	(1,848)	(1,848)	–	–	(1,848)	–	–	–	–	–	–
Prior year adjustment 2	48	(725)	(725)	–	–	(725)	–	–	–	–	–	–
Prior year adjustment 3	48	–	(1,235)	–	–	(1,235)	–	–	–	–	–	1,235
Prior year adjustment 4	48	(603)	(425)	–	–	(430)	5	–	5	–	–	(178)
At 1 April 2011, as restated		**54,582**	**48,041**	**36,947**	**(9)**	**14,393**	**(3,290)**	**69**	**(1,284)**	**96**	**(2,171)**	**6,541**
Profit for the financial year		6,458	7,262	–	–	7,262	–	–	–	–	–	(804)
Other comprehensive income												
Net loss on fair value changes of available-for-sale financial assets	20	(1,575)	(1,575)	–	–	–	(1,575)	–	–	–	(1,575)	–
Foreign currency translation		700	716	–	–	–	716	–	716	–	–	(16)
Other comprehensive income for the financial year, net of tax		(875)	(859)	–	–	–	(859)	–	716	–	(1,575)	(16)
Total comprehensive income for the financial year		**5,583**	**6,403**	**–**	**–**	**7,262**	**(859)**	**–**	**716**	**–**	**(1,575)**	**(820)**

2012 Group (Cont'd)	Note	Equity, total S$'000	Equity attributable to owners of the Company, total S$'000	Share capital S$'000	Treasury shares S$'000	Retained profits S$'000	Other reserves, total S$'000	Capital reserve S$'000	Foreign currency translation reserve S$'000	Performance share plan reserve S$'000	Fair value adjustment reserve S$'000	Non–controlling interests S$'000
			Attributable to owners of the Company									
Contributions by and distributions to owners												
Shares issued for acquisition of a subsidiary	28	3,729	3,729	3,729	–	–	–	–	–	–	–	–
Shares issued for warrants conversion	28	1,361	1,361	1,361	–	–	–	–	–	–	–	–
Transfer of treasury shares to performance share plan reserve	29	–	–	–	192	–	(192)	–	–	(192)	–	–
Purchase of treasury shares	29	(215)	(215)	–	(215)	–	–	–	–	–	–	–
Cost of share-based payments		199	199	–	–	–	199	–	–	199	–	–
Final dividend for the previous financial year paid	46	(1,400)	(1,400)	–	–	(1,400)	–	–	–	–	–	–
Total contributions by and distributions to owners		3,674	3,674	5,090	(23)	(1,400)	7	–	–	7	–	–
Changes in ownership interests in subsidiaries												
Acquisition of non-controlling interests in a subsidiary	13	(195)	38	–	–	38	–	–	–	–	–	(233)
Total changes in ownership interests in subsidiaries		(195)	38	–	–	38	–	–	–	–	–	(233)
Total transactions with owners in their capacity as owners		**3,479**	**3,712**	**5,090**	**(23)**	**(1,362)**	**7**	**–**	**–**	**7**	**–**	**(233)**
At 31 March 2012		**63,644**	**58,156**	**42,037**	**(32)**	**20,293**	**(4,142)**	**69**	**(568)**	**103**	**(3,746)**	**5,488**

Statement of Changes in Equity

For the financial year ended 31March 2012

2011 Group (Cont'd)	Note	Equity, total S$'000	Equity attributable to owners of the Company, total S$'000	Share capital S$'000	Treasury shares S$'000	Retained profits S$'000	Other reserves, total S$'000	Capital reserve S$'000	Foreign currency translation reserve S$'000	Performance share plan reserve S$'000	Fair value adjustment reserve S$'000	Non–controlling interests S$'000
			← Attributable to owners of the Company								→	
At 1 April 2010, as previously reported		**41,486**	**36,611**	**23,737**	**(358)**	**13,040**	**192**	**–**	**32**	**160**	**–**	**4,875**
Prior year adjustment 1	48	(1,848)	(1,848)	–	–	(1,848)	–	–	–	–	–	–
Prior year adjustment 2	48	(725)	(725)	–	–	(725)	–	–	–	–	–	–
Prior year adjustment 3	48	–	(1,235)	–	–	(1,235)	–	–	–	–	–	1,235
At 1 April 2010, as restated		**38,913**	**32,803**	**23,737**	**(358)**	**9,232**	**192**	**–**	**32**	**160**	**–**	**6,110**
Profit for the financial year, as previously reported		7,306	7,443	–	–	7,443	–	–	–	–	–	(137)
Prior year adjustment 4	48	(603)	(425)	–	–	(430)	5	–	5	–	–	(178)
Profit for the financial year, as restated		**6,703**	**7,018**	**–**	**–**	**7,013**	**5**	**–**	**5**	**–**	**–**	**(315)**
Other comprehensive income												
Net loss on fair value changes of available-for-sale financial assets	20	(2,171)	(2,171)	–	–	–	(2,171)	–	–	–	(2,171)	–
Foreign currency translation		(1,415)	(1,321)	–	–	–	(1,321)	–	(1,321)	–	–	(94)
Other comprehensive income for the financial year, net of tax		(3,586)	(3,492)	–	–	–	(3,492)	–	(1,321)	–	(2,171)	(94)
Total comprehensive income for the financial year		**3,117**	**3,526**	**–**	**–**	**7,013**	**(3,487)**	**–**	**(1,316)**	**–**	**(2,171)**	**(409)**

Statement of Changes in Equity

For the financial year ended 31March 2012

2011 Group (Cont'd)	Note	Equity, total S$'000	Equity attributable to owners of the Company, total S$'000	Share capital S$'000	Treasury shares S$'000	Retained profits S$'000	Other reserves, total S$'000	Capital reserve S$'000	Foreign currency translation reserve S$'000	Performance share plan reserve S$'000	Fair value adjustment reserve S$'000	Non–controlling interests S$'000
			Attributable to owners of the Company									
Contributions by and distributions to owners												
Shares issued for rights issue	28	9,186	9,186	9,186	–	–	–	–	–	–	–	–
Shares issued for acquisition of a subsidiary	28	4,000	4,000	4,000	–	–	–	–	–	–	–	–
Shares issued for warrants conversion	28	24	24	24	–	–	–	–	–	–	–	–
Transfer of treasury shares to performance share plan reserve	29	–	–	–	349	–	(349)	–	–	(349)	–	–
Cost of share-based payments		285	285	–	–	–	285	–	–	285	–	–
Final dividend for the previous financial year paid	46	(1,310)	(1,310)	–	–	(1,310)	–	–	–	–	–	–
Total contributions by and distributions to owners		12,185	12,185	13,210	349	(1,310)	(64)	–	–	(64)	–	–
Changes in ownership interests in subsidiaries												
Acquisition of a subsidiary	13	69	69	–	–	–	69	69	–	–	–	–
Increase in non-controlling interests		298	–	–	–	–	–	–	–	–	–	298
Effect on change in parent's ownership interest in a subsidiary		–	(542)	–	–	(542)	–	–	–	–	–	542
Total changes in ownership interests in subsidiaries		367	(473)	–	–	(542)	69	69	–	–	–	840
Total transactions with owners in their capacity as owners		12,552	11,712	13,210	349	(1,852)	5	69	–	(64)	–	840
At 31 March 2011, as restated		**54,582**	**48,041**	**36,947**	**(9)**	**14,393**	**(3,290)**	**69**	**(1,284)**	**96**	**(2,171)**	**6,541**

Statement of Changes in Equity

For the financial year ended 31March 2012

2012 Company	Note	Equity, total S$'000	Share capital S$'000	Treasury shares S$'000	Retained profits S$'000	Other reserves, total S$'000	Performance share plan reserve S$'000	Fair value adjustment reserve S$'000
At 1 April 2011, as previously reported		**66,068**	**66,475**	**(9)**	**1,677**	**(2,075)**	**96**	**(2,171)**
Prior year adjustment 4	48	(905)	–	–	(905)	–	–	–
At 1 April 2011, as restated		**65,163**	**66,475**	**(9)**	**772**	**(2,075)**	**96**	**(2,171)**
Profit for the financial year		2,116	–	–	2,116	–	–	–
Other comprehensive income								
Net loss on fair value changes of available-for-sale financial assets	20	(1,575)	–	–	–	(1,575)	–	(1,575)
Other comprehensive income for the financial year, net of tax		(1,575)	–	–	–	(1,575)	–	(1,575)
Total comprehensive income for the financial year		**541**	**–**	**–**	**2,116**	**(1,575)**	**–**	**(1,575)**
Contributions by and distributions to owners								
Shares issued for acquisition of a subsidiary	28	3,729	3,729	–	–	–	–	–
Shares issued for warrants conversion	28	1,361	1,361	–	–	–	–	–
Transfer of treasury shares to performance share plan reserve	29	–	–	192	–	(192)	(192)	–
Purchase of treasury shares	29	(215)	–	(215)	–	–	–	–
Cost of share-based payments		199	–	–	–	199	199	–
Final dividend for the previous financial year paid	46	(1,400)	–	–	(1,400)	–	–	–
Total transactions with owners in their capacity as owners		**3,674**	**5,090**	**(23)**	**(1,400)**	**7**	**7**	**–**
At 31 March 2012		**69,378**	**71,565**	**(32)**	**1,488**	**(3,643)**	**103**	**(3,746)**

2011 Company (Cont'd)	Note	Equity, total	Share capital	Treasury shares	Retained profits	Other reserves, total	Performance share plan reserve	Fair value adjustment reserve
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
At 1 April 2010		**54,738**	**53,265**	**(358)**	**1,671**	**160**	**160**	**–**
Profit for the financial year as previously reported		1,316	–	–	1,316	–	–	–
Prior year adjustment 4	48	(905)	–	–	(905)	–	–	–
Profit for the financial year, as restated		**411**	**–**	**–**	**411**	**–**	**–**	**–**
Other comprehensive income								
Net loss on fair value changes of available-for-sale financial assets	20	(2,171)	–	–	–	(2,171)	–	(2,171)
Other comprehensive income for the financial year, net of tax		(2,171)	–	–	–	(2,171)	–	(2,171)
Total comprehensive income for the financial year		**(1,760)**	**–**	**–**	**411**	**(2,171)**	**–**	**(2,171)**
Contributions by and distributions to owners								
Shares issued for rights issue	28	9,186	9,186	–	–	–	–	–
Shares issued for acquisition of a subsidiary	28	4,000	4,000	–	–	–	–	–
Shares issued for warrants issue	28	24	24	–	–	–	–	–
Transfer of treasury shares to performance share plan reserve	29	–	–	349	–	(349)	(349)	–
Cost of share-based payments		285	–	–	–	285	285	–
Final dividend for the previous financial year paid	46	(1,310)	–	–	(1,310)	–	–	–
Total transactions with owners in their capacity as owners		**12,185**	**13,210**	**349**	**(1,310)**	**(64)**	**(64)**	**–**
At 31 March 2011, as restated		**65,163**	**66,475**	**(9)**	**772**	**(2,075)**	**96**	**(2,171)**

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31March 2012

		Group	
			(Restated)
	Note	2012	2011
		S$'000	S$'000
Operating activities			
Profit before income tax		8,508	7,545
Adjustments for:			
Allowance for doubtful trade receivables, net	24	192	100
Amortization of club membership	18	18	18
Amortization of deferred income	34	(1)	(32)
Amortization of intangible assets	17	236	53
Bad debts written off		143	713
Cost of share-based payments		199	285
Depreciation of property, plant and equipment	12	4,658	3,940
Dividend income		(3)	–
Fair value loss on derivative financial instruments	32	170	–
Gain on disposal of non-current assets, held-for-sale	5	(262)	–
Interest income	5	(15)	(15)
Interest expense	6	1,074	679
Inventory written off		25	23
Loss on de-registration of a subsidiary	13	–	39
Net loss/(gain) on disposal of property, plant and equipment		67	(158)
Net gain from fair value adjustments of investment properties	11	(1,370)	(2,981)
Property, plant and equipment written off		97	138
Operating profit before working capital changes		13,736	10,347
Changes in working capital:			
Inventories		172	(694)
Gross amount due from customers on contract work-in-progress		(658)	(383)
Trade and other receivables		(5,080)	(7,656)
Trade and other payables		1,428	533
Cash generated from operations		9,598	2,147
Income tax paid		(1,474)	(1,310)
Cash generated from operating activities		8,124	837

Consolidated Statement of Cash Flows

For the financial year ended 31March 2012

	Note	Group 2012 S$'000	(Restated) 2011 S$'000
Investing activities			
Acquisition of non-controlling interests in a subsidiary	13	(195)	–
Dividend received		3	–
Net cash inflow on acquisition of subsidiaries	13	63	764
Net cash outflow on acquisition of a joint venture	15	(42)	–
Net cash outflow on de-registration of a subsidiary	13	–	(15)
Purchase of available-for-sale financial assets	20	–	(545)
Purchase of property, plant and equipment *	12	(3,943)	(4,955)
Proceeds from disposal of non-current assets, held-for-sale		621	–
Proceeds from disposal of property, plant and equipment		259	348
Interest received		15	15
Effect of foreign currency re-alignment on investing activities		414	(615)
Cash used in investing activities		(2,805)	(5,003)
Financing activities			
Interest paid		(1,074)	(679)
Proceeds from right issue, net		–	9,186
Proceeds from warrant conversion		1,361	24
Proceeds from bank loans		11,347	6,346
Purchase of treasury shares	29	(215)	–
Repayment of bank loans		(11,960)	(6,434)
Repayment of obligations under finance leases		(1,520)	(1,316)
Dividend paid to equity holders of the Company	46	(1,400)	(1,310)
Placement/(Release) of pledged fixed deposits with banks		16	(8)
Cash (used in)/generated from financing activities		(3,445)	5,809
Net increase in cash and cash equivalents		1,874	1,643
Effect of exchange rate changes on cash and cash equivalents		51	(112)
Cash and cash equivalents at beginning of financial year		6,872	5,341
Cash and cash equivalents at end of financial year	27	8,797	6,872

* During the financial year, the Group acquired property, plant and equipment with an aggregate cost of S$6,033,000 (2011: S$6,572,000) of which S$2,090,000 (2011: S$1,617,000) were acquired by means of finance leases. Cash payments of S$3,943,000 (2011: S$4,955,000) were made to purchase property, plant and equipment.

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Notes to the Financial Statements
For the financial year ended 31March 2012

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Chasen Holdings Limited (the "Company") is a limited liability company incorporated and domiciled in the Republic of Singapore and is listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST").

The registered office and principal place of business of the Company is located at 18 Jalan Besut Singapore 619571.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

The consolidated financial statements of the Group, and the statement of financial position and the statement of changes in equity of the Company for the financial year ended 31 March 2012 were authorized for issue by the Board of Directors on 29 June 2012.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting

The financial statements have been prepared in accordance with the historical cost basis except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards ("FRS").

2.2 Adoption of new and revised standards

In the current financial year, the Group has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2011. The adoption of these new or revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

FRSs and INT FRSs issued but not yet effective

At the date of authorization of these financial statements, the following FRSs, INT FRSs and amendments to FRS that are relevant to the Group and the Company were issued but not effective:-

Description	***Effective date for the period beginning on or after***
Amendments to FRS 1 Presentation of Financial Statements – *Amendments relating to Presentation of Items of Other Comprehensive Income*	1.7.2012
Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*	1.1.2012
Amendments to FRS 19 *Employee Benefits*	1.1.2013
FRS 27 (Revised) *Separate Financial Statements*	1.1.2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of new and revised standards (Cont'd)

FRSs and INT FRSs issued but not yet effective (Cont'd)

Description	***Effective date for the period beginning on or after***
FRS 28 (Revised) *Investments in Associates and Joint Ventures*	1.1.2013
Amendments to FRS 32 *Offsetting of Financial Assets and Financial Liabilities*	1.1.2014
Amendments to FRS 107 *Disclosures – Offsetting of Financial Assets and Financial Liabilities*	1.1.2013
FRS 110 *Consolidated Financial Statements*	1.1.2013
FRS 111 *Joint Arrangements*	1.1.2013
FRS 112 *Disclosure of Interests in Other Entities*	1.1.2013
FRS 113 *Fair Value Measurements*	1.1.2013

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on the adoption of the Amendments to FRS 12 is described below.

