CHANGE IN CAPITAL :: RIGHTS ISSUE :: PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF WARRANTS - CLARIFICATION ANNOUNCEMENT

** Asterisks denote mandatory information*

Name of Announcer *	CHASEN HOLDINGS LIMITED
Company Registration No.	199906814G
Announcement submitted on behalf of	CHASEN HOLDINGS LIMITED
Announcement is submitted with respect to *	CHASEN HOLDINGS LIMITED
Announcement is submitted by *	LOW WENG FATT
Designation *	MANAGING DIRECTOR AND CEO
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>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

Announcement Title *	PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF WARRANTS - CLARIFICATION ANNOUNCEMENT
Specific shareholder's approval required? *	No
Description *	Please refer to the attachment.

Attachments	Chasen_Proposed_Warrants_Issue_Update_Clarification_Announcement.pdf Total size =18K (2048K size limit recommended)

CHASEN HOLDINGS LIMITED
(Company Registration No. 199906814G)
Incorporated in the Republic of Singapore

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF WARRANTS ON THE BASIS OF FOUR (4) WARRANTS FOR EVERY TEN (10) EXISTING ORDINARY SHARES ("PROPOSED WARRANTS ISSUE") - CLARIFICATION ANNOUNCEMENT

Where capitalized terms are used in this announcement and not otherwise defined, such capitalized terms shall bear the same meanings as ascribed to them in the Announcement No. 00206 dated 8 November 2013 relating to Proposed Warrants Issue.

Further to the announcement dated 8 November 2013, the Board of Directors of Chasen Holdings Limited (the "Company") wishes to clarify that the Company's objective of this Proposed Warrants Issue is to raise development capital to grow the Group businesses. It aims to do so by pricing the warrant conversion price attractively to incentivise as many investors as possible to convert the Warrants into shares of the Company.

Should all Warrants issued be converted at the price of $0.12 per share, the Company would raise around $14million. The price of $0.12 per share is attractive relative to the net tangible assets of $0.208 per share based on the announced result of the Group's operation ended 30 September 2013.

The Singapore Code On Take-Overs and Mergers ("Takeover Code") provides that substantial shareholders and persons acting in concert with them who hold not less than 30% but not more than 50% of the voting rights of the Company are not allowed to acquire more than 1% of their voting rights in any period of 6 months without triggering a mandatory general offer. Presently, the substantial shareholders and persons acting in concert with them hold not less than 30% but not more than 50% of the voting rights of the Company. Therefore, the fund raising objective of the Company would not be achieved if the substantial shareholders are to hoard nearly 45% of the total available Warrants and they are not allowed to exercise full conversion into shares of the Company within the conversion period of the Warrants without triggering a mandatory takeover obligation. Instead it is in the Company's interests that this substantial portion of Warrants be made available to the investing public who may wish to subscribe for the Warrants with a view to convert them into shares of the Company, thereby enabling the Company to meet its fund raising objective.

Since the substantial shareholders are not able to convert the Warrants they are eligible to subscribe to without triggering a mandatory takeover under the Takeover Code, it is meaningless for them to undertake to subscribe to the Proposed Warrants Issue. In addition it is highly cost inefficient for the small sum of money involved for the substantial shareholders to have to individually seek the written support of financial institutions to back their undertaking as required by SGX, should they each give such undertakings.

To enable the Proposed Warrants Issue to achieve its fund raising objective in pursuit of the Company's growth strategies, the substantial shareholders are prepared to renounce their entitlements to subscribe for the Warrants in favour of investors who are not bound by the Takeover Code and are able to commit to subscribe for and convert the Warrants into shares of the Company upon their issue.

In this instance, the substantial shareholders have good reasons as explained above not to give undertakings that would not help to achieve the purpose of the Proposed Warrants Issue.

For avoidance of doubt, the Company confirms that it is not undergoing any undisclosed troubles as the reason why there are no undertaking shareholders. The Group has a cash balance of $10.6million as at 30 September 2013 as disclosed in the result announcement for that quarter.

By Order of the Board

Low Weng Fatt
Managing Director and CEO

3 December 2013