

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FIRST QUARTER RESULTS

Issuer & Securities

Issuer/ Manager

CHASEN HOLDINGS LIMITED

Securities

CHASEN HOLDINGS LIMITED - SG1X55941717 - 5NV

Stapled Security

No

Announcement Details

Announcement Title

Financial Statements and Related Announcement

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Low Weng Fatt

Designation

Managing Director and CEO

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attachments.

Additional Details

For Financial Period Ended

30/06/2019

Attachments

[Chasen 1QFY2020 Results.pdf](#)

[Chasen Press Release 1QFY2020.pdf](#)

Total size =337K MB

CHASEN HOLDINGS LIMITED

Company registration number: 199906814G

FIRST QUARTER (“Q1FY2020”) FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019
PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Profit or Loss and Other Comprehensive Income

| | Group | | Change % |
|--|---------------------------|------------------|---------------------|
| | Three months ended | | |
| | 30-Jun-19 | 30-Jun-18 | |
| | S\$'000 | S\$'000 | |
| Revenue | 28,307 | 31,594 | -10% |
| Cost of sales | (23,040) | (24,453) | 6% |
| Gross profit | 5,267 | 7,141 | -26% |
| Other operating income | 392 | 600 | -35% |
| Distribution and selling expenses | (1,227) | (2,331) | 47% |
| Administrative expenses | (3,209) | (3,535) | 9% |
| Other operating expenses | (254) | (73) | N.M. |
| Finance expenses | (478) | (372) | -28% |
| Profit before income tax | 491 | 1,430 | -66% |
| Income tax expense | (209) | (428) | 51% |
| Net profit for the financial period | 282 | 1,002 | -72% |
| Profit / (loss) attributable to: | | | |
| Equity holders of the Company | 280 | 1,487 | -81% |
| Non-controlling interests | 2 | (485) | N.M. |
| Net profit for the financial period | 282 | 1,002 | -72% |

Note:

N.M. - Not meaningful

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1(a)(ii) A statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

| | Group | | Change % |
|---|------------------------------|------------------------------|---------------------|
| | Three months ended | | |
| | 30-Jun-19 S\$'000 | 30-Jun-18 S\$'000 | |
| Net profit for the financial period | 282 | 1,002 | -72% |
| Other comprehensive (loss) / income: | | | |
| Exchange differences on translating foreign operations | (598) | 119 | -603% |
| Other comprehensive (loss) / income for the period, net of tax | (598) | 119 | 603% |
| Total comprehensive (loss) / income for the period | (316) | 1,121 | -128% |
| Total comprehensive (loss) / income attributable to: | | | |
| Owners of the Company | (274) | 1,598 | -117% |
| Non-controlling interests | (42) | (477) | -91% |
| Total comprehensive (loss) / income for the period | (316) | 1,121 | -128% |

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1(a)(iii) Profit before income tax is arrived at after charging/(crediting) the following:

| | Group | | Change % |
|--|------------------------------|------------------------------|---------------------|
| | 30-Jun-19 S\$'000 | 30-Jun-18 S\$'000 | |
| Allowance for doubtful trade receivables | 8 | - | N.M. |
| Amortisation of land use rights | 5 | 5 | 0% |
| Bad debts written-off (trade) | 25 | 31 | -19% |
| Depreciation of property, plant and equipment | 1,535 | 1,599 | -4% |
| Depreciation of right-of-use assets | 1,406 | - | N.M. |
| Finance expenses | 478 | 372 | 28% |
| Interest income | (45) | (35) | 29% |
| Net (gain) / loss on disposal of plant and equipment | (74) | 1 | N.M. |
| Reversal of provision | (19) | - | N.M. |
| Realised foreign exchange loss | 3 | 14 | -79% |
| Unrealised foreign exchange loss / (gain) | 230 | (181) | N.M. |

Note:

