

PRESS RELEASE * FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

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Name of Announcer *	CHASEN HOLDINGS LIMITED
Company Registration No.	199906814G
Announcement submitted on behalf of	CHASEN HOLDINGS LIMITED
Announcement is submitted with respect to *	CHASEN HOLDINGS LIMITED
Announcement is submitted by *	Low Weng Fatt
Designation *	Managing Director and CEO
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>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2013
Description	Please refer to attachment.
Attachments	<p> Press Release Q3FY2014 final.pdf</p> <p>Total size =38K (2048K size limit recommended)</p>



CHASEN HOLDINGS LIMITED
Unique Entity Number 199906814G
Incorporated in the Republic of Singapore

Press Release
(For Immediate Release)

Chasen registers 35% growth in revenue to S\$27.3 million in Q3FY2014

- The increase in revenue was mainly attributable to a 100% rise in revenue for its Relocation business segment from S\$3.6 million a year ago to S\$7.2 million in Q3FY2014. On the other hand, the revenue from the Technical and Engineering business segment declined to S\$9.9 million in Q3FY2014 compared to S\$11.3 million in Q3FY2013.
- Gross profit increased 27% from S\$4.1 million in Q3FY2013 to S\$5.2 million in Q3FY2014. However, profit before tax decreased to S\$0.35 million in Q3FY2014 from S\$0.7 million in the corresponding period a year ago due to lower gross profit margin and higher operating expenses.
- The Group expects certain delayed relocation projects in the People's Republic of China (PRC) to recommence.
- Relocation business in Vietnam is expected to grow substantially and be a key contributor to the Group's bottomline in FY2014.
- The commercial operation of the water treatment project in Jilin is expected to recommence after the Chinese New Year holidays and hence contributing to the Group's revenue for the final quarter of FY2014.

Financial Highlights For 3 Months and 9 Months Ended 31 December 2013

S\$ (million)	3 months Q3FY2014	3 months Q3FY2013	Change	9 months 9MFY2014	9 months 9MFY2013	Change
Revenue	27.3	20.2	35%	74.9	61.2	22%
Gross Profit	5.2	4.1	27%	15.9	14.2	12%
Profit before tax from operations	0.3	0.7	(50%)	1.7	2.9	(42%)
Profit after tax	0.03	0.4	(93%)	0.9	2.3	(60%)
Profit attributable to Equity Holders of the Company	(0.3)	0.3	NM	0.4	2.0	(79%)

Singapore, 11 February 2014 – SGX Mainboard listed Chasen Holdings Limited (“Chasen” or the “Group”), is pleased to announce its financial performances for the three months and nine months ended 31 December 2013 (“Q3FY2014” and “9MFY2014” respectively) today.

Revenue for the Group rose 35% to S\$27.3 million in Q3FY2014 from S\$20.2 million in the corresponding period a year ago (“Q3FY2013”). The increase in revenue was mainly due a 100% increase in revenue recorded by the Relocation business segment in Singapore, Malaysia and Vietnam, which contributed S\$7.2 million during the quarter under review compared to S\$3.6 million a year ago.

Revenue from the Technical and Engineering business segment declined from S\$11.3 million in Q3FY2013 to S\$9.9 million in Q3FY2014 as fewer projects were secured in the region during the quarter under review. The Third Party Logistics business segment contributed 37% of the Group’s revenue this quarter.

Gross profit for Q3FY2014 rose 27% to S\$5.2 million from S\$4.1 million a year ago in line with revenue growth. Gross profit margin however edged down slightly to 19% in Q3FY2014 compared to 20% in the corresponding period last year, due to more competitive pricing and rising operational costs.

Other operating income registered a drop from S\$0.7 million in Q3FY2013 to S\$0.6 million in Q4FY2013 due to fewer scrap sales and lower amount in grants received from government schemes.

In terms of operating expenses, distribution and selling expenses rose 59% to S\$1.4 million in Q3FY2014 due to marketing costs incurred in securing projects. Administrative expenses rose 8% or S\$0.2 million due mainly to costs incurred in the new Jilin, PRC water treatment operation, which were not incurred in the same period a year ago. Other operating expenses also rose to S\$0.5 million in Q3FY2014 compared to S\$0.09 million in Q3FY2013, attributable to increased provision for doubtful trade debts in this quarter. The Group’s finance cost also rose to by 43% or S\$0.1 million due to higher interest paid on bank loans and finance lease this quarter.

As a result of lower gross profit margin and higher operating expenses, the Group’s profit before tax decreased to S\$0.4 million in Q3FY2014 from S\$0.7 million in Q3FY2013. Profit after tax declined to S\$0.03 million in Q3FY2014 compared to S\$0.4 million in Q3FY2013 due mainly to the lack of group tax relief since most of its profitable entities are Singapore-based.

Where key balance sheet items are concerned, property plant and equipment rose by S\$6.3 million due to business expansion in the PRC and Malaysia and a reclassification from investment property of S\$4.1 million. In line with higher venue, trade receivables increased by S\$9.4 million while accrued revenue and retention sum stood at S\$16.5 million and S\$0.9 million respectively. Trade payables also increased by S\$5.8 million in line with higher revenue.

In terms of cash flow, the Group's cash and cash equivalent (excluding pledged fixed deposits) increased S\$6.5 million as at 31 December 2013, compared to S\$6.1 million as at the beginning of Q3FY2014. This was due to net cash inflow from operating activities of S\$2.7 million as well as net cash inflows from investing activities of S\$0.6 million, offset by cash outflow due to financing activities of S\$2.8 million in Q3FY2014.

Outlook

The Group experienced delays with certain relocation projects in the PRC in the recent quarter. However, these projects have since recommenced and stronger revenue contribution is expected from this geographical segment in the fourth quarter of FY2014. With the growing influx of foreign manufacturing investments into Vietnam, the Group's Vietnamese relocation business is poised to grow substantially this quarter and contribute to its bottom line this financial year. Infrastructural projects in Timor-Leste are also expected to pick up in momentum as based on budgets released by the government.

The Group's water treatment operations in Jilin province, PRC will commence commercial operation after the Chinese New Year holidays and is therefore expected to contribute to the Group's revenue from the fourth quarter of FY2014 onwards.

Barring unforeseen circumstances, the Group expects to remain profitable for FY2014.

Commenting on the Group's overall outlook for the next few quarters, Mr Justin Low, Managing Director of Chasen Holdings Limited remarked, ***"While our Relocation business remains relatively stable in Singapore and Malaysia, we expect better revenue growth and contribution from both the PRC and Vietnam markets where we already have a strong base of clients and substantial project experience. The start of commercial operation at our Jilin water treatment plant will also add a stable revenue stream going forward."***

“In the long term, we continue to aim towards more diversified revenue sources from multiple segments and regions in order to achieve balanced and sustainable growth.”

- End of Release -

About Chasen Holdings Limited

Chasen Holdings Limited is a SGX Mainboard listed investment holdings company with subsidiaries in specialist relocation solutions, technical and 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, Chasen serves industries such as wafer fabrication, TFT display production, chip testing and assembly, solar panel assembly, consumer electronics, telecommunications, marine and construction sectors in Singapore, Malaysia, Vietnam and China.

Its diversified revenue base and long-standing customer relationship belies its strong fundamental, which enables the Group to weather various business cycles in specific industries. Its business model and growth strategy are set to propel the Group in terms of riding on opportunities in the region and building upon its recurring income base.

ISSUED ON BEHALF OF **CHASEN HOLDINGS LIMITED**

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