CHASEN HOLDINGS LIMITED
(Company Registration No.: 199906814G)
(Incorporated in the Republic of Singapore)

INCREASE OF ISSUED AND PAID UP CAPITAL OF SUBSIDIARY

The Board of Directors of Chasen Holdings Limited (the "**Company**") wishes to announce that its wholly owned subsidiary, CLE Engineering Services Pte. Ltd. (Company No. 200611062M) ("**CLE**") has on 31 March 2016 subscribed 2,500,000 ordinary shares in the share capital of its subsidiary, Hup Lian Engineering Pte Ltd (Company No. 199102867H) ("**Hup Lian**") by capitalising the amount of S$3,658,000.00 due to Chasen Logistics Services Limited (Company No. 199901643D) ("**CLSL**"), a wholly-owned subsidiary of the Company (the "**Transaction**").

Following the Transaction, CLE will increase its equity interest in Hup Lian from 66% to 83%. Hup Lian remains as a subsidiary of the Company, and its issued and paid up share capital will increase from S$2,190,438 to S$5,848,438.

1. Information on Hup Lian

Hup Lian is a private company limited by shares incorporated on 17 June 1991 in Singapore and carries on the business of technical and engineering.

2. Rationale for and benefit of the Transaction

The Company aims to improve the Statement of Financial Position of Hup Lian by strengthening the capital base and at the same time reduced the borrowings.

3. Financing and Financial Effects of the Subscription and Disposal

The Transaction was funded entirely through internal resources.

The Transaction is not expected to have any material impact on the consolidated net tangible assets and consolidated earnings per share of the Company for the financial year ending 31 March 2016.

4. Interest of Directors and Controlling Shareholders

None of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Subscription and Disposal, other than their shareholdings in the Company.

By Order of the Board

Low Weng Fatt
Managing Director and CEO

1 April 2016