N.M. - Not meaningful

* - Less than S\$1,000

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year
Statements of Financial Position

| | Group | | Company | |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | As at 30-Jun-19 S\$'000 | As at 31-Mar-19 S\$'000 | As at 30-Jun-19 S\$'000 | As at 31-Mar-19 S\$'000 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Investment properties | 900 | 900 | 6,300 | 6,300 |
| Property, plant and equipment | 39,522 | 40,519 | - | - |
| Right-of-use assets | 10,702 | - | 662 | - |
| Investment in subsidiaries | - | - | 38,150 | 38,150 |
| Investment in associate | - | - | - | - |
| Goodwill on consolidation | 10,559 | 10,559 | - | - |
| Intangible assets | - | - | - | - |
| Land use rights | 890 | 916 | - | - |
| Club membership | 4 | 4 | - | - |
| Other investments | 5,216 | 5,216 | 584 | 584 |
| Other receivables, deposits and prepayments | 1,063 | 1,060 | - | - |
| Deferred tax assets | 1,314 | 1,101 | - | - |
| | 70,170 | 60,275 | 45,696 | 45,034 |
| Current assets | | | | |
| Inventories | 4,749 | 4,644 | - | - |
| Contract assets | 1,166 | 1,698 | - | - |
| Trade receivables | 45,542 | 40,274 | - | - |
| Other receivables, deposits and prepayments | 15,246 | 15,674 | 23 | 27 |
| Amount due from subsidiaries | - | - | 49,835 | 48,894 |
| Cash and cash equivalents | 10,608 | 13,362 | 199 | 898 |
| | 77,311 | 75,652 | 50,057 | 49,819 |
| Total assets | 147,481 | 135,927 | 95,753 | 94,853 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Share capital | 53,086 | 53,086 | 82,614 | 82,614 |
| Treasury shares | (145) | (145) | (145) | (145) |
| Other reserves | (6,857) | (6,303) | (4,536) | (4,536) |
| Retained earnings | 24,185 | 23,905 | 7,601 | 7,363 |
| Equity attributable to owners of the Company | 70,269 | 70,543 | 85,534 | 85,296 |
| Non-controlling interests | 4,623 | 4,665 | - | - |
| Total equity | 74,892 | 75,208 | 85,534 | 85,296 |

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Statements of Financial Position (Cont'd)

| | Group | | Company | |
|-------------------------------------|--|--|--|--|
| | As at 30-Jun-19 S\$'000 | As at 31-Mar-19 S\$'000 | As at 30-Jun-19 S\$'000 | As at 31-Mar-19 S\$'000 |
| Non-current liabilities | | | | |
| Bank loans | 4,697 | 4,954 | 3,127 | 3,267 |
| Lease liabilities | 7,175 | 1,850 | 644 | - |
| Deferred tax liabilities | 1,096 | 1,590 | - | - |
| | 12,968 | 8,394 | 3,771 | 3,267 |
| Current liabilities | | | | |
| Contract liabilities | - | 88 | - | - |
| Bank loans | 30,694 | 28,460 | 5,674 | 5,786 |
| Lease liabilities | 7,286 | 1,663 | 21 | - |
| Trade payables | 13,638 | 12,669 | - | - |
| Other payables and accruals | 6,745 | 8,430 | 753 | 504 |
| Provision | - | 19 | - | - |
| Income tax payable | 1,258 | 996 | - | - |
| | 59,621 | 52,325 | 6,448 | 6,290 |
| Total liabilities | 72,589 | 60,719 | 10,219 | 9,557 |
| Total equity and liabilities | 147,481 | 135,927 | 95,753 | 94,853 |

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1(b)(ii) In relation to the aggregate amount of group's borrowing and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

- (A) the amount repayable in one year or less, or on demand;**
- (B) the amount repayable after one year;**
- (C) whether the amounts are secured or unsecured; and**
- (D) details of any collaterals.**