Early adoption of Amendments to FRS 12 Deferred tax: Recovery of Underlying Assets

The Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* are effective for annual periods beginning on or after 1 January 2012. On 1 April 2011, the Group early adopted the Amendments to FRS 12.

The Amendments to FRS 12 apply to the measurement of deferred tax liabilities and assets arising from investment properties measured using the fair value model under FRS 40 Investment Property, including investment property acquired in a business combination and subsequently measured using the fair value model. For the purposes of measuring deferred tax, the Amendments introduce a rebuttable presumption that the carrying amount of an investment property measured at fair value will be recovered entirely through sale. The presumption can be rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits over time, rather than through sale.

The adoption of the amended FRS 12 has no material impact on the financial statements of the Group.

2.3 Foreign currency transactions and translation

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group, the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars (S$ or SGD), which is the functional currency of the Company and the presentation currency for the consolidated financial statements. All values presented are rounded to the nearest thousand (S$'000), unless otherwise indicated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Foreign currency transactions and translation (Cont'd)

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognized in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognized, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognized in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognized in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Rendering of services

Revenue from a contract to provide services is recognized by reference to the stage of completion of the contract. The stage of completion of the contract is determined as follows:-

- installation fees are recognized by reference to the stage of completion of the installation, determined as the proportion of the total time expected to install that has elapsed at the end of the reporting period;

- servicing fees included in the price of products sold are recognized by reference to the proportion of the total cost of providing the servicing for the product sold, taking into account historical trends in the number of services actually provided on past goods sold; and

- revenue from charging of time for labour and material contracts are recognized at the contractual rates as labour hours are delivered and direct expenses are incurred.

Contract income

Where the outcome of a contract can be estimated reliably, revenue and costs are recognized by reference to the stage of completion of the contract activity at the end of the reporting period, as measured by the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognized as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Rental income

Rental income from leasing of machinery is recognized on an accrual basis.

The Group's policy for recognition of revenue from operating leases is described in Note 2.6.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.6 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized as an expense over the lease term on the same basis as the lease income.

The Group as lessee

Assets held under finance leases are recognized as assets of the Group at their respective fair values at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs as disclosed in Note 2.5. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

2.7 Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Employee benefits (Cont'd)

Employee leave entitlement

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Share-based payments

Employee performance share plan allows Group employees to acquire shares of the Company. The fair value of shares is recognized as an employee expense with a corresponding increase in equity. The fair value is measured based in the market value at grant date and spread over the vesting period during which the employees become unconditionally entitled to the shares. At each reporting date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognizes the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

2.8 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the financial year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

Deferred tax is recognized on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Income tax (Cont'd)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognized outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

2.9 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the financial year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another FRS. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Basis of consolidation (Cont'd)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

In the Company's financial statements, investments in subsidiaries, associates and joint ventures are carried at cost less any impairment in net recoverable value that has been recognized in profit or loss.

2.10 Business combinations

Business combinations from 1 January 2010

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*, or FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognized in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Business combinations (Cont'd)

Business combinations from 1 January 2010 (Cont'd)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the FRS are recognized at their fair value at the acquisition date, except that:-

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with FRS 12 *Income Taxes and* FRS 19 *Employee Benefits* respectively;

- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in FRS 102 *Share-based Payment* at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with FRS 105 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date – and is subject to a maximum of one year from acquisition date.

The accounting policy for initial measurement of non-controlling interests is described in Note 2.9.

The policy described above is applied to all business combinations that take place on or after 1 January 2010.

Business combinations before 1 January 2010

In comparison to the above mentioned requirements, the following differences applied:-

Business combinations were accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as step acquisitions. Adjustments to those fair values relating to previously held interests were treated as a revaluation and recognized in equity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Business combinations (Cont'd)

Business combinations before 1 January 2010 (Cont'd)

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that would otherwise be required under the contract.

Contingent consideration was recognized if, and only if, the Group had a present obligation, the economic outflow was probable and a reliable estimate was determinable. Subsequent measurements to the contingent consideration affected goodwill.

2.11 Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, investments in associates are carried in the statements of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognized, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

2.12 Interests in joint ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control, that is when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

Where a group entity undertakes its activities under joint venture arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognized in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognized when it is probable that the economic benefits associated with the transactions will flow to or from the Group and their amount can be measured reliably.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Interests in joint ventures (Cont'd)

Joint venture arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities. The Group reports its interests in jointly controlled entities using proportionate consolidation, except when the investment is classified as held for sale, in which case it is accounted for under FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*. The Group's share of the assets, liabilities, income and expenses of jointly controlled entities are combined with the equivalent items in the consolidated financial statements on a line-by-line basis.

Any goodwill arising on the acquisition of the Group's interest in a jointly controlled entity is accounted for in accordance with the Group's accounting policy for goodwill arising on the acquisition of a subsidiary as disclosed in Note 2.9.

Where the Group transacts with its jointly controlled entities, unrealized profits and losses are eliminated to the extent of the Group's interest in the joint venture.

2.13 Goodwill

Goodwill arising in a business combination is recognized as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortized but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.14 Non-current assets, held-for-sale

Non-current assets and disposal groups are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Non-current assets, held-for-sale (Cont'd)

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held-for-sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held-for-sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

2.15 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, including property under construction for such purposes, is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

2.16 Property, plant and equipment

Leasehold buildings held for use in the production or supply of goods or services, or for administrative purposes, are shown at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation, and where applicable, accumulated impairment losses.

Any revaluation increase arising from the revaluation of such leasehold buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, on the following bases:-

	Estimated Useful Lives
Leasehold building	5 – 21 years
Transportation equipment	5 – 10 years
Tools and equipment	3 – 10 years
Furniture, fittings, and office equipment	1 – 10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 Property, plant and equipment (Cont'd)

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in profit or loss. Any amount in the revaluation reserve relating to that asset is transferred to retained earnings directly.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

2.17 Club membership

Club membership is stated at cost less accumulated amortization and any accumulated impairment losses. Club membership is amortized on a straight-line basis over its estimated useful lives of 5 to 15 years. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.18 Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognized separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses.

Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives, on the following bases:-

	Estimated Useful Lives
Know-how	8 years
Non-contractual customer relationship	6 – 7.5 years

The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Impairment of tangible and intangible assets excluding goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior financial years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.20 Financial instruments

Financial assets and financial liabilities are recognized on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognized on an effective interest basis for debt instruments other than those financial instruments "at fair value through profit or loss".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Financial instruments (Cont'd)

Financial assets

All financial assets are recognized and de-recognized on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following specified categories: "available-for-sale" financial assets and "loans and receivables". The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

Available-for-sale financial assets

Certain shares and debt securities held by the Group are classified as being available-for-sale and are stated at fair value. Fair value is determined in the manner described in Note 20. Gains and losses arising from changes in fair value are recognized in other comprehensive income with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets which are recognized directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized in other comprehensive income and accumulated in revaluation reserve is reclassified to profit or loss. Dividends on available-for-sale equity instruments are recognized in profit or loss when the Group's right to receive payments is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at end of the reporting period. The change in fair value attributable to translation differences that result from a change in amortized cost of the asset is recognized in profit or loss, and other changes are recognized in other comprehensive income.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortized cost using the effective interest method less impairment. Interest is recognized by applying the effective interest rate method, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For available-for-sale equity instruments, a significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

For all other financial assets, objective evidence of impairment could include:-

- significant financial difficulty of the issuer or counterparty;
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss. With the exception of available-for-sale instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of available-for-sale equity instruments, impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any subsequent increase in fair value after an impairment loss is recognized in other comprehensive income. In respect of available-for-sale debt instruments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Financial instruments (Cont'd)

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

When shares recognized as equity are reacquired, the amount of consideration paid is recognized directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognized in profit or loss on the purchase, sale issue or cancellation of treasury shares.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained earnings of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to the performance share plan, the cost of treasury shares is reversed from the treasury share account and the realized gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognized in the capital reserve of the Company.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method, with interest expense recognized on an effective yield basis.

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs as disclosed in Note 2.5.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at financial liabilities at fair value through profit or loss, subsequently at the higher of the amount of obligation under the contract recognized as a provision in accordance with FRS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognized less cumulative amortization in accordance with FRS 18 *Revenue*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Derivative financial instruments

The Group enters into foreign exchange forward contracts to manage its exposure to interest rate and foreign exchange rate risk. Further details of derivative financial instruments are disclosed in Note 32 to the financial statements.

Derivatives are initially recognized at their fair values at the date the derivative contract is entered into and are subsequently re-measured to their fair values at the end of each financial year. The method of recognizing the resulting gain or loss depends on whether the derivative is designated and effective as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognized in profit or loss when the changes arise.

2.21 Inventories

Inventories, comprising mainly machinery components, are stated at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis, comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Work in progress is stated at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all attributable production overheads. In arriving at the net realizable value, due allowance is made for obsolete, damaged and slow-moving items.

Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.22 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with financial institutions, bank overdrafts, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude deposits pledged with the financial institutions as collateral and are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

2.23 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 Provisions (Cont'd)

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.24 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. Management makes decision about resources to be allocated to the segment and assess its performance. Segment manages report directly to the management of the Group. Additional disclosures on each of these segments are shown in Note 42, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.25 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognized because:-

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized on the statements of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.26 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

  (i) Has control or joint control over the Company;

  (ii) Has significant influence over the Company; or

  (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.26 Related parties (Cont'd)

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) Both entities are joint ventures of the same third party;

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) The entity is controlled or jointly controlled by a person identified in (a);

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Company, directly or indirectly, including any director (whether executive or otherwise) of that company.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the entity's accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Critical judgements in applying the entity's accounting policies (Cont'd)

Impairment of available-for-sale investments

The Group records impairment charges on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgement. In making this judgment, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost. Refer to Note 20.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment on goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units ("CGU") to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. No impairment loss was recognized during the financial year. Refer to Note 16.

Impairment of investments in subsidiaries

At the end of each financial year, an assessment is made on whether there is objective evidence that the Company's investments in subsidiaries are impaired. The management's assessment is based on the estimation of the value-in-use of the cash-generating unit ("CGU") by forecasting the expected future cash flows for a period up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. Refer to Note 13.

Investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognized in profit or loss. The Group engaged independent valuation specialist to determine fair value as at reporting date.

The fair value of investment properties is determined by independent real estate valuation expert using recognized valuation techniques, i.e. Direct Market Comparison Method. Refer to Note 11 to the financial statements.

Depreciation of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over the property, plant and equipment's economic useful lives. Management estimates the useful lives of these property, plant and equipment to be within 1 to 21 years. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Group's property, plant and equipment at the end of each reporting period is disclosed in Note 12 to the financial statements.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Key sources of estimation uncertainty (Cont'd)

Contracts revenue

The Group recognizes contract revenue and contract costs using the percentage-of-completion method based on management's judgement. Significant assumptions are required to estimate the total contract costs which affect the contract costs recognized to date based on the stage of completion. In making these estimates, management has relied in past experience.

The carrying amount of the construction contract work-in-progress as at the end of the reporting period can be subjected to uncertainty in respect of the variation works and estimation of future costs. The Group adopts a conservative approach in evaluating these uncertainties. Refer to Note 23 to the financial statements.

Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the end of the reporting period is disclosed in Notes 24 and 25 to the financial statements.

Income taxes

The Group has exposure to income taxes in several jurisdictions of which a portion of these taxes arose from certain transactions and computations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for expected tax issues based on estimate of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Refer to Note 9 and statements of financial position.

4. REVENUE

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Relocation services	44,476	30,090
Third party logistics services	21,850	16,546
Technical and engineering services	32,642	25,828
	98,968	72,464

5. OTHER OPERATING INCOME

	Note	Group 2012 S$'000	Group (Restated) 2011 S$'000
Amortization of deferred income	34	1	32
Bank interest income		15	15
Net gain on disposal of property, plant and equipment		–	158
Gain on disposal of non-current asset held for sale		262	–
Net gain from fair value adjustments of investment properties	11	1,370	2,981
Rental income from investment properties	11	331	–
Reimbursement of costs		35	218
Write back of allowance for doubtful trade receivables	24	90	67
Miscellaneous income		477	481
		2,581	3,952

6. FINANCE EXPENSES

	Group 2012 S$'000	Group (Restated) 2011 S$'000
Bank loans interest	889	419
Bank overdrafts interest	42	23
Factoring interest and charge	26	56
Finance lease interest	117	181
	1,074	679

7. PROFIT BEFORE INCOME TAX

The following items have been included as a charge/(credit) in arriving at profit before income tax:-

		Group	
			(Restated)
	Note	2012	2011
		S$'000	S$'000
Audit fees paid to auditors:			
- Auditors of the Company		200	250
- Other auditors		76	59
Non-audit fees paid to auditors of the Company		8	–
Allowance for doubtful trade receivables, net	24	192	100
Amortization of club membership	18	18	18
Amortization of deferred income	34	(1)	(32)
Amortization of intangible assets	17	236	53
Bad debts written off		143	713
Depreciation of property, plant and equipment	12	4,658	3,940
Directors' fees	8	400	400
Investment written off		–	2
Inventories recognized as an expense in cost of sales		7,149	2,246
Inventories written off		25	23
Key management personnel compensation	8	2,103	1,927
Loss in disposal of a subsidiary	13	–	39
Net loss on foreign exchange differences		501	204
Net loss on disposal of property, plant and equipment		67	–
Operating lease expense			
- land and building		3,418	2,575
- equipment		2,215	1,231
- motor vehicles		915	767
Property, plant and equipment written off		97	138
Staff costs (including directors' remuneration)	8	25,547	23,229

There is no non-audit fee paid to the auditors of its subsidiaries.

8. STAFF COSTS

	Group 2012 S$'000	(Restated) 2011 S$'000
Salaries and bonuses	21,073	18,845
Employers' contribution to defined contribution plan	2,786	1,489
Other related staff costs	1,688	2,895
	25,547	23,229
Key management personnel compensation		
Salaries and bonuses	1,442	1,390
Employers' contribution defined contribution plan	79	81
Share-based payments	133	123
Profit sharing	371	246
Other allowances	78	87
	2,103	1,927
Comprise amounts paid to:		
Directors of the Company	873	792
Other key management personnel	1,230	1,135
	2,103	1,927
Directors' fees		
Directors of the Company	400	400

The key management personnel comprise directors of the Company and its subsidiaries, senior management of the Company such as Chief Financial Controller, General Managers and others, and their compensation is disclosed as above.

