CHASEN HOLDINGS LIMITED

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Press Release

Chasen Hi-Tech secures projects worth S$50 million in TFT LCD industry

Singapore, 23 March 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 subsidiary in the Peoples' Republic of China ("PRC"), Chasen Hi-Tech (Shanghai) Machinery Services Pte Ltd ("Chasen Hi-Tech") had secured contracts worth around S$50 million (RMB245 million) for FYs 2017 and 2018 (ending 31 March).

Chinese TFT LCD or flat panel display (FPD) manufacturers have been expanding their capacity in PRC for the past few years. FPD makers like BOE, China Star, CEC-Panda, Samsung Display and LG Display are investing in fabrication facilities to produce Gen 8 and above display panels in China. However, the implementation of their expansion plans have been sporadic due to the slowing local economy and overseas markets that they export their products to.

Recently the specific economic conditions in some of the provinces in the PRC have encouraged these provincial governments to support the building of LCD fabrication plants in their cities. Local governments will benefit in supply growth, tax gains, technology upgrades, employment and GDP growth. Based on investment plans and existing FPD plants under construction, there will be at least 28 fabrication facilities in China by 2018 employing up to 11 million people in these completed FPD manufacturing plants to meet the enormous domestic market demand.

Furthermore, FPD companies including BOE, China Star, CEC, Tianma, EverDisplay, and Visionox from China and AUO, CPT, and Foxconn from Taiwan are also aggressively investing in the production of small/medium flat panel displays used in smartphones.

In view of these huge investments and dynamic developments taking place in the TFT LCD industry, Chasen Hi-Tech's efforts in proactively courting the TFT LCD manufacturers over the past several years have borne fruits in the award of several large contracts where Chasen Hi-Tech will provide specialized relocation service to move-in the highly sophisticated manufacturing machinery, equipment and tools onto specific locations on the production floor.

Chasen Hi-Tech has been operating in PRC since 2004 and is the leading Specialist Relocation Solutions provider in the China market particularly in the TFT LCD industry with the largest work force and supporting special material handling equipment to execute our relocation logistics projects. It recently commenced several large move-in projects concurrently and at different locations throughout China such as ChongQing, ChengDu, Shanghai, FuQing, Wuhan and Hebei.

These projects are valued from RMB10 million (S$2.05 million) to RMB60 million (S$12.3 million) each. The duration of the projects vary from six to twelve months, and the last of these projects are expected to be completed by December 2018.

In tandem with the development of the FPD industry, it is likely that the semi-conductor industry will also be making its presence felt in the Chinese economy in the next three years and beyond. Moving forward, Chasen Hi-Tech will use its expertise and experience in FPD relocation solutions to penetrate this new sector of the Chinese market. It will chart a strategic road map to reinforce its position as the leading relocation logistics specialist in the high value-add TFT LCD and semi-conductor industries.

Commenting on the secured book orders, Mr. Low Weng Fatt, Managing Director and CEO of Chasen Holdings said,

"Despite the slower economic growth, the Chinese government is very forward looking with regard to the flat panel display manufacturing sector. It is investing billions in RMB terms as there is a large demand for television and mobile phones by the domestic population alone. The securing of these relocation projects in support of the FPD makers showcase our strength and niche capability in relocation logistics in the Chinese market despite the stiff competition from the Japanese and Taiwanese movers. These project-wins attest to our customers' confidence in Chasen's logistics solutions and the high standard of specialist services we provide.

With the recent development in the semi-conductor industry in the PRC, Chasen Hi-Tech is poised to capture its fair share of the new market sector. This development has boosted our confidence and continues to drive us to maintain our strategic position as the leading provider of specialist relocation solutions in the Chinese market.

These new contracts secured for the Specialist Relocation business segment provide fresh impetus to the Group's outlook for FY2018 commencing 1 April 2017 wherein we remain confident in clinching further relocation projects across other geographic segments."

- End of Release -

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.

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