The Group's borrowings (including lease liabilities*) are as follows:

| | As at 30-Jun-19 | | As at 31-Mar-19 | |
|---|----------------------------|------------------------------|----------------------------|------------------------------|
| | Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| Amount repayable in one year or less, or on demand | 29,965 | 8,015 | 17,538 | 12,585 |
| Amount repayable after one year | 11,486 | 386 | 6,343 | 461 |
| Total | 41,451 | 8,401 | 23,881 | 13,046 |

Details of collateral

The banking facilities are secured by the following collaterals:

- (a) legal mortgage of the Group's investment property and leasehold buildings;
- (b) pledge of fixed deposits amounting to \$1.3 million (31 March 2019: \$1.3 million); and
- (c) assignment of contract proceeds from specific projects undertaken by certain subsidiaries.

In addition, the banking facilities are secured by:

- (a) corporate guarantee by the Company and a subsidiary; and
- (b) personal guarantee from directors of certain subsidiaries that are not wholly-owned by the Group.

* The Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases and the effect on lease obligation recognition was \$10.8 million as at 30 June 2019.

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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Cash Flows

| | Group | |
|---|------------------|------------------|
| | 30-Jun-19 | 30-Jun-18 |
| | S\$'000 | S\$'000 |
| Cash flows from operating activities | | |
| Profit before income tax | 491 | 1,430 |
| Adjustments for: | | |
| Allowance for doubtful trade receivables | 8 | - |
| Amortisation of land use rights | 5 | 5 |
| Bad-debt written-off (trade) | 25 | 31 |
| Depreciation of property, plant and equipment | 1,535 | 1,599 |
| Depreciation of right-of-use assets | 1,406 | - |
| Finance expenses | 478 | 372 |
| Interest income | (45) | (35) |
| Net (gain) / loss on disposal of plant and equipment | (74) | 1 |
| Reversal of provision | (19) | - |
| Operating cash flows before working capital changes | 3,810 | 3,403 |
| Movement in working capital: | | |
| Inventories | (105) | (367) |
| Contract assets and liabilities | 444 | (229) |
| Trade and other receivables | (4,876) | (748) |
| Trade and other payables | (716) | 1,412 |
| Cash (used in) / generated from operations | (1,443) | 3,471 |
| Income tax paid | (643) | (479) |
| Net cash (used in) / generated from operating activities | (2,086) | 2,992 |

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Consolidated Statement of Cash Flows (Cont'd)

| | Group | |
|---|---|------------------------------|
| | Three months ended 30-Jun-19 S\$'000 | 30-Jun-18 S\$'000 |
| Cash flows from investing activities | | |
| Interest received | 45 | 35 |
| Proceeds from disposal of plant and equipment | 268 | 19 |
| Purchase of property, plant and equipment | (391) | (1,988) |
| Effect of foreign currency re-alignment on investing activities | (279) | (61) |
| Net cash flows used in investing activities | (357) | (1,995) |
| Cash flows from financing activities | | |
| Interest paid | (478) | (372) |
| Proceeds from bank loans | 8,365 | 8,771 |
| Repayment of bank loans | (6,278) | (9,762) |
| Repayment of lease liabilities (30 June 2018: Repayment of finance lease liabilities) | (1,841) | (736) |
| Net cash flows used in financing activities | (232) | (2,099) |
| Net decrease in cash and cash equivalents | (2,675) | (1,102) |
| Effects of exchange rates changes on cash and cash equivalents | (79) | 119 |
| Cash and cash equivalents as at beginning of the period | 12,084 | 9,093 |
| Cash and cash equivalents as at end of the financial period | 9,330 | 8,110 |

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Note to Statement of Cash Flows:

Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following amounts:

| | Group | |
|----------------------------------|---------------------------|------------------|
| | Three months ended | |
| | 30-Jun-19 | 30-Jun-18 |
| | S\$'000 | S\$'000 |
| Cash and bank balances | 6,601 | 7,685 |
| Fixed deposits | 4,007 | 2,151 |
| | 10,608 | 9,836 |
| Fixed deposits pledged | (1,278) | (1,726) |
| Cash and cash equivalents | 9,330 | 8,110 |