9. INCOME TAX EXPENSE

	Group 2012 S$'000	(Restated) 2011 S$'000
Based on the results of the financial year:-		
Current income tax expense		
Current financial year	1,338	572
Over-provision in prior financial years	(111)	(65)
	1,227	507
Deferred income tax expense (Note 35)		
Movements in temporary differences during the financial year	868	245
(Over)/Under-provision in prior financial years	(45)	90
Tax expense	2,050	842

The tax expense on the results for the financial year differs from the amount of income tax determined by applying the Singapore standard rate of income tax to profit before income tax due to the following factors:-

	Group 2012 S$'000	(Restated) 2011 S$'000
Profit before income tax	8,508	7,545
Tax at applicable tax rate of 17%	1,446	1,283
Tax effect of non-deductible expenses	476	962
Tax effect of non-taxable items	(356)	(189)
Tax effect of group tax relief	(19)	(66)
Tax effect of tax exemptions	(107)	(305)
Tax effect of different tax rates in other countries	483	265
Tax effect of deferred tax benefits/(liabilities) not recognized	64	(951)
Utilization of tax losses and capital allowance brought forward	–	(641)
(Over)/Under-provision in prior financial years	(156)	25
Others	219	459
Tax expense	2,050	842

The subsidiary, Chasen Sino-Sin (Beijing) Hi-Tech Services Pte Ltd, has received the approval from the relevant authority in the People's Republic of China ("PRC") for some tax incentives from years 2006 to 2012; 15% enterprise tax for year 2006, full exemption from years 2007 to 2009 and 50% tax on normal enterprise tax rate from years 2010 to 2012. The enterprise tax rate in China is 25% (2011: 25%).

9. INCOME TAX EXPENSE (CONT'D)

Pursuant to the PRC Enterprise Income Tax Law which was promulgated on 22 February 2008, dividends distributed by PRC entities for profits generated before 1 January 2008 are exempt from withholding tax. Dividend paid in respect of profits generated on or after 1 January 2008 will be subject to a withholding tax of 5%.

A loss-transfer system of group relief (group tax relief system) for companies was introduced in Singapore with effect from Year of Assessment 2003. Under the group tax relief system, subject to compliance with certain provisions of the Singapore Income Tax Act, a company belonging to a group may transfer its current financial year unabsorbed capital allowances and current financial year unabsorbed trade losses to another company belonging to the same group, to be deducted against the assessable income of the latter company.

At the end of the reporting period, the aggregate amount of temporary differences associated with the undistributed earnings of the subsidiaries for which deferred tax liabilities have not been recognized is approximately S$387,000 (RMB2,180,000) [2011: S$1,124,000 (2011: RMB5,681,000)]. No liability has been recognized in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

Unrecognized deferred income tax assets

The following deferred income tax assets are not recognized in the statements of financial position as it is presently uncertain the extent timing and quantum of future taxable profit that will be available against which the Group and the Company can utilize the benefits as follows:-

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Unabsorbed tax losses	1,210	867
Unutilized capital allowances	1,184	1,151
	2,394	2,018
Deferred tax benefits not recognized	407	343

Tax losses do not expire under current legislation and are available for set-off against future taxable profits subject to meeting certain statutory requirements by those companies with unrecognized tax losses in their respective country of incorporation. No deferred tax asset has been recognized due to the unpredictability of future profit streams of certain subsidiaries.

10. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share are calculated by dividing profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following table reflects the profit and share date used in the computation of basic earnings per share:-

	Group	
		(Restated)
	2012	**2011**
Profit for the financial year attributable to owners of the Company (S$'000)	7,262	7,018
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	236,928	218,212
Basic earnings per share (cents)	3.07	3.22

Diluted earnings per share

Diluted earnings per share are calculated by dividing profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

The weighted average number of shares on issue has been adjusted as if all dilutive shares were exercised. The number of shares that could have been issued upon the exercise of all dilutive shares less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for consideration. No adjustment is made to the profit for the financial year.

The effect of the exercise of share awards on the weighted average number of ordinary shares in issue is as follows:-

	Group	
		(Restated)
	2012	**2011**
Profit for the financial year attributable to owners of the Company (S$'000)	7,262	7,018
Weighted average number of ordinary shares in calculation of basic earnings per share ('000)	236,928	218,212
Adjusted for – weighted average number of unissued ordinary shares from shares under Performance Share Plan ('000)	810	627
Weighted average number of ordinary shares outstanding (diluted) ('000)	237,738	218,839
Fully diluted earnings per share (cents)	3.05	3.21

11. INVESTMENT PROPERTIES

	Group 2012 S$'000	(Restated) 2011 S$'000
At beginning of financial year	6,765	–
Additions	–	3,784
Net gains from fair value adjustments recognized in profit or loss (Note 5)	1,370	2,981
Reclassified to non-current asset, held-for-sale (Note 21)	(5,075)	–
At end of financial year	3,060	6,765

Investment properties are stated at fair value, which has been determined based on valuations performed as at 31 March 2012 and 31 March 2011. The valuations were performed by Premas Valuers & Property Consultants Pte. Ltd., an independent valuer with a recognized and relevant professional qualification and with recent experience in the location and category of properties being valued. The valuations are based on the properties' highest-and-best-use using the Direct Market Comparison Method.

The investment properties amounting to S$3,060,000 (2011: S$6,765,000) are mortgaged to secure bank loans (Note 31).

The following amounts are recognized in profit or loss:-

	Group 2012 S$'000	2011 S$'000
Rental income from investment properties (Note 5)	331	–
Direct operating expenses (including repairs and maintenance) arising from rental-generating investment properties	362	–

The investment properties held by the Group at the reporting date are as follows:-

Description and location	Tenure	Unexpired lease term
Factories located at 6 Tuas Avenue 20 Singapore 638820	Leasehold	41 years
Factories located at 36 Tuas West Road Singapore 638384	Leasehold	43 years

12. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold building S$'000	Transportation equipment S$'000	Tools and equipment S$'000	Furniture, fittings, and office equipment S$'000	Total S$'000
Cost					
At 1 April 2010	4,152	8,937	15,779	1,588	30,456
Acquisition of subsidiaries (Note 13)	680	157	2	114	953
De-registration of a subsidiary	–	–	–	(14)	(14)
Additions	75	3,254	2,878	365	6,572
Disposals / Written-off	(117)	(109)	(2,367)	(109)	(2,702)
Reclassified to non-current asset, held-for-sale (Note 21)	(390)	–	–	–	(390)
Exchange differences	(50)	(228)	(326)	(47)	(651)
At 31 March 2011 (restated)	4,350	12,011	15,966	1,897	34,224
Acquisition of subsidiaries (Note 13)	77	501	775	117	1,470
Acquisition of a joint venture (Note 15)	–	28	2	–	30
Additions	212	2,201	3,445	175	6,033
Disposals / Written-off	(121)	(266)	(258)	(7)	(652)
Exchange differences	18	143	187	17	365
At 31 March 2012	4,536	14,618	20,117	2,199	41,470
Accumulated depreciation					
At 1 April 2010	1,577	4,686	7,978	906	15,147
Acquisition of subsidiaries (Note 13)	27	77	2	76	182
De-registration of a subsidiary	–	–	–	(6)	(6)
Charge for the financial year	390	1,243	2,014	293	3,940
Disposals / Written-off	(29)	(88)	(2,195)	(62)	(2,374)
Reclassified to non-current asset, held-for-sale (Note 21)	(31)	–	–	–	(31)
Exchange differences	(16)	(98)	(136)	(22)	(272)
At 31 March 2011 (restated)	1,918	5,820	7,663	1,185	16,586
Acquisition of subsidiaries (Note 13)	78	296	483	96	953
Acquisition of a joint venture (Note 15)	–	9	–	–	9
Charge for the financial year	311	1,629	2,421	297	4,658
Disposals / Written-off	(39)	(109)	(75)	(6)	(229)
Exchange differences	11	42	77	11	141
At 31 March 2012	2,279	7,687	10,569	1,583	22,118
Carrying amount					
At 31 March 2011 (restated)	2,432	6,191	8,303	712	17,638
At 31 March 2012	2,257	6,931	9,548	616	19,352

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

For the financial year ended 31 March 2012:-

(i) The Group acquired property, plant and equipment with an aggregate cost of S$6,033,000 (2011: S$6,572,000) of which S$2,090,000 (2011: S$1,617,000) were acquired by means of finance leases. Cash payments of S$3,943,000 (2011: S$4,955,000) were made to purchase property, plant and equipment.

(ii) The carrying amount of property, plant and equipment held under finance leases at the end of the reporting period was S$4,400,000 (2011: S$4,535,000).

(iii) The Group's leasehold building with a carrying amount of S$2,257,000 (2011: S$2,432,000) are mortgaged to secure the Company's bank loans (Note 31) and certain credit facilities granted from banks.

13. INVESTMENT IN SUBSIDIARIES

	Company	
	2012	**2011**
	S$'000	**S$'000**
Unquoted equity share, at cost		
At beginning of financial year	38,075	37,375
Additions	–	700
At end of financial year	38,075	38,075

Details of the subsidiaries are as follows:-

Name of subsidiary	Place of business / Country of incorporation	Principal activities	Proportion of ownership interest	
			2012	**2011**
			%	**%**
Held by the Company				
Chasen Logistics Services Limited (i)	Singapore	Relocation services, industrial packing, warehousing, transportation, freight forwarding and shipping	100	100
Chasen Logistics & Engineering Services Pte Ltd (i)	Singapore	Investment holding	100	100
Ruiheng International Pte Ltd (i)	Singapore	Investment holding	100	100
REI Technologies Pte Ltd (i)	Singapore	Engineering services	100	100
CLE Engineering Services Pte Ltd (i)	Singapore	Investment holding	100	100

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Place of business / Country of incorporation	Principal activities	Proportion of ownership interest 2012 %	2011 %
Held by the Company (Cont'd)				
Chasen Leasing Pte Ltd (i)	Singapore	Leasing of equipment	100	100
Held by Chasen Logistics Services Limited				
DNKH Logistics Pte Ltd (i)	Singapore	Provider of freight forwarding, logistics, transportation and general warehousing services	100	100
Held by Chasen Logistics & Engineering Services Pte Ltd				
Chasen (Shanghai) Hi Tech Machinery Services Pte Ltd (ii)	People's Republic of China ("PRC")	General activities relating to high value machinery and equipment	100	100
Chasen Sino-Sin (Beijing) Hi Tech Services Private Ltd (iv)	PRC	General activities relating to high tech machinery and equipment, and relocation services	100	100
Chasen Logistics (Shanghai) Co. Ltd (ii)	PRC	Provision of relocation, packaging and warehousing services	100	100
Chasen Logistics (Xi'An) Co. Ltd (ix)	PRC	Provision of warehousing services	–	100
Chasen Sinology (Beijing) Logistics Co. Ltd (iv)	PRC	Provision of artifact packaging and transportation services	100	100
Lelecai Pte Ltd (i)	Singapore	Provision of management consultancy services	100	100
Held by Ruiheng International Pte Ltd				
Chasen Logistics Sdn Bhd (iii)	Malaysia	Provider of logistics and transportation services	100	100
City Zone Express Sdn Bhd (iii)	Malaysia	Provider of third party logistics services, transporting and warehousing service	73.2	60
Liten Logistics Services Pte Ltd (viii)	Singapore	Machinery and equipment moving, general warehouse and logistics management	100	–

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Place of business / Country of incorporation	Principal activities	Proportion of ownership interest 2012 %	Proportion of ownership interest 2011 %
Held by REI Technologies Pte Ltd				
REI Hitech Sdn Bhd (iii)	Malaysia	Providing services on cryogenic pump	100	100
REI Promax Technologies Pte Ltd (i)	Singapore	Precision manufacturing of machine tool accessories	32	32
Held by CLE Engineering Services Pte Ltd				
Goh Kwang Heng Pte Ltd (i)	Singapore	Scaffolding service provider to marine and construction industries	100	100
Goh Kwang Heng Scaffolding Pte Ltd (i)	Singapore	Scaffolding equipment services	100	100
Hup Lian Engineering Pte Ltd (i)	Singapore	Engineering and structural steel fabrication supplier and installer	51	51
REI Promax Technologies Pte Ltd (i)	Singapore	Precision manufacturing of machine tool accessories	23	23
Global Technology Synergy Pte Ltd (i)	Singapore	General building engineering service, process engineering and construction	100	100
Held by Hup Lian Engineering Pte Ltd				
HLE International Pte Ltd (i)	Singapore	Investment holding	100	100
Shanghai FengChuang Enterprise Management Consultant Co., Ltd (vi)	PRC	Management consultancy	100	100
Shanghai ZhuangHe Construction Co., Ltd (vii)	PRC	Construction and engineering works	100	100
Shanghai FengChuang M & E Equipment Co., Ltd (vi)	PRC	Design, engineering, installation of machinery and equipment	100	100

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Place of business / Country of incorporation	Principal activities	Proportion of ownership interest	
			2012	2011
			%	%
Held by REI Promax Technologies Pte Ltd				
Suzhou Promax Communication Co., Ltd (v)	PRC	Contract manufacturing	100	100
Held by Global Technology Synergy Pte Ltd				
Towards Green Sdn Bhd (iii)	Malaysia	Engineering and contracting work	100	100
Held by Liten Logistics Services Pte Ltd				
Liten Holdings Pte Ltd (viii)	Singapore	Investment holding	100	–

(i) Audited by Mazars LLP, Singapore.

(ii) Audited by Shanghai Hai Ming Certified Public Accountants Co., Ltd, PRC for local statutory audit and audited by ShineWing Certified Public Accountants PRC, for consolidation purposes.

(iii) Audited by Grant Thornton, Malaysia.

(iv) Audited by Beijing HengChengYongXin Certified Public Accountants, PRC for local statutory audit and audited by ShineWing Certified Public Accountants, PRC for consolidation purposes.

(v) Audited by Suzhou Jianxin Certified Public Accountants Co., Ltd, PRC for local statutory audit and audited by ShineWing Certified Public Accountants, PRC for consolidation purposes.

(vi) Audited by Shanghai Hua Cheng Certified Public Accountants Co., Ltd, PRC.

(vii) Audited by Shanghai Zhi Yuan Certified Public Accountants Co., Ltd, PRC.

(viii) Audited by ShineWing LLP, Singapore.

(ix) The Group deconsolidated its indirect 100% subsidiary, Chasen Logistics (Xi'An) Co. Ltd, which has been voluntarily de-registered during the financial year ended 31 March 2011.

For the purpose of Rule 716(1) of the Listing Manual, Section B: Rules of Catalist, the Directors and the Audit Committee of the Company are satisfied that the appointment of different auditors for its subsidiaries would not compromise the standard and efficiency of the audit of the Company, having regard to the size and experience of the audit firms.

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

<u>During the financial year ended 31 March 2012</u>

Acquisition of subsidiaries – Liten Logistics Services Pte Ltd and Liten Holdings Pte Ltd

On 13 April 2011, Ruiheng International Pte Ltd acquired 100% equity interest in Liten Logistics Services Pte Ltd and Liten Holdings Pte Ltd (collectively known as "Liten Group"), both companies are incorporated in Singapore, for a purchase consideration of S$3,882,292. The provisional fair value of the net identifiable liabilities of Liten Group was S$303,824.

The fair value of the identifiable assets and liabilities of Liten Group as at acquisition date was:-

	Fair value recognized on acquisition S$'000
Property, plant and equipment	517
Intangible assets	312
Trade and other receivables	1,116
Deferred tax assets	172
Trade and other payables	(2,637)
Cash and cash equivalents	216
Total identifiable net liabilities at fair value	(304)
Goodwill arising from acquisition (Note 16)	4,186
Total consideration	3,882
<u>Consideration transferred for the acquisition of Liten Group</u>	
Cash paid	153
Equity instruments issued (11,907,534 ordinary shares of Chasen Holdings Limited)	3,729
Total consideration transferred	3,882
<u>Effect of the acquisition of Liten Group on cash flows</u>	
Total consideration for 100% of equity interest acquired	3,882
Less: Non-cash consideration	(3,729)
	153
Less: Cash and cash equivalents of subsidiaries acquired	(216)
Net cash inflow on acquisition	(63)

<u>Equity instruments issued as part of consideration transferred</u>

In connection with the acquisition of 100% equity interest in Liten Group, the Group issued 11,907,534 ordinary shares with a fair value of S$0.3132 each. The fair value of these shares is based on the volume weighted average closing price per share for the 5 trading days prior to the signing of the agreement.

