CHASEN HOLDINGS LIMITED

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Press Release

Chasen Penang and Vietnam secures projects worth S$1 million

Singapore, 3 April 2017 – SGX Mainboard-listed Chasen Holdings Limited ("Chasen" or the "Group"), an investment holding company with subsidiaries in Specialist Relocation Solutions, Technical & Engineering services and Third-Party Logistics, is pleased to announce that its Specialist Relocation subsidiaries in Malaysia, Chasen Logistics Sdn Bhd ("CLSB") and Vietnam, Chasen Transport Logistics Co., Ltd ("CTL") had recently secured contracts valued at RM2.15 million (S$0.68 million) and US$0.21 million (S$0.29 million) respectively. The contracts would be executed in calendar year 2017.

The Electrical & Electronics (E&E) industry, a leading sector in Malaysia's manufacturing landscape comprises the following three major ecosystems - semiconductors, solar and LED technologies. Malaysia has identified the production of light-emitting diodes (LED) and solar photovoltaic as two potential key industries to deepen and strengthen its development in the technology of converting solar energy into electricity.

CLSB, which began operations in Penang in 2006 serving just one MNC semi-conductor customer, has positioned itself strategically to provide specialist relocation services, warehousing and other value-added services to major MNCs that are expanding or relocating to Malaysia's technology corridors of Penang, Selangor and Perak. It has grown to become the leading relocation specialist servicing 15 MNCs not only in the semi-conductor but also the solar panel manufacturing industries.

CLSB recently clinched a RM1.5 million (S$0.47 million) relocation project from an American MNC manufacturing solar panels in Malaysia to relocate four decommissioned production lines to the scrapyard. Due to the urgency of its operations, this project would be fast-tracked, beginning April 2017 and would take two months to complete. The prospects are good that it would be able to secure further relocation projects when the factory, which has a 12-production line capacity, is upgraded with new solar panel manufacturing machinery.

Such a large move-in cum installation project would take 10-12 months to complete. The value-add and assurance of CLSB's specialist relocation and complementary technical and engineering services as well as its reputation and track record in this niche logistics market enabled it to wrest the project from the competition that included the customer's regular sole foreign-based service provider.

In the optical components sector, CLSB had secured a RM0.15 million (S$0.05 million) project to move-in very sensitive optical production equipment and tools for an East European MNC specialising in the development and manufacturing of high-performance

interference filters for various applications. This MNC, a globally recognized leader in customized optical thin-film coatings, glass processing, patterning and bonding technologies to the manufacture of complete optical sub-assemblies for the photonics industry, has set up a new production facility in Penang's 'Silicon Valley' in August 2016, its second manufacturing plant worldwide.

This relocation project will commence in April 2017 and would be completed in two months.

The two above described projects are in addition to a three-month project secured by CLSB for a Japanese MNC specializing in the production of printed circuit boards (PCB). This pack, relocate and move-in project valued at RM0.5 million (S$0.16 million) had just commenced operation and is scheduled for completion in May/June 2017.

Over in Vietnam where the economy is growing rapidly, CTL's effort in actively engaging a Korean MNC in the manufacturing of OLED for display screens since October 2016 has been rewarded when CTL successfully secured the initial contract for the first phase of a move-in project for this Korean factory located in Hai Phong. The move-in operation, which began in the last week of March, would take a month to complete. This first phase project is valued at US$0.21 million (S$0.29 million), and CTL is reasonably confident that it would be able to secure the balance of the first phase move-in that is scheduled to be completed in November 2017. This would put CTL in good stead to bid for subsequent phases and a parallel supporting production facility to support the establishment of the Korean OLED manufacturing plant in Hai Phong.

Commenting on continued success of Chasen overseas relocation subsidiaries to improve the Group's book orders, Managing Director and CEO of Chasen Holdings, Mr. Low Weng Fatt said***, "These new projects secured in Malaysia and Vietnam following the TFT LCD projects secured in the PRC, have given us the momentum to propel our business growth going into the new FY2018. We are heartened to note that the worldwide slowdown for electronics in recent years has started to turn around and Hi-Tech Shanghai, CLSB and CTL have been poised to benefit from this upturn in capital expenditure by the big boys in their respective industrial sectors.***

Securing the solar panel project has by far given us a clear lead over our competitor and entrenched our spot as the market leader in the relocation business. As Malaysia continues to attract investments in electrical and electronics manufacturing, CSLB is well-placed to capture and benefit from this growth in its top and bottom line.

CTL, which started operations in Vietnam in 2010, has come off age and is well positioned to face tougher competition from local and Korean logistics players. We remain confident that with our suite of service capabilities including the value-add engineering cum installation services, we will be favourably considered not only for the balance of the Phase 1 project but also the future move-in for this Korean MNC.

Moving forward, the prospects for specialist relocation as well as our cross-border third party logistics business are bright. With the value adding technical and engineering services tagging on to these projects we are making progress towards achieving our vision of providing an integrated service in the establishment of new operational facilities to our customers."

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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 in Specialist Relocation solutions, Technical & 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 with operations in Malaysia, Vietnam, the People's Republic of China, Timor-Leste, Thailand and the USA, Chasen serves global customers in industries such as wafer fabrication, TFT LCD production, chip testing and assembly, solar panel assembly, consumer electronics, telecommunications, ordnance, cultural relics, facilities maintenance, water treatment, marine and construction sectors.

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

ISSUED BY **CHASEN HOLDINGS LIMITED**

Email: shareholdings@chasen-logistics.com
Tel: +65 6266 5978
Fax: +65 6264 0740