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statements of Changes in Equity

| | Total equity | ← Attributable to owners of the Company → | | | | | | | Non-controlling interests | |
|--|--------------|---|---------------|-----------------|------------------|-----------------------|-----------------|--------------------------------------|---------------------------|-------------------------------|
| | | Total | Share capital | Treasury shares | Retained profits | Other reserves, Total | Capital reserve | Foreign currency translation reserve | | Fair value adjustment reserve |
| Group | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance as at 1 April 2019 | 75,208 | 70,543 | 53,086 | (145) | 23,905 | (6,303) | (530) | (1,137) | (4,636) | 4,665 |
| Profit for the financial period | 282 | 280 | - | - | 280 | - | - | - | - | 2 |
| Other comprehensive loss for the | | | | | | | | | | |
| Exchange differences on translating foreign operations | (598) | (554) | - | - | - | (554) | - | (554) | - | (44) |
| Other comprehensive loss for the period, net of tax | (598) | (554) | - | - | - | (554) | - | (554) | - | (44) |
| Total comprehensive (loss) / income for the period | (316) | (274) | - | - | 280 | (554) | - | (554) | - | (42) |
| Balance as at 30 June 2019 | 74,892 | 70,269 | 53,086 | (145) | 24,185 | (6,857) | (530) | (1,691) | (4,636) | 4,623 |

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Statements of Changes in Equity (Cont'd)

| | Total equity | Attributable to owners of the Company | | | | | | | Non-controlling interests | |
|--|---------------|---------------------------------------|---------------|-----------------|------------------|-----------------------|-----------------|--------------------------------------|---------------------------|-------------------------------|
| | | Total | Share capital | Treasury shares | Retained profits | Other reserves, Total | Capital reserve | Foreign currency translation reserve | | Fair value adjustment reserve |
| Group | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance as at 1 April 2018, as previously reported | 73,944 | 70,142 | 52,798 | (145) | 20,757 | (3,268) | 1,848 | (429) | (4,687) | 3,802 |
| Effect of adoption of SFRS(I) 15 | (833) | (678) | - | - | (678) | - | - | - | - | (155) |
| Balance as at 1 April 2018, as restated | 73,111 | 69,464 | 52,798 | (145) | 20,079 | (3,268) | 1,848 | (429) | (4,687) | 3,647 |
| Profit / (loss) for the financial period | 1,002 | 1,487 | - | - | 1,487 | - | - | - | - | (485) |
| <u>Other comprehensive income for the period</u> | | | | | | | | | | |
| Exchange differences on translating foreign operations | 119 | 111 | - | - | - | 111 | - | 111 | - | 8 |
| Other comprehensive income for the period, net of tax | 119 | 111 | - | - | - | 111 | - | 111 | - | 8 |
| Total comprehensive income / (loss) for the period | 1,121 | 1,598 | - | - | 1,487 | 111 | - | 111 | - | (477) |
| Balance as at 30 June 2018 | 74,232 | 71,062 | 52,798 | (145) | 21,566 | (3,157) | 1,848 | (318) | (4,687) | 3,170 |

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Statements of Changes in Equity (Cont'd)

| | Total equity | Share capital | Treasury shares | Retained profits | Other reserves, Total | Capital reserve | Fair value adjustment reserve |
|-----------------------------------|---------------|---------------|-----------------|------------------|-----------------------|-----------------|-------------------------------|
| Company | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance as at 1 April 2019 | 85,296 | 82,614 | (145) | 7,363 | (4,536) | 100 | (4,636) |
| Profit for the financial period | 238 | - | - | 238 | - | - | - |
| Balance as at 30 June 2019 | 85,534 | 82,614 | (145) | 7,601 | (4,536) | 100 | (4,636) |