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

During the financial year ended 31 March 2012 (Cont'd)

Acquisition of subsidiaries – Liten Logistics Services Pte Ltd and Liten Holdings Pte Ltd (Cont'd)

Transaction costs

Transaction costs related to the acquisition of S$48,000 have been recognized in the "Administrative expenses" line item in the Group's profit or loss for the financial year ended 31 March 2012.

Goodwill arising from acquisition

The goodwill of S$4,186,000 arising from acquisition is attributable to the expected synergies arising from the combination of complementary capabilities to extend the scope of logistics services available from the Company's Group to the regional market covering Singapore, Malaysia, Vietnam, PRC and elsewhere.

Intangible assets

Intangible assets identified relate to non-contractual customer relationships which are attributable to long-term relationships with its major customers since incorporation. The remaining useful life is estimated at 6 years.

Impact of the acquisition on profit or loss

Liten Group is acquired at the beginning of the financial year and full year results have been consolidated into the Group's financial statements for the financial year ended 31 March 2012.

Acquisition of non-controlling interests – City Zone Express Sdn Bhd

On 6 February 2012, the Company's wholly-owned subsidiary company, Ruiheng International Pte Ltd, acquired an additional 13.2% equity interest in City Zone Express Sdn Bhd ("CZE") from its non-controlling interests for a cash consideration of S$195,106 (including the contingent consideration of S$60,081). As a result of this acquisition, CZE is 73.2% owned subsidiary of the Group. The carrying value of the net assets of CZE at 6 February 2012 was S$1,767,545 and the carrying value of the additional interest acquired was S$233,316. The difference of S$38,210 between the consideration and the carrying value of the additional interest acquired has been recognized in "Retained Profits" within equity.

The following summarizes the effect of the change in the Group's ownership interest in CZE on the equity attributable to owners of the Company:-

	S$'000
Consideration paid for acquisition of non-controlling interests	195
Decrease in equity attributable to non-controlling interests	(233)
Increase in equity attributable to owners of the Company	(38)

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

<u>During the financial year ended 31 March 2011</u>

Acquisition of subsidiaries – Global Technology Synergy Pte Ltd and Towards Green Sdn Bhd

On 30 September 2010, CLE Engineering Services Pte Ltd acquired 100% equity interest in Global Technology Synergy Pte Ltd and Towards Green Sdn Bhd (collectively known as "GTS Group"), the former company incorporated in Singapore and the latter incorporated in Malaysia, for a purchase consideration of S$4,500,000. The provisional fair value of the net identifiable assets of GTS Group was S$1,592,000.

The fair value of the identifiable assets and liabilities of GTS Group as at acquisition date was:-

	Fair value recognized on acquisition S$'000
Property, plant and equipment	771
Intangible assets	654
Trade and other receivables	528
Trade and other payables	(950)
Deferred tax liabilities	(196)
Cash and cash equivalents	785
Total identifiable net assets at fair value	1,592
Goodwill arising from acquisition (Note 16)	2,998
Total consideration	4,500
<u>Consideration transferred for the acquisition of GTS Group</u>	
Cash paid	–
Equity instruments issued (500,000 ordinary shares of Chasen Holdings Limited)	4,000
Contingent consideration recognized as at acquisition date	500
Total consideration transferred	4,500
<u>Effect of the acquisition of GTS Group on cash flows</u>	
Total consideration for 100% of equity interest acquired	4,500
Less: Non-cash consideration	(4,500)
	–
Less: Cash and cash equivalents of subsidiaries acquired	(785)
Net cash inflow on acquisition	(785)

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

During the financial year ended 31 March 2011 (Cont'd)

Acquisition of subsidiaries – Global Technology Synergy Pte Ltd and Towards Green Sdn Bhd (Cont'd)

Equity instruments issued as part of consideration transferred

In connection with the acquisition of 100% equity interest in GTS Group, the Group issued 10,476,689 ordinary shares with a fair value of S$0.38 each. The fair value of these shares is based on the volume weighted average price of ordinary shares in the Company for the 3 trading days prior to the Completion Date of 30 September 2010.

Contingent consideration arrangement

The Group is required to pay the former owners of GTS Group for S$500,000 in cash if GTS Group achieves a net profit after tax of S$1,000,000 for the period from 1 January 2010 to 31 December 2010. As at the acquisition date, the fair value of the contingent consideration was estimated at S$500,000.

Transaction costs

Transaction costs related to the acquisition of S$14,000 and S$64,000 have been recognized in the "Administrative expenses" line item in the Group's profit or loss for the financial years ended 31 March 2012 and 2011 respectively.

Goodwill arising from acquisition

The goodwill of S$2,907,817 arising from the acquisition is attributable to the expertise in water treatment, business networks in Singapore and Malaysia and the synergies expected to arise from the economies of scale in combining the other operations of the Group.

Intangible assets

Intangible assets identified relates to non-contractual customer relationships which is attributable to long-term relationship with its major customers since incorporation. The remaining useful life is estimated at 7.5 years.

Impact of the acquisition on profit or loss

The acquired business contributed revenue of S$3,000,000 and net profit of S$459,000 to the Group for the period from 1 October 2010 to 31 March 2011.

If GTS Group has been consolidated from 1 April 2010, the consolidated revenue and consolidated profit for the financial year ended 31 March 2011 would have been S$76,093,000 and S$7,444,000 respectively.

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

During the financial year ended 31 March 2011 (Cont'd)

De-registration of a subsidiary – Chasen Logistics (Xi'An) Co. Ltd

During the financial year ended 31 March 2011, the Company has de-registered its wholly-owned subsidiary, Chasen Logistics (Xi'An) Co. Ltd (PRC). The effect of the de-registration on the cash flows of the Group were as follows:-

	2011 S$'000
Cash and cash equivalents	301
Property, plant and equipment	8
Other payables	(1)
Total identifiable net assets	308
Reclassification of currency translation reserve on de-registration of foreign operation	17
	325
Loss on de-registration of a subsidiary	(39)
Cash proceeds from de-registration	286
Less: Cash and cash equivalents in subsidiary de-registered	(301)
Net cash outflow on de-registration of a subsidiary	(15)

Acquisition of subsidiaries held through Hup Lian Engineering Pte Ltd

On 12 June 2010, Hup Lian Engineering Pte Ltd ("HLE") issued 375,000 new shares to acquire the remaining 16% interest in a joint venture company, Shanghai FengChuang Enterprise Management Consultant Co., Ltd. ("SFEMC"). The new shares were issued at an issue price of S$0.44 per consideration share. Additionally, HLE is to pay the former owner of SFEMC of S$69,000 through issuance of 156,250 shares if SFEMC achieves a profit guarantee of S$1,000,000 for the first 3 years of SFEMC operation.

On 15 June 2010, HLE acquired 100% equity interest in Shanghai ZhuangHe Construction Co., Ltd and Shanghai FengChuang M & E Equipment Co., Ltd (collectively known as "HLE Group"), both companies incorporated in the People's Republic of China ("PRC"), for a purchase consideration of S$21,000 (equivalent to RMB100,000). The fair value of the net identifiable assets of HLE Group was negligible.

	SFEMC S$'000	HLE Group S$'000	Total S$'000
Total identifiable assets at fair value	–	–	–
Goodwill arising from consolidation	69	21	90
Total consideration	69	21	90
Consideration transferred for the acquisition			
Cash paid	–	21	21
Capital reserves	69	–	69
Total consideration transferred	69	21	90
Effect of the acquisition of subsidiary on cash flows			
Total consideration transferred	69	21	90
Less: Non-cash consideration	(69)	–	(69)
Net cash outflow on acquisition	–	21	21

14. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Unquoted equity share				
At cost	1,000	1,000	200	200
Share of profits/(losses) of associate	–	–	–	–
	1,000	1,000	200	200

Details of the associate are as follows:-

Name of associate	Place of business /Country of incorporation	Principal activities	Proportion of ownership interest	
			2012 %	2011 %
Held by the Company				
Caitong Investments Pte Ltd *	Singapore	Investment holding	6	6
Held by HLE International Pte Ltd				
Caitong Investments Pte Ltd *	Singapore	Investment holding	24	24

* Audited by Kit Yee & C., Singapore.

The summarized financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is as follows:-

	2012 S$'000	2011 S$'000
Assets and liabilities:		
Total assets	1	1
Total liabilities	(5)	(5)
Results:		
Revenue	–	–
Profit for the financial year	(2)	(2)

15. INVESTMENT IN JOINT VENTURES

The Group has the following significant interests in joint ventures:-

Name of joint venture	Place of business /Country of incorporation	Principal activities	Proportion of ownership interest	
			2012	2011
			%	%
Held by Chasen Logistics Services Limited				
Chasen Globus Logistics Pte Ltd (i)	Singapore	Provider of third party logistics services	50	50
Held by Ruiheng International Pte Ltd				
Chasen Transport Logistics Company Limited (ii)	Vietnam	Provider of third party logistics services and warehousing	49	–

(i) Audited by ShineWing LLP, Singapore.

(ii) No auditor has been appointed yet.

The following amounts are included in the Group's financial statements as a result of the proportionate consolidation of Chasen Globus Logistics Pte Ltd and Chasen Transport Logistics Company Limited:-

	2012 S$'000	2011 S$'000
Assets and liabilities:		
Total assets	51	8
Total liabilities	(23)	(4)
Results:		
Income	41	42
Expenses	(82)	(2)

Acquisition of a joint venture – Chasen Transport Logistics Company Limited

On 29 September 2011, Ruiheng International Pte Ltd acquired 49% equity interest in Chasen Transport Logistics Company Limited ("CTL"), a company incorporated in Vietnam, for a purchase consideration of S$57,000 as a form of joint venture. The fair value of the net identifiable liabilities acquired of CTL as at acquisition date was S$26,000. The difference of S$83,000 between the consideration and the net identifiable liabilities acquired has been recognized as goodwill (Note 16). Net cash outflow on acquisition is S$42,000 excluding the cash and cash equivalents in joint venture acquired.

16. GOODWILL ON CONSOLIDATION

	Group 2012 S$'000	(Restated) 2011 S$'000
At cost		
At beginning of financial year	6,380	3,382
Arising from acquisition of a subsidiary (Note 13)	4,186	2,998
Arising from acquisition of a joint venture (Note 15)	83	–
At end of financial year	10,649	6,380

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units ("CGU") that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:-

	Relocation services S$'000	Technical & engineering services S$'000	Total S$'000
2012			
Singapore	4,186	6,224	10,410
People's Republic of China	66	90	156
Vietnam	83	–	83
	4,335	6,314	10,649
2011			
Singapore	–	6,224	6,224
People's Republic of China	66	90	156
	66	6,314	6,380

Impairment testing of goodwill

The Group tests CGU annually for impairment or more frequent if there are indications that goodwill might be impaired.

The recoverable amounts of the CGU are determined from value-in-use calculations. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five-year period. The key assumptions for these value-in-use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specifics to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

16. GOODWILL ON CONSOLIDATION (CONT'D)

Impairment testing of goodwill (Cont'd)

Key assumptions used for value-in-use calculations

	Group	
	2012	**2011**
Gross margin (i)	10% - 34%	10% - 34%
Growth rate (ii)	10%	4%
Discount rate (iii)	11% - 15%	6%

(i) Budgeted gross margins are based on average values achieved in the three to six years preceding the start of the budget period.

(ii) The forecasted growth rates are based on published industry research relevant to the CGUs.

(iii) Pre-tax discount rate applied to the pre-tax cash flows projections.

The directors of the Company believe that any reasonable possible changes in the above key assumptions applied are not likely to materially cause the recoverable amount to be lower than its carrying amount.

No impairment loss was recognized during the financial year.

17. INTANGIBLE ASSETS

	Know-how* S$'000	Non-contractual customer relationship** S$'000	Total S$'000
Cost			
At 1 April 2009	–	–	–
Additions	445	–	445
At 1 April 2010 (restated)	445	–	445
Currency translation differences	(28)	–	(28)
Additions	–	654	654
At 1 April 2011(restated)	417	654	1,071
Currency translation differences	11	–	11
Additions (Note 13)	–	312	312
At 31 March 2012	428	966	1,394

17. INTANGIBLE ASSETS (CONT'D)

	Know-how* S$'000	Non-contractual customer relationship** S$'000	Total S$'000
Accumulated amortization			
At 1 April 2009 and 1 April 2010 (restated)	–	–	–
Amortization charge for the financial year	53	–	53
At 31 March 2011 (restated)	53	–	53
Amortization charge for the financial year	53	183	236
At 31 March 2012	106	183	289
Net carrying amount			
At 31 March 2011 (restated)	364	654	1,018
At 31 March 2012	322	783	1,105

* Cost on Know-how is attributable to the skills and technical talent in relation to the artifact packaging and transportation business.

** Cost on Non-contractual customer relationships is attributable to long-term relationship with its major customers since incorporation.

Impairment testing of know-how

The recoverable amount of the know-how was determined based on value in use calculation. This calculation uses cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rate of 52% (2011: 15%) per annum. The growth rate used is based on management expectation of growth in the marine, construction and logistics industry in which the subsidiary companies operate. The discount rate is 16% (2011: 9%) and has been applied to the cash flow projections.

18. CLUB MEMBERSHIP

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Carrying amount				
At beginning of financial year	38	56	25	43
Less: Amortization charge for the financial year	(18)	(18)	(16)	(18)
At end of financial year	20	38	9	25

18. CLUB MEMBERSHIP (CONT'D)

The club membership of S$60,000 was paid for by the Company for the benefit of a director in accordance with his Service Agreement ("Agreement"). Accordingly, the director held the membership in trust for the Company. Pursuant to the Agreement, the director is entitled to benefit from the membership as long as he maintains his role as an Executive Director of the Company up to 1 April 2012. Upon completion of the specified term (5 years), the benefit of the club will be entirely vested in the director. Consequently, the membership will be deemed disposed.

The amortization of club membership is included in the "Other operating expenses" line items in profit or loss.

19. FIXED DEPOSITS

This is a long term fixed deposit in the form of unit trusts at fixed term for 5 years and it matures on 24 December 2012. As at 31 March 2012, this has been classified as current asset and disclosed in Note 25.

Interest payment is variable upon the index movement of quoted shares held in the basket. The fixed deposit is principal protected and interest-free for both financial years ended 31 March 2012 and 2011.

The long term fixed deposits are denominated in Singapore dollars at the reporting date.

20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
At beginning of financial year	2,710	4,336	2,710	4,336
Additions	–	545	–	545
Net loss on fair value changes recognized in other comprehensive income	(1,575)	(2,171)	(1,575)	(2,171)
At end of financial year	1,135	2,710	1,135	2,710

Details of the available-for-sale financial assets are as follows:-

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Equity shares				
Quoted at fair value	711	792	711	792
Unquoted at cost	424	1,918	424	1,918
Total	1,135	2,710	1,135	2,710

20. AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONT'D)

On 3 August 2009, the Company had announced that it had invested in Greater Bendigo Gold Mines Ltd ("GBM"), a company listed on Australian Securities Exchange ("ASX"), held through its subsidiary Far Pacific Capital Ltd ("FPC"). Through a private placement, the Company acquired 13,500,000 shares representing approximately 12.18% of the enlarged shareholding in GBM for a cash consideration of AU$405,000 (equivalent to S$475,000).

On 16 April 2010, the Company had announced that it subscribed 16,875,000 new shares in GBM for a cash consideration of AU$422,000 (equivalent to S$545,000). The subscription was made pursuant to a non-renounceable rights issue ("GBM Rights Issue") on the basis of 5 new shares for every 4 existing shares together with 1 free option, which expires on 31 March 2012, for each 3 new shares subscribed.

