

Chasen Holdings Limited
(Incorporated in the Republic of Singapore)
(Company Registration No.: 199906814G)

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The contact person for the Sponsor is: -

*Name: Mr Hoon Tai Meng (Registered Professional, KW Capital Pte. Ltd.)
Address: 80 Raffles Place, #25-01 UOB Plaza 1, Singapore 048624
Tel: 6238 3377*

**FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND
ANNOUNCEMENTS FOR THE PERIOD ENDED 30 JUNE 2009**

**PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY
(Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS**

The directors are pleased to announce the unaudited operating results for the financial period from 1 April 2009 to 30 June 2009.

1(a)(i) Consolidated Statements of Comprehensive Income

	30 Jun 09	30 Jun 08	Change
	\$'000	\$'000	%
Revenue	16,494	11,188	47%
Cost of sales	(12,583)	(8,138)	55%
Gross profit	3,911	3,050	28%
Other operating income	403	108	273%
Other income - negative goodwill arising from acquisition of subsidiaries	20	-	NM *
	4,334	3,158	37%
Distribution and selling expenses	(755)	(723)	4%
Administrative expenses	(1,956)	(1,470)	33%
Other operating expenses	(51)	(16)	219%
Finance costs	(105)	(56)	88%
Profit before income tax	1,467	893	64%

Income tax expense	(295)	(207)	43%
Net profit for the financial year	1,172	686	71%
Net profit for the financial year attributable to :			
Shareholders of the Company	656	529	24%
Minority interest	516	157	229%
	1,172	686	71%
Earnings per share (cents) (see item 6)			
- basic	0.45 [#]	0.36 [#]	
- diluted	0.45 [#]	0.36 [#]	

* NM – not meaningful

On 1 December 2008, our ordinary shares were consolidated on a 100:1 basis. Earnings per share comparatives have been calculated based on the post-consolidated total number of ordinary shares.

Statement of Comprehensive Income for the three months ended 30 June 2009

Profit for the period	1,172	686	71%
Other comprehensive income			
Translation differences relating to financial statements of foreign subsidiaries, net of tax	(709)	74	NM *
Other comprehensive income / (expense) for the period, net of tax	(709)	74	NM *
Total comprehensive income for the period	463	760	-39%
Attributable to:			
Equity holders of the Company	(53)	916	-106%
Minority interests	516	(156)	-431%
Total comprehensive income for the period	463	760	-39%

1(a)(ii) Profit before income tax is determined after charging / (crediting):

	30 Jun 09	30 Jun 08
	\$'000	\$'000
Depreciation of property, plant and equipment	833	556
Gain on disposal of property, plant and equipment	(68)	-
Property, plant and equipment written off	10	-
Unrealised foreign exchange loss/(gain)	107	(2)
Realised foreign exchange (gain)/loss	(56)	18
Interest income	(18)	(14)
Interest expense on bank borrowings	50	23
Finance lease interest	32	14

* NM - not meaningful

1(b)(i) Statement of financial position

	Group		Company	
	30 Jun 09	31 Mar 09	30 Jun 09	31 Mar 09
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	13,816	14,155	-	-
Fixed deposits	1,000	1,000	1,000	1,000
Financial assets, available-for-sale	3,861	3,861	3,861	3,861
Club membership	74	74	60	60
Other receivables, deposits and prepayments	3,010	3,091	1,381	1,381
Investment in subsidiaries	-	-	37,372	37,372
Goodwill on consolidation	2,191	2,191	-	-
Total non-current assets	23,952	24,372	43,674	43,674
Current assets				
Due from customers on work-in-progress	3,125	1,751	-	-
Inventories	469	362	-	-
Trade receivables	18,273	22,924	-	-
Amount due from subsidiaries	-	-	10,728	10,883
Other receivables, deposits and prepayments	3,881	5,363	2,084	2,099
Cash and bank balances	8,023	8,948	427	672
Total current assets	33,771	39,348	13,239	13,654
LIABILITIES				
Current liabilities				
Bank overdraft	-	12	-	-
Bank loan (secured)	1,217	1,650	956	1,004
Trade payables	8,571	14,780	-	-
Other payables and accruals	4,510	4,005	342	334
Deferred income	-	21	-	-
Obligations under hire purchase contracts	1,136	1,137	-	-
Income tax payable	754	814	-	-
Total current liabilities	16,188	22,419	1,298	1,338
Net current assets	17,583	16,929	11,941	12,316
Non-current liabilities				
Bank loan (secured)	2,898	2,845	1,819	2,016
Deferred income	-	48	-	-
Obligations under hire purchase contracts	1,290	1,573	-	-
Deferred income tax liabilities	279	297	-	-
Total non-current liabilities	4,467	4,763	1,819	2,016
NET ASSETS	37,068	36,538	53,796	53,974

EQUITY**Equity attributable to equity holders of the Company**

Share capital	23,737	23,737	53,265	53,265
Treasury Shares	(534)	(534)	(534)	(534)
Foreign currency translation reserve	363	1,072	-	-
Performance share plan reserve	221	154	221	154
Retained profits	9,645	8,989	844	1,089
Total shareholder's funds	33,432	33,418	53,796	53,974
Minority interest	3,636	3,120	-	-
Total equity	37,068	36,538	53,796	53,974