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Statements of Changes in Equity (Cont'd)

| | Total equity | Share capital | Treasury shares | Retained profits | Other reserves, Total | Capital reserve | Fair value adjustment reserve |
|---------------------------------|--------------|---------------|-----------------|------------------|-----------------------|-----------------|-------------------------------|
| Company | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance as at 1 April 2018 | 82,232 | 82,326 | (145) | 4,638 | (4,587) | 100 | (4,687) |
| Profit for the financial period | 749 | - | - | 749 | - | - | - |
| Balance as at 30 June 2018 | 82,981 | 82,326 | (145) | 5,387 | (4,587) | 100 | (4,687) |

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1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Chasen Performance Share Plan 2017

At the Extraordinary General Meeting of the Company held on 28 July 2017, the shareholders of the Company approved the adoption of the Chasen Performance Share Plan 2017 (the "CPSP").

No share was granted under CPSP as at 30 June 2019 and 30 June 2018.

The details of change of the Company's share capital are summarised as below:

| | FY2020 | FY2019 |
|--|--------------------|--------------------|
| Issued and paid up capital excluding treasury share | | |
| As at 1 April and 30 June | <u>387,026,748</u> | <u>387,026,748</u> |
| Treasury shares | | |
| As at 1 April and 30 June | <u>1,841,107</u> | <u>1,841,107</u> |

As at 30 June 2019, the number of treasury shares represented 0.48% (30 June 2018: 0.48%) of the total number of issued and paid up shares of the Company.

The company has no subsidiary holdings as at 30 June 2019 and 30 June 2018.

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1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

| | As at | |
|--|---------------------------|---------------------------|
| | 30-Jun-19 | 31-Mar-19 |
| Total number of issued shares | 388,867,855 | 388,867,855 |
| Less: Treasury shares | (1,841,107) | (1,841,107) |
| Total number of issued shares excluding treasury shares | <u>387,026,748</u> | <u>387,026,748</u> |

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of subsidiary holdings during the current financial period reported on.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4 Whether the same accounting policies and methods of computations as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and method of computation in the current quarter's financial statements as those of the previous audited financial statements except as stated in paragraph 5 below.

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5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the new or revised Singapore Financial Reporting Standards (International) (“SFRS(I)s”) that are effective for annual periods beginning on or after 1 April 2019. Changes to the Group’s accounting policies have been made (if any), in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s.

The adoption of these new or revised SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not result in substantial changes to the Group’s and Company’s accounting policies and had no material effect on the amounts reported for the current or prior financial years, except for the following:

Adoption of SFRS(I) 16

The Group has adopted the new SFRS(I) 16 Leases using the modified retrospective approach. SFRS(I) 16 introduces a single, on-balance sheet lease accounting model. It requires a lessee to recognise a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

With the adoption of SFRS(I) 16, the Group has applied the practical expedient to recognise the amount of right-of-use assets equal to the lease liabilities as at 1 April 2019. Subsequent to initial recognition, the Group depreciates the right-of-use assets over the lease term, and recognise interest expenses on the lease liabilities. As at 30 June 2019, the Group has recorded a right-of-use assets of \$10.7 million and a corresponding lease liabilities of \$10.8 million.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

- (a) Based on the weighted average number of ordinary shares on issue; and
 (b) On a fully diluted basis (detailing any adjustments made to the earnings).

Earnings per share (“EPS”)

| | Group | |
|--|--------------------|-----------|
| | Three Months ended | |
| | 30-Jun-19 | 30-Jun-18 |
| EPS based on average number of shares (cents) | 0.07 | 0.39 |
| EPS based on a fully diluted basis (cents) | 0.07 | 0.39 |
| Weighted average number of shares ('000) | 387,027 | 382,977 |
| Weighted average number of shares - diluted ('000) | 387,027 | 382,977 |

The basic and diluted EPS were the same for the both financial periods as there were no potentially dilutive ordinary securities existing during both financial periods.