Following the subscription, the Company's shareholding in GBM increased from 13,500,000 shares to 30,375,000 shares. After the GBM Rights Issue, the Company's shareholding is 9.06% of the enlarged share capital of GBM. During the financial year ended 31 March 2012, the Company's shareholding is decreased from 9.06% to 5.89%.

The Company has classified this investment since financial year ended 31 March 2009 as available-for-sale financial assets in accordance to FRS 39. Fair value changes in this financial asset will be recognized and charged to other comprehensive income accordingly.

* AU$: Australian dollars

21. NON-CURRENT ASSET, HELD-FOR-SALE

	Group	
	2012	2011
	S$'000	S$'000
Non-current asset, held-for-sale	5,075	359

In January 2011, Singapore Land Authority has issued Notice of Acquisition of the piece of land along 36 Tuas West Road, Singapore 638384 which the Company has a deemed interest of 51% through its wholly owned subsidiary, Chasen Logistics Services Limited. The leasehold factories located at 36 Tuas West Road, Singapore 638384 with a gross floor area of approximately 5,017 square metres, has been reclassified from investment properties to non-current asset, held-for-sale on the statement of financial position, which amounted to S$5,075,000 (2011: S$Nil) are mortgaged to secure bank loans (Note 31). The transaction is expected to be completed during the next financial year ended 31 March 2013.

As of 31 March 2011, the subsidiary, Chasen Logistics Services Limited, has appointed an agent as at March 2011 to sell the warehouse located at 194 Pandan Loop #04-06 Pantech Business Hub with a gross floor area of 209 square metres. Following the appointment, the warehouse has been reclassified from property, plant and equipment to non-current asset, held-for-sale on the statement of financial position. The transaction was completed in August 2011.

22. INVENTORIES

	Group 2012 S$'000	(Restated) 2011 S$'000
Raw materials	641	249
Work-in-progress	–	367
Finished goods	563	745
Consumables	40	80
	1,244	1,441

23. GROSS AMOUNT DUE FROM CUSTOMERS ON CONTRACT WORK-IN-PROGRESS

	Group 2012 S$'000	2011 S$'000
Aggregate costs incurred and recognized profits (less recognized losses) to date on uncompleted construction contract	4,734	2,644
Less: Progress billings	(3,531)	(2,090)
Gross amount due from customers on contract work-in-progress	1,203	544
Retention sums on construction contracts included in trade receivables	945	79

The amount of contract revenue recognized as revenue is included in the "Technical and Engineering Services".

24. TRADE RECEIVABLES

	Group 2012 S$'000	(Restated) 2011 S$'000
Non-current		
Third parties	201	–
Current		
Third parties	37,433	32,896
Retention receivables	1,150	1,166
Less: Allowance for doubtful trade receivables	(338)	(225)
	38,245	33,837

24. TRADE RECEIVABLES (CONT'D)

Trade receivables are non-interest bearing, generally settled on 30 to 90 (2011: 30 to 90) days credit term. They are recognized at their original invoice amounts which represent their fair values on initial recognition.

The Group's trade receivables that are impaired at the end of reporting period and the movement of the allowance accounts used to record the impairment are as follows:-

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Balance at beginning of financial year	225	228
Allowance made	282	167
Allowance written off	(79)	(103)
Allowance written back	(90)	(67)
Balance at end of financial year	338	225

Trade receivables are denominated in the following currencies at the reporting date:-

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Singapore dollars	21,139	16,528
Chinese Renminbi	13,243	10,367
Euro	26	12
Malaysian Ringgit	2,324	3,125
United States dollars	1,712	3,805
Thai Baht	2	–
	38,446	33,837

25. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group			Company		
		(Restated)	(Restated)		(Restated)	(Restated)
	2012	2011	2010	2012	2011	2010
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Non-current						
Loan to an associate	496	496	10	214	214	–
Prepayments	–	430	1,819	–	184	1,819
	496	926	1,829	214	398	1,819
Current						
Deposits paid	2,034	1,243	781	1,000	–	–
Dividend receivables	–	–	–	1,000	1,000	1,000
Other receivables	4,729	1,530	974	559	353	11
Prepayments	2,665	3,909	1,615	148	418	123
	9,428	6,682	3,370	2,707	1,771	1,134

The loan to an associate is unsecured, interest-free, and not expected to be repaid within the next twelve months. The loan is considered to be part of the Group's and the Company's net investment in the associate.

Other receivables, deposits and prepayments are denominated in the following currencies at the reporting date:-

	Group			Company		
		(Restated)	(Restated)		(Restated)	(Restated)
	2012	2011	2010	2012	2011	2010
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Singapore dollars	4,905	3,702	2,216	2,921	2,169	2,953
Australian dollars	511	511	546	–	–	–
Chinese Renminbi	3,892	3,038	2,261	–	–	–
Malaysian Ringgit	411	357	176	–	–	–
United States dollars	205	–	–	–	–	–
	9,924	7,608	5,199	2,921	2,169	2,953

26. AMOUNTS DUE FROM SUBSIDIARIES

The amounts due from subsidiaries are non-trade in nature, unsecured and are repayable on demand. Except for certain amounts due from subsidiaries bears interest effective interest rate at 4.25% (2011: 4.25%) per annum.

Amounts due from subsidiaries are denominated in the following currencies at the reporting date:-

	Company	
	2012 S$'000	2011 S$'000
Singapore dollars	28,707	23,318
Malaysian Ringgit	169	18
	28,876	23,336

27. CASH AND CASH EQUIVALENTS

	Group		Company	
		(Restated)		
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Cash and bank balances	9,296	7,226	200	67
Fixed deposits placed with banks	1,404	1,420	–	–
	10,700	8,646	200	67
Bank overdrafts (Note 31)	(499)	(354)		
	10,201	8,292		
Less: Fixed deposits pledged	(1,404)	(1,420)		
Cash and cash equivalents as stated in consolidated statement of cash flows	8,797	6,872		

Cash at banks earns interest at floating rates based on daily bank deposit rates.

The fixed deposits were pledged to financial institutions as securities for banking facilities of the Group. Fixed deposits of the Group bear interest rates ranging from 0.10% to 1.35% (2011: 0.100% to 0.925%) per annum with average maturity period ranging from one to twelve (2011: one to twelve) months at the end of the financial year.

27. CASH AND CASH EQUIVALENTS (CONT'D)

Cash and cash equivalents are denominated in the following currencies at the reporting date:-

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Singapore dollars	5,240	3,707	176	57
Chinese Renminbi	4,137	2,169	–	–
Japanese Yen	15	15	–	–
Malaysian Ringgit	597	656	–	–
United States dollars	699	2,099	24	10
Vietnam Dong	12	–	–	–
	10,700	8,646	200	67

28. SHARE CAPITAL

	Group		Company	
	No. of shares		No. of shares	
	'000	S$'000	'000	S$'000
Issued and fully paid, with no par value				
At 1 April 2010	146,994	23,737	146,994	53,265
Issued for rights issue (1)	72,747	9,186	72,747	9,186
Issued for acquisition of subsidiaries (2)	10,477	4,000	10,477	4,000
Issued for warrants (3)	80	24	80	24
At 31 March 2011	230,298	36,947	230,298	66,475
Issued for acquisition of subsidiaries (4)	11,908	3,729	11,908	3,729
Issued for warrants (5)	4,536	1,361	4,536	1,361
At 31 March 2012	246,742	42,037	246,742	71,565

The equity structure (number and types of equity issued) at the end of the financial year represents that of the Company, being the legal parent. However, for the purpose of reverse acquisition, the amount of the share capital of the Group represents that of the Acquired Group (legal subsidiary) before the reverse acquisition.

(1) Issue of 72,747,081 consideration shares at S$0.13 per share, pursuant to a rights issue exercise in May 2010. All issued ordinary shares are fully paid. The transaction cost for the exercise amounted to S$271,000.

(2) Issue of 10,476,689 consideration shares at S$0.38 per share for acquisition of GTS Group (refer to Note 13). All issued ordinary shares are fully paid.

(3) Issue of 80,312 consideration shares at S$0.30 per share. All issued ordinary shares are fully paid.

(4) Issue of 11,907,534 consideration shares at S$0.31 per share for acquisition of Liten Group (refer to Note 13). All issued ordinary shares are fully paid.

(5) Issue of 4,535,834 consideration shares at S$0.30 per share. All issued ordinary shares are fully paid.

28. SHARE CAPITAL (CONT'D)

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Chasen Performance Share Plan (The "Plan")

From the commencement of the Plan to 31 March 2012, awards comprising an aggregate of 5,314,562 shares have been granted.

As at 31 March 2012, details of performance shares awarded under the Plan are set out as below:-

Date of grant	Share Awards granted since commencement of Plan to end of financial year under review	Share Awards vested since commencement of Plan to end of financial year under review	Share Awards cancelled since commencement of Plan to end of financial year under review	Share Awards outstanding as at end of financial year under review
23 August 2007	476,000	(476,000)	Nil	Nil
1 September 2008	970,000	(864,500)	(105,500)	Nil
27 July 2009	189,000	(189,000)	Nil	Nil
22 February 2010	1,346,912	(1,155,212)	(39,630)	152,070
31 March 2011	1,069,200	(378,160)	(123,800)	567,240
30 March 2012	1,263,450	Nil	Nil	1,263,450

The Group and the Company recognized total expenses of S$199,000 (2011: S$285,000) related to the transactions for this Plan during the financial year.

29. TREASURY SHARES

	Group and Company			
	2012		2011	
	No. of shares '000	S$'000	No. of shares '000	S$'000
At beginning of financial year	35	9	1,500	358
Repurchased during the financial year	901	215	–	–
Transferred during the financial year	(782)	(192)	(1,465)	(349)
At end of financial year	154	32	35	9

Treasury shares relate to ordinary shares of the Company that is held by the Company.

During the financial year ended 31 March 2012, the Company has released 782,230 (2011: 1,465,142) shares pursuant to the vesting of 782,230 (2011: 1,465,142) out of the 5,314,562 (2011: 2,981,912) performance shares awarded by transferring of treasury shares to the eligible participants.

29. TREASURY SHARES (CONT'D)

During the financial year ended 31 March 2012, the Company acquired 901,000 (2011: Nil) of its own shares through purchase on the Singapore Exchange during the financial year. The total amount paid to acquire the share was S$215,000 (2011: Nil) and this was presented as a component within shareholders' equity.

30. OTHER RESERVES

Capital reserve

Capital reserve represents a contingent payment to the former owner of the acquired subsidiary, Shanghai FengChuang Enterprise Management Consultant Co., Ltd..

Foreign currency translation reserve

Foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Performance share plan reserve

Performance share plan reserve represents the conferred rights by the Company on shares to be issued or transferred ("Awards") to the employees whom are not required to pay for the grant of Awards or for the shares allocated pursuant to an Award. Refer to Note 28.

Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of available-for-sale financial assets until they are disposed of or impaired.

31. BANK OVERDRAFTS AND LOANS

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Bank overdrafts	499	354	–	–
Bank loans (secured)	10,211	10,583	1,500	1,857
	10,710	10,937	1,500	1,857

31. BANK OVERDRAFTS AND LOANS (CONT'D)

Bank loans (secured) are repayable as follows:-

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Within 1 year	9,296	5,569	1,500	1,857
After 1 year but within 5 years	715	4,663	–	–
After 5 years	200	351	–	–
	10,211	10,583	1,500	1,857

The effective interest rates per annum were as follows:-

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Bank overdrafts	5.10% to 13.88%	5.10% to 7.50%	–	–
Bank loans (secured)	1.73% to 11.00%	2.11% to 10.88%	1.73% to 2.99%	1.58% to 2.50%

The bank loans are repayable over a period of 3 months to 20 years, and secured by the following:-

(a) legal mortgage of the Group's investment properties and leasehold buildings;

(b) corporate guarantee by the Company and certain subsidiaries, i.e. Chasen Logistics Services Limited, Chasen (Shanghai) Hi Tech Machinery Services Pte Ltd, Chasen Sino-Sin (Beijing) Hi Tech Services Pte Ltd and Shanghai FengChuang Enterprise Management Consultant Co., Ltd;

(c) pledge of fixed deposits amounting to about S$1,404,000 (2011: S$1,420,000);

(d) personal guarantee from certain directors of these subsidiaries;

(e) legal mortgage over certain property, plant and equipment;

(f) assignment of contract proceeds from specific projects undertaken by ; and

(g) joint and several guarantees of certain directors of the Group.

31. BANK OVERDRAFTS AND LOANS (SECURED)

The bank overdrafts and loans are denominated in the following currencies at the reporting date:-

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Singapore dollars	6,012	7,915	1,500	1,000
Chinese Renminbi	3,065	3,022	–	–
United States dollars	1,633	–	–	857
	10,710	10,937	1,500	1,857

32. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			
	2012		2011	
	Assets	Liabilities	Assets	Liabilities
	S$'000	S$'000	S$'000	S$'000
Foreign currency forward contracts	–	170	–	–

During the financial year, the Group utilizes currency derivatives to hedge significant future transactions and cash flows. The Group is a party to a variety of forwards foreign exchange contracts in the management of its exchange rate exposures. The instruments purchased are primarily denominated in the currencies of the Group's principal markets.

At the end of the reporting period, the total notional amount of outstanding foreign currency forward contracts to which the Group is committed are as follows:-

	Group	
	2012	2011
	S$'000	S$'000
Foreign currency forward contracts	10,632	–

The following table details the foreign currencies forward contracts outstanding as at the end of the reporting period.

Group	Average of forward exchange rates		Foreign currency		Contract value		Fair value	
	2012	2011	2012	2011	2012	2011	2012	2011
			US$'000	US$'000	S$'000	S$'000	S$'000	S$'000
Sell United States dollars less than 3 months	1.239	–	8,600	–	10,632	–	(170)	–

33. OBLIGATIONS UNDER FINANCE LEASES

The Group has finance leases for certain transportation equipment and tools and equipment. These leases do not have renewal clauses but provide the Group with options to purchase the leased assets at nominal values at the end of the lease term.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:-

	Group			
			(Restated)	
	2012		2011	
	S$'000		S$'000	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Within 1 year	1,557	1,399	1,239	1,085
After 1 year but within 5 years	2,190	2,032	1,797	1,628
After 5 years	–	–	2	1
Total minimum lease payments	3,747	3,431	3,038	2,714
Less: Future finance charges	(316)	–	(324)	–
Present value of minimum lease payments	3,431	3,431	2,714	2,714

The effective interest rate of the finance leases ranges from 2.20% to 7.54% (2011: 2.40% to 11.97%) per annum.

The obligations under finance leases are denominated in the following currencies at the reporting date:-

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Singapore dollars	2,649	2,186
Malaysian Ringgit	782	528
	3,431	2,714

34. DEFERRED INCOME

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
At beginning of financial year	1	33
Amortization charge during the financial year (Note 5)	(1)	(32)
At end of financial year	–	1

Deferred income relates to the unearned finance income arising from finance leases resulting from asset sale and leaseback transactions. The deferred income is being amortized over the lease term and denominated in Malaysian Ringgit at the reporting date.

35. DEFERRED TAX LIABILITIES

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
At beginning of financial year	870	339
Charge to profit or loss	868	245
(Over)/Under-provision in prior financial years	(45)	90
Acquisition of subsidiaries (Note 13)	(172)	196
Foreign exchange differences	12	–
At end of financial year	1,533	870

Principally arises as a result of excess of carrying amount over tax written down value of property, plant and equipment.

36. TRADE PAYABLES

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Third parties	10,652	11,060

Trade payables are non-interest bearing and generally settled on 30 (2011: 30) days credit term.

