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\* 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 *	Chew Kok Liang
Designation *	Company Secretary
Date & Time of Broadcast	14-Jul-2008 22:22:16
Announcement No.	00130

**>> Announcement Details**

The details of the announcement start here ...

Announcement Title *	NEWS RELEASE - CHASEN ACQUIRES MALAYSIAN THIRD PARTY LOGISTICS COMPANY THROUGH ISSUANCE OF NEW SHARES AT S\$0.015 PER SHARE
Description	Please see attached.
<b>Attachments</b>	 <a href="#">Chasen PressRel CEL SDN BHD Logistics.pdf</a> Total size = <b>142K</b> (2048K size limit recommended)

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**For Immediate Release**

## **NEWS RELEASE**

### **Chasen Acquires Malaysian Third Party Logistics Company Through Issuance Of New Shares At S\$0.015 Per Share**

**Singapore, July 14, 2008** - Chasen Holdings Limited ("Chasen" or the "Group"), a non sponsored Catalist Company on the Singapore Exchange, is pleased to announce that the Group has entered into a Sales and Purchase Agreement ("Agreement") with four parties, namely, Ng Boon Liam ("NBL"), Lee Chong Keong ("LCK"), Soo Siok Moi ("SSM") and Mok Chee Kiang ("MCK") to fully acquire the entire issued and paid up capital of CEL Logistics Sdn Bhd ("CEL" or the "Company") (hereinafter referred to as the "Transaction").

NBL, LCK, SSM and MCK are the owners of CEL, a private Company with an issued and paid up capital of RM 2.6 million comprising 2.6 million shares of RM 1.00 each. LCK, SSM and MCK form the core management team at CEL with LCK as Managing Director.

Established in 1996, CEL is a Malaysian company specialising in providing third party logistics ("3PL") services such as warehousing, transportations, projects management and custom brokerages. CEL is based in Johore, with major customers in the Electronics Manufacturing Services industry. In addition to servicing manufacturers directly, CEL also works very closely with international freight forwarding companies.

CEL currently owns a sizeable truck fleet comprising 31 units of 40-footers, eight 30-footers, two 24-footers, four 3-tons and two 1-ton. These trucks are primarily engaged in daily import and export runs between Singapore and Peninsular Malaysia, with the majority of them being deployed to support cross border, as well as, inter state long haul transportation within Malaysia. CEL is also engaged in haulage transportation of 1000 teus containerised cargo through Pasir Gudang and Tanjung Pelepas ports. Besides that, CEL also possesses an air-conditioned, temperature controlled warehouse spanning 20,000 sq feet and a general non-air-conditioned warehouse of approximately 70,000 sq feet. It currently has 180 employees. In total, the net tangible asset of CEL as of financial year ended 31 December 2007 is approximately RM 5.1 million.

Through this Agreement, Chasen will purchase 100% of CEL at a maximum consideration of RM 11.2 million through two tranches, depending on the Profit After Tax ("PAT") for FY2007 and 2008. This consideration shall be satisfied by



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the issuance and allotment of new ordinary shares (“Consideration Shares”) in the Company at an issue price of S\$0.015, at an exchange rate of RM 2.30 to S\$ 1.00.

The first tranche will be computed at four times PAT for the financial year 2007, subjected to a maximum of RM 5.6 million. The second and final tranche will be computed at eight times the average PAT for the financial years 2007 and 2008. Deducting the first tranche amount, this second tranche is subjected to a maximum of RM 11.2 million.

This acquisition is in line with the Company’s policy to invest in profitable businesses with good growth potential in recurring income and to diversity its revenue stream. CEL’s business complements the Group’s niche relocations business currently based in Penang as the Group will have access to CEL’s transportation equipment and their 3PL facilities and expertise. With CEL’s trucks, Chasen can benefit from CEL’s partnership with freight forwarders to ferry containers from the port to customers’ premises. Currently, the Group outsources all trucking services in its Malaysian operation. With CEL the Group would be able to develop a fully integrated logistics business to extend the Group’s services in Malaysia.

In addition, it is the Group’s intention that CEL, with its relatively young entrepreneurial management team and substantial logistics assets, will form the core of a peninsula wide 3PL network that Chasen intends to establish as part of its growth plans for the Malaysian geographical sector. The Group is currently in negotiations with other 3PL service providers based in northern and central peninsula Malaysia to form this network.

Mr Low Weng Fatt, Managing Director of Chasen, said, “With the acquisition of CEL, Chasen will be able to develop a fully integrated logistics business in Malaysia. Countries like Vietnam and China have seen a rise in the demand for 3PL. With this acquisition, we will be able to further expand our capabilities services and eventually, provide such services outside Singapore and Malaysia.”

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### About Chasen Holdings Limited

Chasen is a non sponsored Catalist-listed Company on the Singapore Exchange that specializes in relocation, packing and warehousing of machinery and equipment for the region's manufacturing industries. We also provide turnkey facilities and engineering solutions to full set-ups of fully operational factories. Some of the sophisticated equipment and machinery that requires our relocation, packing and warehousing expertise include those in industries of water fabrication, TFT display panel production, and chip testing and assembly. Recently, Chasen acquired engineering service capabilities in the high growth marine and construction sectors. It is ISO certified in Environmental and Quality Management systems.

For more information, please visit our websites at <http://www.chasen.com.sg/> and <http://www.chasen-logistics.com/>.

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