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7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

Net asset value ("NAV")

| | Group As at | |
|--|------------------------|------------------|
| | 30-Jun-19 | 31-Mar-19 |
| Net asset value per share (cents) based on the total number of issued shares excluding treasury shares | 18.2 | 18.2 |
| Total number of issued shares excluding treasury shares ('000) | 387,027 | 387,027 |

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

A) Consolidated Income Statement

i) Revenue

For the quarter ("Q1FY2020") ended 30 June 2019, the Group's revenue of \$28.3 million was lower than last year's corresponding quarter by \$3.3 million (or 10%) mainly due to lower revenue recognised by Specialist Relocation Business Segment ("Specialist Relocation") offset by higher revenue from Third Party Logistics ("3PL") and Technical and Engineering ("T&E") Business Segments. Reduced revenue from Specialist Relocation resulted from substantially reduced contribution from the US market and lower contribution from PRC projects.

ii) Gross profit and gross profit margin

For Q1FY2020, the Group's gross profit of \$5.3 million was lower than last year's corresponding quarter by \$1.9 million (or 26%) in line with reduced revenue from Specialist Relocation. Correspondingly, the Group's gross profit margin in Q1FY2020 decreased by 4.0% to 18.6%.

iii) Other operating income

For Q1FY2020, the other operating income of \$0.4 million was lower than last year's corresponding quarter by \$0.2 million (or 35%) mainly due to lower foreign exchange gain.

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iv) Distribution and selling expenses

For Q1FY2020, the Group's distribution and selling expenses of \$1.2 million was lower than last year's corresponding quarter by \$1.1 million (or 47%) resulting from cost control in view of lower revenue. As a percentage of revenue, distribution and selling expenses decreased by 3.1% to 4.3% in Q1FY2020 as compared to last year's corresponding quarter.

v) Administrative expenses

For Q1FY2020, the Group's administrative expenses of \$3.2 million was lower than last year's corresponding quarter by \$0.3 million (or 9%) due to lower payroll costs and depreciation charges.

As a percentage of revenue, the administrative expenses increased marginally by 0.1% to 11.3% in Q1FY2020 due to lower revenue base in this quarter as compared to last year's corresponding quarter.

vi) Other operating expenses

For Q1FY2020, the other operating expenses increased by \$0.2 million as compared to last year's corresponding quarter mainly due to higher foreign exchange loss.

vii) Profit before income tax

As a result of the above, the Group recorded profit before income tax of \$0.5 million for Q1FY2020 which was lower than last year's corresponding quarter by \$0.9 million.

As a percentage of revenue, pre-tax profit margin was 1.7% in Q1FY2020 as compared with last year's corresponding quarter of 4.5%.

viii) Income tax expense

For Q1FY2020, the income tax expense of \$0.2 million was lower than last year's corresponding quarter by \$0.2 million mainly due to lower chargeable income for this quarter. The effective tax rate provided this quarter was higher than Singapore's nominal tax rate due to tax payable in foreign jurisdiction.

ix) Profit after income tax

As a result, the Group's profit after income tax for Q1FY2020 of \$0.3 million was \$0.7 million lower than last year's corresponding quarter.

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B) Statements of Financial Position**i) Property, plant and equipment**

The decrease in net book value of \$1.0 million was mainly due depreciation charged offset by capital expenditure incurred during the financial period.

ii) Right-of-use assets

Right-of-use assets refer to assets recognised on operating leases for the Group as lessee, in accordance to SFRS(I) 16 adopted on 1 April 2019. The Group has recorded the right-of-use assets of \$10.7 million as at 30 June 2019.

iii) Inventories

The increase in inventories of \$0.1 million was mainly due to higher book orders as compared to last year's corresponding quarter.

iv) Contract assets and liabilities

The net decrease in contract assets and liabilities of \$0.4 million was mainly due to fulfilment of customers' orders in the T&E Business Segment in Singapore.

v) Trade receivables

The increase in trade receivables of \$5.3 million was mainly due to increase in period end billing to customers.

vi) Other receivables , deposits and prepayments

The decrease in other receivables, deposits and prepayments of \$0.4 million was due to refund of deposit from a customer.

vii) Bank loans

The increase in bank loans of \$2.0 million was due to proceeds from new credit facilities offset by repayments of bank loans.