36. TRADE PAYABLES (CONT'D)

Trade payables are denominated in the following currencies at the reporting date:-

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Singapore dollars	6,230	5,404
Chinese Renminbi	3,877	4,742
Malaysian Ringgit	297	679
Thai Baht	22	22
United States dollars	226	213
	10,652	11,060

37. OTHER PAYABLES AND ACCRUALS

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Amounts due to directors	28	201	–	–
Deposits received	328	1	–	–
Accruals	6,114	3,834	432	444
Other payables	5,690	3,981	106	81
	12,160	8,017	538	525

Amounts due to directors are unsecured, interest-free, and are repayable on demand.

Accruals mainly consist of accrued operating expenses. Included in accruals of the Group is an amount of S$650,000 (2011: S$650,000) being the provision for contract cost on the legal claims disclosed in Note 40 to the financial statements.

Other payables consist of insignificant items individually.

Other payables and accruals are denominated in the following currencies at the reporting date:-

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Singapore dollars	9,814	6,121	538	525
Chinese Renminbi	2,128	1,553	–	–
Malaysian Ringgit	203	313	–	–
United States dollars	15	30	–	–
	12,160	8,017	538	525

38. OPERATING LEASE COMMITMENTS

The Group as lessee

At the end of the reporting date, the Group has commitments for future minimum lease payments under non-cancellable operating leases in respect of the leasehold buildings and warehouses as follows:-

	Group	
	2012	**2011**
	S$'000	**S$'000**
Within 1 year	1,972	2,894
After 1 year but within 5 years	1,759	2,270
After 5 years	2,750	1,252
	6,481	6,416

The leases have its tenure from 1 year to 35 years, with an option to renew the lease for another 1 year to 30 years subject to certain conditions being met. Lease payments are increased upon renewal to reflect market rentals. There are no restrictions placed upon the Company by entering into these leases. The lease expenditure charged to profit or loss during the financial year is disclosed in Note 7 to the financial statements.

The Group as lessor

The Group has entered into commercial property leases on its investment properties. These non-cancellable leases have remaining lease terms of 10 months. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

Future minimum rental receivable under non-cancellable operating leases at the end of the reporting period is as follows:-

	Group	
	2012	**2011**
	S$'000	**S$'000**
Within 1 year	33	–

39. CAPITAL COMMITMENTS

	Group	
	2012	**2011**
	S$'000	**S$'000**
Capital commitments contracted but not provided for:-		
Property (i)	32,000	–
Plant and equipment	211	232
Acquisition of an associate (ii)	–	4,000
Acquisition of a subsidiary (iii)	–	6,000

39. CAPITAL COMMITMENTS (CONT'D)

(i) Subsequent to the financial year ended 31 March 2012, the subsidiary, Chasen Logistics Services Limited has entered into a Put and Call Option Agreement on 1 June 2012 in respect of the purchase of 6 Pioneer Walk, Singapore 627751 for a total purchase consideration of S$32 million.

(ii) During the financial year ended 31 March 2010, the Company and its subsidiary, HLE had entered into a sale and purchase agreement with Caitong Investments Pte Limited ("CTI") to acquire 30% equity interest in CTI for a consideration of S$5,000,000 of which S$1,000,000 has been paid and classified as an investment in an associate as at 31 March 2011 and 31 March 2010. The acquisition of CTI shares is to facilitate the combination of complementary capabilities of the Company and CTI to pursue, secure and execute infrastructure related project in the PRC (Note 14).

(iii) Subsequent to financial year ended 31 March 2011, the subsidiary, Ruiheng International Pte Ltd acquired 100% stake in Liten Logistics Services Pte Ltd for a consideration up to maximum of S$6,000,000. The acquisition has been completed in April 2011(Note 13).

40. CONTINGENCIES

Financial guarantees

The Company has given corporate guarantees up to S$33,403,000 (2011: S$25,988,000) to certain banks and financial institutions for credit facilities granted to the subsidiaries, mainly for the subsidiaries which have projects in China and required project financing. The Company has evaluated the fair value of the corporate guarantee. Consequently, the Company is of the view that the fair value of the guarantees to the banks and financial institutions with regard to the subsidiaries is not significant. The subsidiaries for which the guarantees were provided are also in favourable equity positions and are profitable.

Legal claims

A claim amount of S$7,497,000 (2011: S$7,497,000) inclusive 7% GST for work done has been submitted for arbitration during the financial year in accordance with the conditions in the contract of award for the Dreamworld project executed by the Group's subsidiary, Hup Lian Engineering Pte Ltd. The total claim submitted for arbitration is S$9 million of which an amount of S$5,768,000 (2011: S$6,219,000) has been booked as trade receivables (Note 24). A further sum of S$650,000 (2011: S$650,000) has been set aside as provision for contract cost (back claims) for this project. The other party has counter claimed a sum of S$1,690,000 (2011: S$2,119,000) against the Group for alleged overpayment of contract sum.

The Group lawyer in his report dated 23 April 2012 opined that the Group's claim for Variation Works is well supported by the evidence disclosed thus far and is confident based on the present evidence that it is a good claim to prosecute. In the event the Group is successful in its claim, the counter claim would be completely diminished.

In view of the provision had already provided for this claim and the lawyer's opinion on the expected outcome, the management is of the view that no further provision is required at this stage.

41. SIGNIFICANT RELATED PARTY TRANSACTIONS

Apart from the disclosures made elsewhere in these financial statements, the following significant transactions took place between the Company and its related parties on terms agreed between the parties during the financial year:-

	Company	
	2012	2011
	S$'000	S$'000
Subsidiaries		
Fund transferred to subsidiaries	3,031	7,079
Associate		
Loan to an associate	–	496

42. SEGMENT INFORMATION

The Group is organized into business units based on their products and services, and has three reportable segments as follows:-

A. Relocation services – being the provision of machinery and equipment moving services through projects or maintenance contracts;

B. Third party logistics services – being the provision of packing services and the supply of packaging and crating materials, the provision of warehousing of customers' new or replaced machinery and equipment in our premises or open yard prior to installation in the customers' premises or shipping out of the country and land transportation services using specialized conveyance vehicles and material handling equipment; and

C. Technical and engineering services – being the provision of turnkey facilities and engineering solutions, repair and maintenance services to customers in the high tech electronic industries, construction projects of customers in the marine, property development, oil and gas industries and contract manufacturing services in the electronic, telecommunications and other high technology industries.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance expenses) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

42. SEGMENT INFORMATION (CONT'D)

Segment revenue and expense are the operating revenue and expense reported in the Group's consolidated statement of comprehensive income that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

Segment assets consist principally of property, plant and equipment and trade receivables that are directly attributable to a segment.

Unallocated items comprise property, plant and equipment, other receivables, deposits and prepayments, fixed deposits, cash and cash equivalents, bank loans and overdrafts, trade payables, other payables and accruals, deferred tax liabilities, income tax payable, obligations under finance leases, other operating income and expenses.

Analysis by business segment

	Relocation Services		Thirty Party Logistics Services		Technical and Engineering Services		Total	
		(Restated)		(Restated)		(Restated)		(Restated)
	2012	2011	2012	2011	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue:								
External sales	44,476	30,090	21,850	16,546	32,642	25,828	98,968	72,464
Results:								
Gross profit	17,725	14,699	6,284	3,325	3,302	2,567	27,311	20,591
Unallocated other operating income							1,196	956
Unallocated expenses							(15,398)	(12,308)
Interest income							15	15
Interest expense							(1,074)	(679)
Depreciation and amortization							(4,912)	(4,011)
Fair value gains on investment properties							1,370	2,981
Profit before income tax							8,508	7,545
Segment assets:								
Trade receivables	13,101	10,315	6,436	5,639	18,909	17,883	38,446	33,837
Property, plant and equipment	9,834	8,439	2,348	2,502	7,170	6,697	19,352	17,638
Non-current asset, held-for-sale							5,075	359
Unallocated assets							40,040	37,150
Total assets							102,913	88,984

42. SEGMENT INFORMATION (CONT'D)

Analysis by business segment (Cont'd)

	Relocation Services		Thirty Party Logistics Services		Technical and Engineering Services		Total	
		(Restated)		(Restated)		(Restated)		(Restated)
	2012	2011	2012	2011	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Segment liabilities:								
Trade payables	2,411	1,112	956	836	7,285	9,112	10,652	11,060
Bank loans	3,402	4,659	1,393	730	3,915	3,337	8,710	8,726
Unallocated liabilities							19,907	14,616
Total liabilities							39,269	34,402
Other material non-cash items:								
Capital expenditure	3,043	4,654	955	482	2,035	1,436	6,033	6,572

Analysis by geographical segment

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:-

	Revenue		Segment assets		Capital expenditure	
		(Restated)		(Restated)		(Restated)
	2012	2011	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Singapore	57,968	47,635	67,451	67,127	2,229	1,803
People's Republic of China	31,489	16,857	30,252	16,547	3,211	4,234
Malaysia and Vietnam	9,511	7,972	5,210	5,310	593	535
	98,968	72,464	102,913	88,984	6,033	6,572

Information about a major customer

Revenue from one major customer amount to S$11,663,842 (2011: S$4,158,262), arising from sales in the Relocation Services segment.

43. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value of financial instruments that are carried at fair value

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:-

Group	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	S$'000	S$'000	S$'000	S$'000
2012				
Financial assets:				
Available-for-sale financial assets (Note 20)	711	–	–	711
Financial liabilities:				
Derivative financial instruments (Note 32)	–	170	–	170
2011				
Financial assets:				
Available-for-sale financial assets (Note 20)	792	–	–	792

Fair value of financial instruments that are carried at fair value

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:-

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There have been no transfers between Level 1 and Level 2 fair value measurements during the financial years ended 31 March 2012 and 2011.

43. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

Determination of fair value

Quoted equity instruments (Note 20): Fair value is determined by direct reference to quoted market price in an active market at the end of reporting period.

Derivative financial instruments (Note 32): Foreign currency forward contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality counterparties, foreign exchange spot and forward rates and forward rate curves.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Current trade and other receivables and payables, Non-current and Current bank loans (secured) at floating rate (Note 31), Non-current and Current obligations under finance leases at prevailing market rate (Note 33), and Cash and cash equivalents.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

Non-current fixed deposits, and Trade and other receivables, except for Loan to an associate (Note 25)

The carrying amounts of these financial assets are reasonable approximation of fair values.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The audit committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including available-for-sale financial assets, cash and short-term deposits), the Group and the Company minimize credit risk by dealing exclusively with high credit rating counterparties.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Credit risk (Cont'd)

The Group's objective is to seek continual revenue growth while minimizing losses incurred due to increased credit risk exposure. The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the end of the reporting period, the carrying amounts of trade and other receivables, and cash and cash equivalents represent the Group's and the Company's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

The Group established an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. No allowance for collective impairment was made based on past experience.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:-

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
By country:		
Singapore	24,333	25,239
People's Republic of China	11,583	5,483
Malaysia and Vietnam	2,530	3,115
	38,446	33,837
By industry sectors:		
Relocation services	13,101	10,315
Third party logistics services	6,436	5,639
Technical and engineering services	18,909	17,883
	38,446	33,837

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Credit risk (Cont'd)

At the end of the reporting period, approximately:-

- 22% (2011: 34%) of the Group's trade receivables were due from 2 (2011: 3) major customers who are providing Technical and Engineering services located in Singapore and China.

- 51% (2011: 45%) of the Group's trade and other receivables were due from related parties while almost all of the Company's receivables were balances with related parties.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and cash equivalents that are neither past due nor impaired are placed with reputable financial institutions and no history of default.

Financial assets that are either past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for the trade receivables.

Financial assets that are past due and/or impaired

The ageing of trade receivables and related impairment losses are as follows:-

	Group			
			(Restated)	
	2012		2011	
	Gross S$'000	Impairment S$'000	Gross S$'000	Impairment S$'000
Not past due	9,813	–	15,800	–
Past due 0 – 30 days	4,371	–	3,249	–
Past due 31 – 60 days	5,661	–	1,014	–
Past due 61 – 90 days	2,512	–	4,863	–
Past due more than 90 days	16,427	338	9,136	225
Total	38,784	338	34,062	225

The movements in the allowance for impairment in respect of trade receivables during the financial year are disclosed in Note 24.

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Based on past experience, except for certain trade receivables balances that impaired, the Group believes that no impairment allowance is necessary in respect of the remaining trade receivables due to the good payment track record of its customers.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Market rate risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's and the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group and the Company monitor their liquidity risk and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group has access to credit facilities as follows:-

	Group	
	2012	2011
	S$'000	S$'000
Unutilized credit facilities		
Bank overdraft facilities	1,346	700
Trade facilities	26,449	10,900

Analysis of financial instruments by remaining contractual maturities

The table below summarizes the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group	1 year or less S$'000	1 to 5 years S$'000	Over 5 years S$'000	Total S$'000
2012				
Financial assets:				
Trade and other receivables	45,008	201	–	45,209
Cash and cash equivalents	10,700	–	–	10,700
	55,708	201	–	55,909
Financial liabilities:				
Bank overdrafts	499	–	–	499
Bank loans	9,296	715	200	10,211
Obligations under finance leases	1,557	2,190	–	3,747
Trade and other payables	22,812	–	–	22,812
	34,164	2,905	200	37,269
Derivative:				
Derivative financial instruments	170	–	–	170
Total net undiscounted financial assets/(liabilities)	21,374	(2,704)	(200)	18,470

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

Group	**1 year or less S$'000**	**1 to 5 years S$'000**	**Over 5 years S$'000**	**Total S$'000**
2011				
Financial assets:				
Trade and other receivables	36,610	–	–	36,610
Cash and cash equivalents	8,646	–	–	8,646
	45,256	–	–	45,256
Financial liabilities:				
Bank overdrafts	354	–	–	354
Bank loans	5,569	4,663	351	10,583
Obligations under finance leases	1,239	1,797	2	3,038
Trade and other payables	19,077	–	–	19,077
	26,239	6,460	353	33,052
Total net undiscounted financial assets/(liabilities)	19,017	(6,460)	(353)	12,204

Company	**On demand and within 1 year**	
	2012 S$'000	**2011 S$'000**
Financial assets:		
Other receivables	1,148	1,353
Amount due from subsidiaries	28,876	23,336
Cash and cash equivalents	200	67
	30,224	24,756
Financial liabilities:		
Bank loans	1,500	1,857
Other payables and accruals	538	525
	2,038	2,382
Total net undiscounted financial assets	28,186	22,374

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rate. The Group's and the Company's exposure to interest rate risk arises primarily from interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by management on an on-going basis primarily through short term tenors with the primary objective of limiting the extent to which net interest exposure could be affected by adverse movements in interest rates. Information relating to the Company's interest rate exposure is disclosed in the Note 31 to the financial statements.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if SGD interest rate had been 1% higher/lower with all other variables held constant, the Group's profit before income tax would have been S$107,000 (2011: S$109,000) higher/lower, arising mainly as a result of higher/lower interest expense on floating rate bank overdrafts and loans. The Company's profit before income tax would have been S$15,000 (2011: S$19,000) higher/lower, arising mainly as a result of higher/lower interest expense on floating rate bank loans.

Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily Singapore dollars, Malaysian Ringgit and Chinese Renminbi. The foreign currencies in which these transactions are denominated are mainly United States dollars.

Foreign currency forward contracts are used to manage exposure to foreign exchange risk arising from operational activities. The measurement and recognition of such contracts are in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*. As at 31 March 2012, the notional value of the foreign currency forward contracts amounted to US$8,600,000 (2011: US$Nil), which is equivalent to S$10,632,000 (2011: S$Nil). Refer to Note 32.

