

GENERAL ANNOUNCEMENT::CHASEN REPORTS 1QFY2023 NET PROFIT BEFORE TAX OF S\$0.3 MILLION ON REVENUE OF S\$37.3 MILLION

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Chasen Reports 1QFY2023 Net Profit Before Tax of S\$0.3 Million on Revenue of S\$37.3 Million

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Submitted By (Co./ Ind. Name)

Low Weng Fatt

Designation

Managing Director and CEO

Description (Please provide a detailed description of the event in the box below)

Please refer to the attachment.

Attachments

[Chasen - 1QFY2023 Media Release.pdf](#)

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Media Release

Chasen Reports 1QFY2023 Net Profit Before Tax of S\$0.3 Million on Revenue of S\$37.3 Million

- “Dynamic Zero” restrictions within the PRC have disrupted projects for Specialist Relocation segment, operations for 3PL cross-border land freight and T&E components and parts manufacturing
- Decrease was offset by higher revenue contributions from T&E segment, as pipeline for solar panel installation projects continue to grow as well as a rebound in outsourced activities in semiconductor industry
- Group will continue diversification plans into new industries such as the semiconductor and automotive segments in the PRC; 3PL will continue to provide an intermodal service by integrating with rail transportation
- T&E segment will continue to acquire new production capabilities, while capturing more solar panel installation opportunities

S\$'000	1Q FY2023	1Q FY2022	Change (%)
Revenue	37,261	42,294	(12)
Gross profit	5,170	7,607	(32)
Gross profit margin (%)	13.9	18.0	(4.1) ppt*
Profit Before Tax	301	2,155	(86)
Net profit after tax	65	1,610	(96)
Fully Diluted Earnings per share (cents)	(0.05)	0.26	NM^

*ppt – Percentage Points

^NM – Not Meaningful

Singapore, 12 August 2022 – SGX Mainboard-listed **Chasen Holdings Limited** (“Chasen” or the “Group”) recorded net profit before tax for the three months ended 30 June 2022 (“1QFY2023”) of S\$0.3 million on revenue of S\$37.3 million, as COVID-19-related travel restrictions within the People’s Republic of China (“PRC”) hampered operations and delayed projects.

The diversified logistics group said topline for 1QFY2023 declined 12% from S\$42.3 million in 1QFY2022, mainly due to lower contributions from its Specialist Relocation in the PRC and Third Party Logistics (“3PL”) cross-border transportation. This was partially offset by improved performance in the outsourced services due to wafer fabrication plants expansion plans in Singapore, warehouse business in Malaysia, and Technical & Engineering segment (T&E), which completed more solar panel installation projects.

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Unique Entity Number 199906814G
Incorporated in the Republic of Singapore



The travel restrictions in the PRC due to its “Dynamic Zero” policy had led to delays in project timelines for the Specialist Relocation segment and disrupted operations for both 3PL cross-border land freight and T&E components and parts manufacturing business.

In line with the lower revenue, the Group recorded gross profit of S\$5.2 million in 1QFY2023, a 32% decline from S\$7.6 million a year ago. Correspondingly, gross profit margin stood at 13.9% in 1QFY2023, compared to 18.0% for the comparative period a year ago.

Accordingly, fully diluted loss per share stood at 0.05 Singapore cent in 1QFY2023, compared to earnings per share from 0.26 Singapore cent in 1QFY2022, while net asset value per share declined 16.5 Singapore cents as at 30 June 2022 from 16.7 Singapore cents as at 31 March 2022.

Chasen expects the operating environment to remain challenging, as earlier headwinds such as inflationary pressures on operating costs, increased interest rates, as well as potential disruptions to business operations amid rising geopolitical tensions continue to pose challenges but at the same time present opportunities. That said, the easing of lockdown measures and congestions at the PRC border are expected to deliver a reprieve to business activities in the country.

For the Specialist Relocation segment, the Group will continue to diversify into the semiconductor and automotive segments and transition to OLED technology in the display panel sector in the PRC. Geographically, the Group intends to grow within the semiconductor and equipment manufacturer markets in Malaysia and Singapore, as well as the electronics industry in Vietnam.

Chasen also expects demand to remain robust for its 3PL services such as its cross-border land freight, as well as warehousing and forwarding business. To enhance its value proposition as a reliable cross-border land freight transport provider, the Group continues to provide an intermodal service by integrating with rail transportation. Chasen will also seek more opportunities within the semiconductor, components manufacturing and assembly sectors.

On the T&E front, the Group will continue to improve its components and part manufacturing by acquiring new production capabilities and capacities so as to capture opportunities within emerging core technologies such as 5G, Internet of Things, “MedTech” and automotive sectors. The Group will also build its pipeline of solar panel installation projects, as Singapore continues to boost its decarbonisation efforts of the power sector to achieve its goal of reaching net-zero carbon emissions by 2050.

Mr Low Weng Fatt, Chasen’s Managing Director and CEO, said, *“Despite the challenging operating environment, Chasen has remained resilient, and we continue to execute our diversification strategies to strengthen our business. While we still face headwinds on several fronts, we continue to remain optimistic on the demand for our services, and will continue to maintain a healthy pipeline of projects to keep us busy throughout the year.”*

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

Chasen Holdings Limited is a SGX Mainboard-listed investment holding company with subsidiaries offering one-stop integrated solutions in Specialist Relocation services, Technical & Engineering services and Third-Party Logistics management and last mile services.

Headquartered in Singapore with operations in Singapore, Malaysia, Thailand, Vietnam, the People's Republic of China and the U.S.A., the broadly diversified business Group serves global customers in industries such as semiconductor IC wafer fabrication, testing & packaging, TFT LCD panel production, semiconductor OEM, EV & battery production, GreenTech including solar panel assembly & installation, glass & façade cladding installations, consumer electronics & e-Commerce, 4G/5G telecommunications, ordnance, facilities maintenance and construction sectors.

Its diversified revenue base, well recognised solutions and long-standing customer relationships underpin its strong fundamentals, brand recognition and franchise, which enable the Group to weather fluctuating business cycles of various industries. Its business model, growth strategy and strong franchise will enable the Group to stay resilient and relevant in all the industries it serves globally.