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viii) Lease liabilities

As at 30 June 2019, lease liabilities comprise operating lease liabilities of \$10.8 million (31 March 2019: Nil) in accordance with the adoption of SFRS(I) 16 and finance lease liabilities of \$3.6 million (31 March 2019: \$3.5 million). These lease liabilities refer to the Group's obligation to make lease payments for the right-of-use assets as per point (ii) above and the property, plant and equipment under the finance lease arrangement.

The increase in lease liabilities of \$10.9 million mainly due to recognition of the operating lease liabilities of the right-of-use assets of \$10.8 million and proceeds from new finance lease arrangement offset by repayment of finance lease liabilities of \$0.1 million.

ix) Trade payables

The increase in trade payables of \$1.0 million was due to increase in period-end billing by trade suppliers and contractors.

x) Other payables and accruals

The decrease in other payables and accruals of \$1.7 million was mainly due to repayment of other payables.

C) Consolidated Statement of Cash Flows

The net cash used in operating activities for Q1FY2020 of \$2.1 million was a reversal of last year's corresponding quarter of net cash generated from operating activities of \$3 million. This was mainly due to the changes in working capital which resulted in higher net cash outflow from operating activities during the quarter.

For Q1FY2020, the net cash used in investing activities was \$1.6 million lower than the last year's corresponding quarter was mainly due to lower purchase of plant and equipment.

For Q1FY2020, the decrease in net cash used in financing activities by \$1.8 million as compared to last year's corresponding quarter was mainly due to lower repayment of bank loans.

Overall, the Group's cash and cash equivalent as at 30 June 2019 of \$9.3 million was higher by \$1.2 million as compared to 30 June 2018.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The results are consistent with the commentary of the last quarter.

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10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The ongoing global macro-economic trend of reduced corporate investments is being felt by Group's Specialist Relocation including its PRC operations as major Chinese companies (state and privately owned) defer their capacity expansion plans as the local economy slowed. As ongoing projects are completed and the commencement of some projects recently awarded delayed, the Group saw its quarterly revenue declined.

The reduction in corporate capital spending resulting in slower implementation of previously committed capacity expansion plans is not expected to reverse any time soon and the order books of the Specialist Relocation built up over the past two quarters would be stretched well into the next financial year. The reduced revenue pie in PRC market also resulted in lower margins in the bid for new projects.

The cross border land freight of the Group's 3PL however continued to gain traction spurred by its extended operational presence in China and Vietnam. This enhanced regional presence enabled the 3PL subsidiaries to benefit from the regional operations of its customers as we were able to serve the same customers in various geographic locations. Where previously these customers were served by different local service providers, they now benefit from the synergy of the regional presence of our 3PL operation.

The increase in revenue of the Technical & Engineering was due to increase in deliveries in Telecommunication products. The margins of the construction-related projects secured remained thin. With the reduced margin from the Specialist Relocation, the overall Gross Profit of the Group reduced substantially this quarter. Operational costs are being trimmed in the face of lower margin in order to maintain the Group's operational profitability.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No.

(b) (i) Amount per share cents

Nil

(ii) Previous corresponding period cents

Nil

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- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (if the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) The date the dividend is payable.**

Not applicable.

- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

- 12 If no Dividends has been declared/recommendeded, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared/recommendeded for three months ended 30 June 2019 as the financial performance of the Group has not been concluded.