Sensitivity analysis on foreign currency risk

At 31 March 2012, if the foreign currencies weakened 10% against the Singapore dollars with all other variables held constant, the Group's post-tax profit and equity for the financial year would have been S$1,291,000 (2011: S$1,503,000) higher and S$2,424,000 (2011: S$2,242,000) higher respectively, mainly as a result of foreign exchange gains on translation of foreign currency denominated financial instruments such as trade and other receivables, trade and other payables and cash and cash equivalents into Singapore dollars. The Company's post-tax loss for the financial year would have been S$16,000 (2011: S$69,000) lower, mainly as a result of foreign exchange losses on translation of foreign currency denominated financial instruments such as amount due from subsidiaries and cash and cash equivalents into Singapore dollars. A 10% strengthening against the Singapore dollars would have had the equal but opposite effects.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statement of financial position and in Note 20, 21 and 32 to the financial statements, except for the following:-

	Group		Company	
		(Restated)		(Restated)
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Loan and receivables	45,209	38,040	1,148	2,537
Financial liabilities at amortized cost	36,953	32,728	2,038	2,382

45. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2012 and 2011.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (excluding deferred tax liabilities and income tax payable as shown in the statement of financial position), less cash and cash equivalents. Total capital is calculated as total equity as shown in the statement of financial position, plus net debts.

During the financial year ended 31 March 2012, the Group's strategy, which was unchanged from 31 March 2011, was to maintain a gearing ratio of less than one. The gearing ratio at 31 March 2012 was as follows:-

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Total borrowings	37,123	32,729
Less: Cash and cash equivalents	(10,700)	(8,646)
Net debts	26,423	24,083
Total equity	63,644	54,582
Total capital and net debts	90,067	78,665
Gearing ratio	0.29	0.31

The Group is not subject to any externally imposed capital requirements during the financial years ended 31 March 2012 and 2011.

46. DIVIDENDS

	Group and Company	
	2012	2011
	S$'000	S$'000
Declared and paid during the financial year		
Dividend on ordinary shares:		
Final exempt (one-tier) dividend for 2011: S$0.0060 (2010: S$0.0060) per share	1,400	1,310
Proposed but not recognized as a liability as at 31 March		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
Final exempt (one-tier) dividend for 2011 at S$0.0060 per share	–	1,395

47. EVENTS OCCUR AFTER THE REPORTING PERIOD

Apart from the disclosures made elsewhere in these financial statements, the following significant events occur after the reporting period.

Increase in issued and paid-up capital of subsidiary

On 4 May 2012, DNKH Logistics Pte Ltd ("DNKH"), the wholly-owned subsidiary of Chasen Logistics Services Limited ("CLSG") (the Company's wholly-owned subsidiary), has increased its issued and paid-up capital from S$100,000 to S$1,000,000 as part of its corporate restructuring as follows:-

(a) Capitalization of CLSG's loan of S$500,000 to DNKH by way of issue and allotment of 500,000 ordinary shares in the share capital of DNKH.

(b) Capitalization of S$384,057 retained profits of DNKH by way of issue and allotment of 384,057 ordinary shares to a General Manager ("GM") of DNKH.

(c) Issue and allotment of 15,943 new ordinary shares to GM which had been fully paid by GM.

Following the above transactions, CLSG holds 60% and GM holds 40% equity interest in the share capital of DNKH. As a result, the Group has diluted of 40% equity interest in DNKH and will be reflected in the financial year ending 2013.

Establishment of joint venture

On 19 June 2012, the Company's 51% owned subsidiary, Hup Lian Engineering Pte Ltd ("HLE") had entered into a conditional shareholders agreement with Sinomedia Sdn. Bhd. ("Sinomedia") to establish a joint venture company, HLE Construction & Engineering Sdn. Bhd. ("JV Company") which was incorporated on 18 May 2012 with a paid-up share capital of RM2. Pursuant to the shareholders agreement, HLE holds 53% equity interest in the JV Company on 21 June 2012.

The above transaction is not expected to have any material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 31 March 2013.

48. RECLASSIFICATIONS AND RESTATEMENTS OF COMPARATIVE FIGURES

Certain reclassifications and restatements have been made to the prior financial year's financial statements consequent to correction of errors in prior financial year by the management during the financial year ended 31 March 2012.

* PYA: Prior year adjustment

(i) PYA 1 (Intangible assets)

The Group had recognized an intangible asset – software development which was carried at S$739,000 and S$1,848,000 in the statements of financial position as at 31 March 2011 and 2010 respectively. Hence, in compliance with the stated accounting policy and FRS 38 *Intangible Assets*, the management has de-recognized the asset as a PYA in 2012 to reflect that the software should have been expensed off upon the occurrence of the transaction as required under FRS 38. The effect of this PYA amounted to S$1,848,000 which resulted in a decrease in both intangible asset and retained profits of the Group and of the Company.

(ii) PYA 2 (Prepayment)

The Group had recognized wrongly a tax fee expense as prepayment in prior year. This amount of S$725,000 has been expensed as a PYA and this resulted in a decrease in both prepayment and retained profits of the Group.

(iii) PYA 3 (Non-controlling interests)

The Group had under-recorded its non-controlling interests in prior financial years as the differences were not significant on an annual basis in prior financial years. Management adjusted the non-controlling interests accordingly as a PYA which amounted to S$1,235,000 and this resulted in an increase in non-controlling interests of the Group and a corresponding decrease in retained profits.

(iv) PYA 4 (Expenses, including prepayment written off)

The Group has reviewed the appropriateness of the recording of certain items in the prior financial year and PYAs, one of which pertains to an amount of S$905,000 that was previously recorded as a prepayment under current assets, have been made to reflect the substance of those items. The amount has been offset by other insignificant adjustments included as part of the PYA.

As at 31 March 2011, the Group had recorded a prepayment of S$905,000 which relates to a payment made to a financial brokerage institution to raise capital to finance certain China infrastructure projects. As the intended projects did not materialize, management intended to terminate the brokerage contract and seek the return of the prepayment. In view of the length of time it may take to receive the balance after offsetting deductible expenses and the expense that may be incurred in the recovery of the balance prepayment, management has decided to write off the prepayment as a PYA until such time as the balance amount is recovered and written back. This resulted in a decrease in both prepayment and retained profits of the Group and of the Company.

48. RECLASSIFICATIONS AND RESTATEMENTS OF COMPARATIVE FIGURES (CONT'D)

(v) PYA 5 (Note 13: Acquisition of subsidiaries – GTS Group)

On 30 September 2010, CLE Engineering Services Pte Ltd acquired 100% equity interest in Global Technology Synergy Pte Ltd and Towards Green Sdn Bhd (collectively known as "GTS Group") for a purchase consideration of S$4,500,000. Global Technology Synergy Pte Ltd was incorporated in Singapore and Towards Green Sdn Bhd was incorporated in Malaysia.

Management did not perform a purchase price allocation in the prior financial year for the business combination in accordance with the requirements of FRS 103 *Business Combinations* but have relied on a due diligence report in determining the fair value of the net assets acquired. Management has subsequently performed a purchase price allocation on 30 September 2011. Hence, the fair value of the identifiable assets and liabilities of GTS Group as at the acquisition date have been restated and reflected as PYAs in 2012. The corresponding effects are as follows:-

	Group		
	Previously reported S$'000	**Adjustment S$'000**	**As restated S$'000**
31/03/2011			
Fair value identifiable assets and liabilities acquired			
Property, plant and equipment	555	216	771
Intangible assets	–	654	654
Trade and other receivables	442	86	528
Trade and other payables	(988)	38	(950)
Deferred tax liabilities	–	(196)	(196)
Cash and cash equivalents	785	–	785
Total identifiable net assets at fair value	794	798	1,592
Goodwill arising from acquisition	3,706	(798)	2,908
Total consideration	4,500	–	4,500

48. RECLASSIFICATIONS AND RESTATEMENTS OF COMPARATIVE FIGURES (CONT'D)

In consideration of the above and other PYAs that were passed in this review exercise performed by management, the following line items have been amended in the statements of financial position, consolidated statement of comprehensive income, statements of changes in equity, consolidated statement of cash flows and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current financial year's presentation.

	Previously reported S$'000	After reclassifications/ restatements S$'000
Group		
31/03/2011		
Consolidated statement of comprehensive income		
Revenue	72,185	72,464
Cost of sales	(51,625)	(51,873)
Other operating income	3,975	3,952
Distribution and selling expenses	(5,071)	(5,061)
Administrative expenses	(9,037)	(9,924)
Other operating expenses	(1,862)	(1,334)
Finance expenses	(682)	(679)
Income tax expense	(577)	(842)
Statements of financial position		
Property, plant and equipment	17,454	17,638
Intangible assets	1,103	1,018
Goodwill arising on consolidation	7,178	6,380
Gross amount due from customers on work-in-progress	554	544
Inventories	1,302	1,441
Trade receivables	34,273	33,837
Other receivables, deposits and prepayments (current)	8,493	6,682
Cash and cash equivalents	8,651	8,646
Bank loans (secured) (current)	5,686	5,569
Trade payables	11,235	11,060
Other payables and accruals	7,985	8,017
Obligations under finance leases (current)	1,081	1,085
Income tax payable	565	803
Deferred income tax liabilities	498	870
Currency translation reserve	1,289	1,284
Retained profits	18,631	14,393
Non-controlling interests	5,484	6,541

48. RECLASSIFICATIONS AND RESTATEMENTS OF COMPARATIVE FIGURES (CONT'D)

	Previously reported S$'000	After reclassifications/ restatements S$'000
Group		
31/03/2011		
Consolidated statement of cash flows		
Profit before income tax	7,883	7,545
Cash generated from operating activities	1,371	837
Cash used in investing activities	(4,540)	(5,003)
Cash generated from financing activities	5,899	5,809
Net increase in cash and cash equivalents	2,730	1,643
01/04/2010		
Statements of financial position		
Intangible assets	2,293	445
Other receivables, deposits and prepayments (current)	4,095	3,370
Retained profits	13,040	9,232
Non-controlling interests	4,875	6,110
Company		
31/03/2011		
Statement of financial position		
Other receivables, deposits and prepayments (current)	2,676	1,771
Retained profits	1,677	772

Statistics of Shareholdings

As at 21 June 2012

SHAREHOLDERS' INFORMATION

Class of equity securities	Number of equity securities	Voting Rights
Ordinary Shares	246,557,164*	One vote per share (excluding treasury shares)
Treasury Shares	184,572	Nil
Percentage of treasury shares against the total number of issued shares excluding treasury shares	0.07%	

* Excludes non-voting treasure shares

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding		Number of Shareholders	%	Number of Shares	%
1	- 999	2,059	35.76	625,796	0.25
1,000	- 10,000	2,872	49.88	10,239,143	4.15
10,001	- 1,000,000	804	13.96	45,231,799	18.35
1,000,001	and above	23	0.40	190,460,426	77.25
		5,758	100.00	246,557,164	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	Number of Shares	%
1.	Low Weng Fatt	50,635,708	20.54
2.	Yap Koon Bee @ Louis Yap	34,940,583	14.17
3.	United Overseas Bank Nominees Pte Ltd	15,712,911	6.37
4.	Yeo Seck Cheong	15,110,165	6.13
5.	Siah Boon Hock	8,465,901	3.43
6.	Cheong Tuck Nang (Zhang Deneng)	7,839,912	3.18
7.	Lim Chin Hock	6,434,691	2.61
8.	OCBC Securities Private Ltd	5,934,465	2.41
9.	Cho Pei Lin	4,550,000	1.85
10.	Hong Leong Finance Nominees Pte Ltd	4,231,000	1.72
11.	Sim Kian Hwee Dennis	4,000,000	1.62
12.	Mayban Nominees (S) Pte Ltd	3,949,000	1.60
13.	DBS Nominees Pte Ltd	3,779,666	1.53
14.	Lim Chor Ghee	3,417,344	1.39
15.	CIMB Securities (Singapore) Pte Ltd	3,349,441	1.36
16.	Lim Wui Liat	3,158,681	1.28
17.	Poon Wai Ling	3,101,345	1.26
18.	Lim Jit Sing Jackson	3,092,680	1.25
19.	Maybank Kim Eng Securities Pte Ltd	2,265,453	0.92
20.	Phillip Securities Pte Ltd	2,258,243	0.92
	Total:	186,227,189	75.54

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
Low Weng Fatt (1)	50,635,708	20.54	265,000	0.11
Yap Koon Bee @ Louis Yap	34,940,583	14.17	–	–
Yeo Seck Cheong	15,110,165	6.13	–	–

Notes:

(1) Mr Low Weng Fatt is deemed to be interested in the 265,000 shares held by his spouse.

(2) Based on the total issued and paid-up ordinary share capital of 246,557,164 Shares excluding treasury shares of 184,572 as at the Latest Practicable Date.

Statistics of Warrantholdings

As at 21 June 2012

DISTRIBUTION OF WARRANTHOLDINGS

Size of Warrantholding		Number of Warrantholders	%	Number of Warrants	%
1	- 999	1,090	42.51	289,983	0.91
1,000	- 10,000	1,362	53.12	2,777,061	8.75
10,001	- 1,000,000	106	4.14	7,932,683	24.98
1,000,001	and above	6	0.23	20,757,391	65.36
		2,564	100.00	31,757,118	100.00

TWENTY LARGEST WARRANTHOLDERS

No.	Name of Warrantholders	Number of Warrants	%
1.	Low Weng Fatt	7,281,509	22.93
2.	Yap Koon Bee @ Louis Yap	6,407,207	20.18
3.	Siah Boon Hock	2,832,675	8.92
4.	Tan See Tee	1,613,410	5.08
5.	Yeo Seck Cheong	1,333,772	4.20
6.	Cheong Tuck Nang (Zhang Deneng)	1,288,818	4.06
7.	United Overseas Bank Nominees Pte Ltd	763,685	2.40
8.	Kam Teow Chong	702,553	2.21
9.	Maybank Kim Eng Securities Pte Ltd	456,303	1.44
10.	Lim Yan Ling	446,423	1.41
11.	Poh Hock Chye	436,874	1.38
12.	Lim Meng Yoke Jeffrey	372,000	1.17
13.	Yeo Loo Eng	220,000	0.69
14.	Chew Choon Song	200,000	0.63
15.	Chua Seng Heng	200,000	0.63
16.	Koh Soy Poon	200,000	0.63
17.	Teoh Yee Leong	200,000	0.63
18.	Karuppiah Palaniappan	195,500	0.62
19.	Mak Yeow Seng	192,000	0.60
20.	Tee Ah Kaw	138,000	0.43
	Total:	25,480,729	80.24

SHAREHOLDING HELD IN THE HANDS OF PUBLIC

Based on information available to the Company as at 21 June 2012, approximately 51.40% of the Company's total number of issued shares excluding treasury shares listed on the Singapore Exchange Securities Trading Limited were held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B: Rules of Catalist.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **CHASEN HOLDINGS LIMITED** ("the Company") will be held at the Raffles Lounge (Level 2), Raffles Country Club, 450 Jalan Ahmad Ibrahim, Singapore 639932 on the 26th day of July 2012 at 11.00 a.m. for the purpose of considering and if thought fit, passing the following resolutions as Ordinary Resolutions, with or without any modifications:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Audited Financial Statements of the Company and of the Group for the financial year ended 31 March 2012 together with the Auditors' Report thereon. **(Resolution 1)**

2. To declare a one-tier tax exempt final dividend of $0.006 per share for the financial year ended 31 March 2012 (2011: $0.006 per share). **(Resolution 2)**

3. To re-elect Siah Boon Hock, a Director of the Company retiring pursuant to Article 110 of the Articles of Association of the Company. **(Resolution 3)**

4. To re-appoint Yap Koon Bee @ Louis Yap, a Non-Executive Director of the Company retiring under Section 153(6) of the Companies Act, Chapter. 50, to hold office from the date of this Annual General Meeting until the next Annual General Meeting of the Company.
[See Explanatory Note (i)] **(Resolution 4)**

5. To approve the payment of Directors' fees of $400,000 for the financial year ended 31 March 2012. (2011: $400,000). **(Resolution 5)**

6. To re-appoint Messrs Mazars LLP as the Auditors of the Company and to authorize the Directors of the Company to fix their remuneration. **(Resolution 6)**

7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. **Authority to issue shares in the capital of the Company pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited – Section B: Rules of Catalist**

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") - Section B: Rules of Catalist, the Directors of the Company be authorized and empowered to:

(a) (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,

(the "***Share Issue Mandate***")

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares and Instruments that may be issued under sub-paragraph (1) above, the total number of issued shares and Instruments shall be based on the number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;

(b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the Share Issue Mandate conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST – Section B: Rules of Catalist for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company; and

(4) unless revoked or varied by the Company in a general meeting, the Share Issue Mandate shall continue in force (i) until the conclusion of the next annual general meeting of the Company ("AGM") or the date by which the next AGM is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note (ii)] **(Resolution 7)**

9. **Renewal of Share Buyback Mandate**

That:-

(a) for the purposes of the Companies Act, Cap. 50, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the Shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

(i) on-market purchases, transacted on the SGX-ST or through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**Market Purchase**"); and/or

(ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Rules ("**Off-Market Purchase**").