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	30 Jun 09	31 Mar 09
	\$'000	\$'000
Amount repayable in one year or less or on demand		
Secured	2,353	2,787
Unsecured	-	-
	<u>2,353</u>	<u>2,787</u>
Amount repayable after one year		
Secured	4,188	4,418
Unsecured	-	-
	<u>4,188</u>	<u>4,418</u>
Total	<u>6,541</u>	<u>7,205</u>

Details of any collateral

The bank loans are secured by legal mortgage of the leasehold building (as at 30 June 2009), debenture with a fixed charge on certain plant and equipment, corporate guarantee from Chasen Holdings Limited and Chasen Logistics Services Limited, pledge of fixed deposits amounting to \$909,759 and amount of \$796,000 (as at 30 June 2009) guaranteed by certain directors of subsidiaries. They are repayable over a period of 5-14 years. Interest is charged at range from 3.25% to 18.00% per annum (31 March 2009: 3.25% to 18.00%).

The above bank borrowing includes the Group's utilized finance leases to acquire equipment and motor vehicles (represented by present value).

1(c) Consolidated statement of cash flows

	30 Jun 09	30 Jun 08
	\$'000	\$'000
Cash flows from operating activities:-		

Profit before income tax	1,467	893
Adjustments for:		
Depreciation for property, plant and equipment	833	556
Gain on disposal of property, plant and equipment	(68)	-
Property, plant and equipment written off	10	-
Cost of share-based payments	67	-
Negative goodwill arising from acquisition of subsidiary	(20)	-
Amortisation of club membership	(1)	-
Interest income	(18)	(14)
Interest expense	82	37
Operating profit before working capital changes	2,352	1,472
Trade and other receivables	6,214	(9,895)
Due from customers on work-in-progress	(1,374)	-
Inventories	(107)	-
Trade and other payables	(5,773)	4,812
Cash generated from operations	1,312	(3,611)
Income tax paid	(373)	3
Net cash from/(used in) operating activities	939	(3,608)
Cash flows from investing activities:-		
Acquisition of subsidiaries, net of cash acquired	-	(952)
Purchase of plant and equipment	(797)	(647)
Proceeds from disposal of plant and equipment	94	-
Purchase of club membership	-	(15)
Interest received	18	14
Net cash used in investing activities	(685)	(1,600)
Cash flows from financing activities:-		
Interest paid	(82)	(37)
Proceeds from bank loans	-	26
Repayment of bank loans	(380)	-
Proceeds from hire purchase contracts	-	135
Repayment of hire purchase contracts	(284)	-
Placement of pledged fixed deposits placed with banks	176	(1)
Net cash (used in)/from financing activities	(570)	123
Net (decrease)/increase in cash and cash equivalents	(316)	(5,085)
Cash and cash equivalents at beginning of year	7,850	12,528
Effect of exchange rate changes on balances in foreign currencies	(421)	(73)
Cash and cash equivalents at end of year	7,113	7,370
Cash and cash equivalents comprise:		
Cash and bank balances	6,479	7,163
Fixed deposits	1,544	898
	8,023	8,061
Less: Fixed deposits pledged	(910)	(691)
	7,113	7,370

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated statement of changes in equity for the periods ended 30 June 2009 and 30 June 2008 - Group

	Attributable to equity holders of the Company							Total Equity \$'000
	Share capital \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Performance share plan reserve \$'000	Retained profits \$'000	Total \$'000	Minority interests \$'000	
Balance as at 1 April 2009	23,737	(534)	1,072	154	8,989	33,418	3,120	36,538
Cost of share-based payments	-	-	-	67	-	67	-	67
Total comprehensive income / (expense) for the period	-	-	(709)	-	656	(53)	516	463
Balance as at 30 June 2009	23,737	(534)	363	221	9,645	33,432	3,636	37,068
Balance as at 1 April 2008	23,737	-	(290)	-	7,011	30,458	115	30,573
Change of interest in a subsidiary	-	-	-	-	-	-	803	803
Total comprehensive income / (expense) for the period	-	-	73	-	843	916	(156)	760
Balance as at 30 June 2008	23,737	-	(217)	-	7,854	31,374	762	32,136

Consolidated statement of changes in equity for the periods ended 30 June 2009 and 30 June 2008 - Company

	Share capital \$'000	Treasury shares \$'000	Performance share plan reserve \$'000	(Accumulated losses)/ Retained profits \$'000	Total Equity \$'000
Balance as at 1 April 2009	53,265	(534)	154	1,089	53,974
Cost of share-based payments	-	-	67	-	67
Total comprehensive income / (expense) for the period	-	-	-	(245)	(245)
Balance as at 30 June 2009	53,265	(534)	221	844	53,796
Balance as at 1 April 2008	53,265	-	-	607	53,872
Total comprehensive income / (expense) for the period	-	-	-	(62)	(62)
Balance at 30 June 2008	53,265	-	-	545	53,810

- 1(d)(ii) Details of any changes in the company's share capital arising from right issues, 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 a consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

There were no changes in the Company's share capital during the current financial period reported on.