- 13 If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained an Interested Person Transactions (“IPT”) general mandate at the General Meeting. There was no IPT exceeding \$100,000 for the period under review.

- 14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Low Weng Fatt
Managing Director and Chief Executive Officer
14 August 2019

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Confirmation by the Board pursuant to Rule 705(5) of the Main Board Listing Manual

We, Low Weng Fatt and Siah Boon Hock, being two directors of Chasen Holdings Limited (the "Company"), do hereby confirm on behalf of the board of directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited financial statements for the first quarter ended 30 June 2019 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Low Weng Fatt
Managing Director and
Chief Executive Officer

Siah Boon Hock
Executive Director

Media Release**Chasen Announces Q1FY2020 Results With Healthy Order Book and Higher Contributions From 3PL & T&E Businesses**

| S\$'000 | Q1FY2020 | Q1FY2019 | Change (%) |
|--|----------|----------|------------|
| Revenue | 28,307 | 31,594 | (10.4) |
| Gross profit | 5,267 | 7,141 | (26.2) |
| Gross profit margin (%) | 18.6 | 22.60 | (4.0) |
| Net profit attributable to shareholders | 280 | 1,487 | (81.2) |
| Fully Diluted Earnings per share (cents) | 0.07 | 0.39 | (82.1) |

Singapore, 14 August 2019 – SGX Mainboard-listed Chasen Holdings Limited (“**Chasen**” or the “**Group**”) announced today its results for the quarter ended 30 June 2019 (“**Q1FY2020**”).

Revenue for the Pan-Asian logistics specialist in Q1FY2020 declined by 10.4% to S\$28.3 million from S\$31.6 million in Q1FY2019 after the Specialist Relocation business segment (“**Specialist Relocation**”) experienced delays in some recent projects and lower contribution from its contracts in China and USA. This reflected lower corporate investments, in line with slower global economic growth.

The lower contribution from Specialist Relocation was offset by higher contributions from the Third-Party Logistics (“**3PL**”) and Technical & Engineering (“**T&E**”) business segments.

The higher revenue for the 3PL business for the quarter reflects its extended operational presence in China and Vietnam. This growing regional footprint has allowed the 3PL subsidiaries to benefit from synergies arising from cross-border support of customers.

The T&E business recorded higher revenue due to an increase in delivery of telecommunication products. However, the margins for construction-related products remain thin due to the cooling construction market in Singapore.

In line with lower revenue, net profit attributable to shareholders for Q1FY2020 declined by 81.2% to S\$0.3 million (Q1FY2019: S\$1.5 million).

Low Weng Fatt, Chasen’s CEO and Managing Director, said, “Despite the challenging quarter, our order books for Specialist Relocation and 3PL remain healthy. There is still business to be done notwithstanding the global slowdown in capital investment. We remain vigilant in our cost control to mitigate any impact on profitability. “

- End-

CHASEN HOLDINGS LIMITED

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About Chasen Holdings Limited (Bloomberg: CHLD:SP; Reuters: CHHL.SI)

Chasen Holdings Limited is an SGX Mainboard-listed investment holding company with subsidiaries in Specialist Relocation solutions, Technical & Engineering services and Third-Party Logistics, including facilities for the packing and warehousing of sophisticated machinery and equipment for the region's manufacturing industries.

Headquartered in Singapore with operations in Malaysia, Vietnam, the People's Republic of China, Timor-Leste, Thailand and the U.S., Chasen serves international customers in industries such as wafer fabrication, TFT LCD production, chip testing and assembly, solar panel assembly, consumer electronics, telecommunications, ordnance, cultural relics, facilities maintenance, water treatment, marine and construction sectors.

Its diversified revenue base and long-standing customer relationships underlie its strong fundamentals, which enable the Group to weather fluctuating business cycles of various industries. Its business model and growth strategy will help the Group secure opportunities in the region and build on its recurring income base.

Media & Investor Contact Information

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