(the "**Share Buyback Mandate**")

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next AGM is held or required by law to be held;

(ii) the date on which the share buybacks are carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked;

(c) In this Resolution:

"**Prescribed Limit**" means 10% of the total number of ordinary shares in the Company (excluding any treasury shares) as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time);

"**Relevant Period**" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution;

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase : 105% of the Average Closing Price;

(ii) in the case of an Off-Market Purchase : 120% of the Highest Last Dealt Price, where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period;

"**Highest Last Dealt Price**" means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(d) The Directors of the Company be and are hereby authorized to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.
[See Explanatory Note (iii) **(Resolution 8)**

10. That the proposed grant to Low Weng Fatt, an Executive Director and a Controlling Shareholder (as defined in the SGX-ST Listing Manual – Section B: Rules of Catalist), of an award up to a maximum of 200,000 shares for the year ending 31 March 2013, in the share capital of the Company, in accordance with the Chasen Performance Share Plan ("Plan") be and is hereby approved.
[see explanatory note (iv)] **(Resolution 9)**

11. That the proposed grant to Yap Koon Bee @ Louis Yap, a Non-Executive Director and a Controlling Shareholder (as defined in the SGX-ST Listing Manual – Section B: Rules of Catalist), of an award up to a maximum of 50,000 shares for the year ending 31 March 2013, in the share capital of the Company, in accordance with the Plan be and is hereby approved.
[see explanatory note (v)] **(Resolution 10)**

12. That the proposed grant to Yap Beng Geok Dorothy, an Associate of a Controlling Shareholder (as defined in the SGX-ST Listing Manual – Section B: Rules of Catalist), of an award up to a maximum of 50,000 shares for the year ending 31 March 2013, in the share capital of the Company, in accordance with the Plan be and is hereby approved.
[See Explanatory Note (vi)] **(Resolution 11)**

By Order of the Board

CHEW KOK LIANG
Company Secretary
Singapore, 11 July 2012

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint up to two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

2. The instrument appointing a proxy or proxies must be deposited at the Registered Office of the Company at 18 Jalan Besut, Singapore 619571, not less than 48 hours before the time appointed for holding of the Annual General Meeting.

3. The proxy form must be signed by the appointor or his attorney duly authorized in writing.

4. In case of joint shareholders, all holders must sign the proxy form.

5. This notice 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 SGX-ST. The Company's Sponsor has not independently verified the contents of this notice including the correctness of any of the figures used, statements or opinions made.

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

   The contact person for the Sponsor is Ms Foo Quee Yin
   Telephone number: 6221 0271

Explanatory Notes:

(i) The effect of Resolution 4 above is to re-appoint a director of the Company who is over 70 years of age. Mr Yap Koon Bee @ Louis Yap will, upon re-appointment as a Non-Executive Director of the Company, remain as a member of the Audit and Remuneration Committees and will be considered non-independent.

(ii) Resolution 7, if passed, will empower the Directors of the Company from the date of this Annual General Meeting until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 50% may be issued other than on a *pro rata* basis to existing members of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Resolution is passed and any subsequent consolidation or subdivision of shares.

(iii) Resolution 8 above, if passed, will empower the Directors of the Company from the date of the above Meeting until the earliest of (i) the date on which the next AGM of the Company or the date by which the next AGM of the Company is held or required by law to be held; (ii) the date on which the share buybacks are carried out to the full extent mandated, or (iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by the Company in general meeting, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company as at the date of the AGM at which this Ordinary Resolution is passed. The rationale for, the authority and limitation on, the sources of the funds to be used for the purchase or acquisition, including the amount of financing and financial effects of the purchase or acquisition of the ordinary shares by the Company pursuant to the Share Buyback Mandate on the audited consolidated financial accounts of the Group for the financial year ended 31 March 2012 are set out in greater detail in the Letter to Shareholders dated 11 July 2012 attached to this Annual Report.

(iv) Resolution 9 above, if passed, will empower the Directors to grant to Mr Low Weng Fatt, who is an Executive Director and a Controlling Shareholder (as defined in the Listing Manual of the SGX-ST – Section B: Rules of Catalist), an award up to a maximum of 200,000 shares in the share capital of the Company. Mr Low Weng Fatt is the Managing Director and CEO of the Company and is responsible for the overall management and strategic growth direction of the Group.

Mr Low took over the helm of the Company's subsidiary, Chasen Logistics Services Limited, in 2001. He has been with the Company since 1996 when it operated as a partnership and has played a pivotal role in steering the growth of Company since he became its Managing Director. He has ably led the Group with his extensive experience in the logistics industry by exploiting its first mover advantage in meeting the growing specialist relocation needs of manufacturers and other businesses which use sophisticated and expensive machines and equipment in their operations locally and in this region and building up a good track record and reputation for the Group.

He has in-depth knowledge of the needs of the business as it evolved over the years. His ability to anticipate business trend and demand has enabled the Group to offer the right type of skills, equipment and value added services to meet the total relocation needs of customers. The development of this comprehensive range of services to meet the customers' relocation logistics needs also enabled the Group to replicate our services capabilities overseas in particular the People's Republic of China, Vietnam and Malaysia.

Notice of Annual General Meeting

Since the Company was listed on the Singapore Exchange in February 2007, Mr Low continues to play an instrumental role in charting the Group's business development, growth and expansion into the region. The Directors are of the view that the remuneration package of Mr Low which includes awards under the Plan, is fair given his contributions to the Group. The extension of the Plan to Mr Low is consistent with the Company's objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of the Company. Although Mr Low already has a shareholding interest in the Company, the extension of the Plan to him will ensure that he is equally entitled, with the other employees who are not Controlling Shareholders, to take part in and benefit from this system of remuneration, thereby enhancing his long term commitment to the Group.

During the year in review Mr Low continued to successfully implement the growth strategy of the Group to extend the scope of the Group's overall capability to offer customers a wider range of services thereby enhancing our competitive edge. The Group continued to diversify its revenue base to other high growth industries such as solar energy, marine and waste water treatment in Singapore and the region. He identified the new businesses and led in the negotiation to acquire them. The results of the Group's performance for the financial year ended 31 March 2012 saw the Company achieving a historical record high revenue of S$99 million since the Company's inception.

The participation of and grant of awards to Mr Low Weng Fatt under the Plan has been approved in principle by shareholders when they approved the Plan at the Extraordinary General Meeting held on 16 May 2007. This resolution seeks for the above-stated reasons, shareholders' approval for the Directors decision to grant an award up to a maximum of 200,000 shares to Mr Low Weng Fatt in accordance with the Plan.

(v) Resolution 10 above, if passed, will empower the Directors to grant to Mr Yap Koon Bee @ Louis Yap, who is a Non-Executive Director and a Controlling Shareholder, an award up to a maximum of 50,000 shares in the share capital of the Company.

Mr Yap Koon Bee @ Louis Yap is a Non-Executive Director of our Company and has been a Director of the Company's subsidiary, Chasen Logistics Services Limited since its incorporation in 1999.

Mr Yap is the founder of the Company, which started its business in 1995 as a partnership to supply labour for the stuffing and unstuffing of containers, packing and warehousing. He managed the Chasen Logistics Services Limited's business until 2001 when he retired from the day-to-day management. Although he is a Non-Executive Director, Mr Yap possesses substantial experience in the business of labour supply as well as transport and warehousing as he has been in this line since the 1960s. Mr Yap still maintains an advisory role in the Company and the Company is of the view that he will be able to provide business networks and market contacts to the Company and its subsidiaries which will be invaluable in assisting the Company in its objective of achieving a higher level of performance.

The extension of the Plan to Mr Yap is consistent with the Company's objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of the Company. Although Mr Yap already has a shareholding interest in the Company, the extension of the Plan to him will ensure that he is equally entitled, with the other employees who are not Controlling Shareholders, to take part in and benefit from this system of remuneration, thereby enhancing his continued commitment to the Group.

The participation of and grant of awards to Mr Yap Koon Bee @ Louis Yap under the Plan has been approved in principle by shareholders when they approved the Plan at the Extraordinary General Meeting held on 16 May 2007. For the above-stated reasons, the Directors propose to grant an award up to a maximum of 50,000 shares, as the case may be, to Mr Yap Koon Bee @ Louis Yap in accordance with the Plan.

(vi) Resolution 11 above, if passed, will empower the Directors to grant to Ms Yap Beng Geok Dorothy, who is an Associate of a Controlling Shareholder, an award up to a maximum of 50,000 shares in the share capital of the Company.

Ms Yap Beng Geok Dorothy is the daughter of our Non-Executive Director and Controlling Shareholder of the Company, Mr Yap Koon Bee @ Louis Yap. Ms Yap is the Group Administration Manager and is responsible for the day-to-day administrative workflow at the Company, human resource policy and other general administrative matters of the Group, including coordinating with professional service providers in corporate activities of the Company as a public listed company.

Having been with the Group since 1995, Ms Yap has acquired in-depth knowledge of many aspects of the Group's business, including its operation and administration.

The Directors are of the view that the remuneration package of Ms Yap which includes awards under the Plan is fair given her contributions to the Group. The extension of the Plan to Ms Yap is consistent with the Company's objectives to motivate its employees to achieve and maintain a high level of performance and contribution which is vital to the success of the Company. As the Plan serves as a recognition of the past contributions of those eligible to participate in the Plan, as well as to secure future contributions for the Company and the Group from them, the Directors consider it important that Ms Yap should not be excluded from the Plan on account of her being an associate of a substantial shareholder. The Directors consider it crucial that the Company compensates its employees on the merit of their work performance regardless of their relationship with shareholders.

The participation of and grant of awards to Ms Yap Beng Geok Dorothy under the Plan has been approved in principle by shareholders when they approved the Plan at the Extraordinary General Meeting held on 16 May 2007. For the above-stated reasons, the Directors propose to grant an award up to a maximum of 50,000 shares, to Ms Yap Beng Geok Dorothy in accordance with the Plan.

Please note that transport arrangement from Lakeside MRT station (taxi stand) to the AGM venue is available upon request. Kindly contact the Company at Tel: 62665978 for the necessary arrangement.

BRIEF INFORMATION ON THE CHASEN PERFORMANCE SHARE PLAN

The Plan contemplates the award of fully paid shares, free of any payment by the awardee, when and after pre-determined performance or service-conditions are accomplished and/or due recognition has been given to any good work performance and/or contribution to the Company.

The aggregate number of new Shares over which the Committee may grant awards on any date, when added to the number of new Shares issued and issuable in respect of all Shares granted under this Plan and any other existing share schemes or share option schemes implemented or to be implemented by the Company, shall not exceed fifteen (15) per cent of the issued share capital (excluding treasury shares) of the Company on the day preceding that date ("Plan Limit").

The total number of Shares to be offered to Controlling Shareholders and their associates shall not during the entire operation of the Plan exceed 25 per cent of the Plan Limit and the total number of Shares to be offered to a Participant who is a Controlling Shareholder or his associate shall not during the entire operation of the Plan exceed 10 per cent of the Plan Limit.

The eligibility of employees to participate in the Plan and the number of Shares which are the subject of each award at each date of grant to a participant in accordance with the Plan shall be determined at the absolute discretion of the Remuneration Committee which shall take into account the performance of the participant and such other general criteria as the Remuneration Committee may consider appropriate, subject to the following limits as well as other limitations set forth under the rules of the Listing Manual Section B: Rules of Catalist and these Rules:

(a) Managing Director– up to 200,000 shares per year;

(b) Executive Directors (other than the Managing Director) – up to 150,000 shares each per year;

(c) Non-Executive Directors – up to 50,000 shares each per year;

(d) General Managers/Senior Managers – up to 100,000 shares each per year; and

(e) Managers – up to 50,000 shares each per year.

Subject to the Plan, the awards shall be released, in accordance with any conditions that the Remuneration Committee may, in its absolute discretion specify in the letter of offer granting the share awards subject to the following proportions and Vesting Periods:

(a) After the first anniversary of Date of Grant: maximum of 40% of share awards granted;

(b) After the second anniversary of Date of Grant: maximum of 70% of share awards granted; and

(c) After the third anniversary of Date of Grant: 100% of share awards granted.

The Company is unable to give an estimate cost of the grant of awards because it will be subject to computation on a global basis taking into consideration several factors, e.g. price of shares buyback.

More detailed information on the Plan can be referred to in the Circular dated 23 April 2007, a copy of which can be inspected at the registered office at 18 Jalan Besut, Singapore 619571.

CHASEN HOLDINGS LIMITED

(Company Registration No. 199906814G)
(Incorporated In the Republic of Singapore)

IMPORTANT:

1. For investors who have used their CPF monies to buy CHASEN HOLDINGS LIMITED's shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

PROXY FORM

(Please see notes overleaf before completing this Form)

I/We, ____

of ____

being a member/members of CHASEN HOLDINGS LIMITED (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held at Raffles Lounge (Level 2), Raffles Country Club, 450 Jalan Ahmad Ibrahim, Singapore 639932 on 26 July 2012 at 11.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote "For" or "Against" with a tick [✓] within the box provided.)

No.	Resolutions relating to:	For	Against
1.	Directors' Report and Audited Accounts for the financial year ended 31 March 2012		
2.	Payment of proposed one-tier tax exempt final dividend of $0.006 per share for financial year ended 31 March 2012		
3.	Re-election of Mr Siah Boon Hock as a Director		
4.	Re-appointment of Mr Yap Koon Bee @ Louis Yap as a Director		
5.	Approval of Directors' fees for financial year ended 31 March 2012		
6.	Re-appointment of Messrs Mazars LLP as Auditors		
7.	Authority to issue additional shares pursuant to Section 161 of the Companies Act Cap. 50		
8.	Renewal of Share Buyback Mandate		
9.	Approval of grant of awards made pursuant to Chasen Performance Share Plan to Mr Low Weng Fatt		
10.	Approval of grant of awards made pursuant to Chasen Performance Share Plan to Mr Yap Koon Bee @ Louis Yap		
11.	Approval of grant of awards made pursuant to Chasen Performance Share Plan to Ms Yap Beng Geok Dorothy		

Dated this__________day of___________2012

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If the proportion of shareholding is not indicated, the second proxy will be deemed as alternate.

4. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 18 Jalan Besut, Singapore 619571 not less than 48 hours before the time appointed for the Meeting.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorized. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

7. A corporation which is a member may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Chasen Holdings Limited

CHASEN HOLDINGS LIMITED
18 Jalan Besut
Singapore 619571
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