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

	As at 30 June 2009	As at 31 March 2009
Total number of ordinary issued shares	144,774,662	144,774,662

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares 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.**

There was no sale, transfer, disposal, cancellation and/or use of treasury shares as at 30 June 2009 (31 March 2009 – Nil).

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

The figures have not been audited or reviewed.

- 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 computation 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 period financial statements as those of the previous audited financial statements.

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

The Group has adopted the new and revised Singapore Financial Reporting Standards ("FRSs") that are mandatory for financial years beginning on and after 1 January 2009, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the retained earnings of the Group as at 1 January 2009.

6. **Earning per ordinary shares 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.**

	Group 30 Jun 09	30 Jun 08
Earning per share (EPS)		
EPS based on average number of shares (cents)	0.45	0.36
EPS on a fully diluted basis (in cents)	0.45	0.36
Weighted average number of shares ('000)	145,945	146,994
Weighted average number of shares – diluted ('000)	147,039	147,470

On 1 December 2008 our ordinary shares were consolidated on a 100:1 basis, thereby reducing the number of ordinary shares from 14,699,415,863 to 146,994,106. The EPS and NAV (see item 7) comparatives have been calculated based on the post-consolidated total number of ordinary shares.

7. **Net assets 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		Company	
	30 Jun 09	31 Mar 09	30 Jun 09	31 Mar 09
Number of shares ('000)	144,775	146,994	144,775	146,994
NAV (cents)	25.6	24.9	37.2	36.7

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonable or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Revenue

The Group's revenue for the 1st quarter ended 30 June 2009 ("1Q2010") increased by about 47% to approximately \$16.5 million from approximately \$11.2 million in the 1st quarter ended 30 June 2008 (1Q2009"). The significant increase was due mainly to new businesses from third party logistics and increase in engineering contracts, partly offsetted by decrease in relocation business in Singapore and China.

Gross Profit Margin

The Group's gross profit for 1Q2010 increased by about 28% to approximately \$3.9 million from approximately \$3.0 million in 1Q2009. It recorded a gross profit margin of 24% in 1Q2010, compared with a gross profit margin of 27% in 1Q2009, mainly due to the change in business mix as the increased engineering businesses that accounted for 55% of revenue (1Q 2009 – 40%) had a lower gross margin than the logistics business.

Other Income

Other income increased by about \$0.3 million from \$0.1 million in 1Q2009 to 0.4 million in 1Q2010 due mainly to rental of equipment and the profit from the sale of fixed assets.

Operating Expenses

General and administrative expenses increased by about \$0.5 million from \$1.5 million in 1Q2009 to \$2.0 million in 1Q2010 due mainly to a) new businesses acquired after 1Q2009; b) start-up of the relics packaging and handling business in China and c) share plan expenses not previously accounted in Q12009 but at the end of FY 2009.

Profit after tax

As a result of the abovementioned, the Group recorded a profit after tax of \$1.1 million in 1Q2010 compared to a profit after tax of \$0.7 million in 1Q2009.

Balance Sheet Analysis

The increase of \$1.4 million in the amount due from customers on work-in-progress was due to the increased revenue from the engineering business.

The decrease of \$1.5 million in other receivables, deposits and prepayments was mainly due to the repayment of the advance previously made to a sub-contractor in our engineering business.

The decrease of \$4.6 million in the trade receivables was mainly due to the collections from a customer of the Group's pre-acquisition's receivables in the contract manufacturing business, offsetted by higher sales from this 1st quarter.

The decrease of \$6.2 million in the trade payables was mainly due to payments to the suppliers of the Group's pre-acquisition's contract manufacturing business from the funds received from the trade receivables.

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

Not applicable.

- 10. A commentary at the date of 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 Group continued to benefit from contribution in revenue and profitability from its recently acquired businesses in the local construction industry and third party logistics business in Malaysia. This mitigated the continuing contraction in relocation activities in the electronic industry in the region.

Barring unforeseen circumstances, the Group is optimistic that the growth trend in top and bottom line will be maintained going forward.

- 11. Dividend**

- (a) Current financial period reported on**

Any dividend declared for the current financial period reported on? No

- (b) Corresponding period of the immediately preceding financial year**

Any dividend declared for the corresponding period immediately preceding financial year?

No

(c) **Date payable**

NA

(d) **Books closure date**

NA

12. If no dividend has been declared/recommendeded, a statement to that effect.

Not applicable.

By Order of the Board

Justin Low Weng Fatt
Managing Director
11 August 2009

Confirmation by the Board Pursuant to Rule 705(5)

We, Low Weng Fatt and Siah Boon Hock, being two directors of Chasen Holdings Limited ("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 results for the first quarter ended 30 June 2009 to be false or misleading in any material aspect.

On behalf of the board of directors

**Low Weng Fatt
Managing Director**

**Siah Boon Hock
Executive Director**

**Singapore
11 August 2009**