

Media Release

Chasen Records 1HFY2023 Revenue of S\$80.5 Million, Net Profit Before Tax of S\$2.1 Million; Secures Contracts Worth S\$53.1 Million

- 1HFY2023 revenue stood at S\$80.5 million, a decline of 4% from S\$84.0 million in 1HFY2022, as COVID-related restrictions in the PRC delayed Specialist Relocation project timelines and disrupted 3PL cross-border operations
- Chasen's T&E subsidiary, Hup Lian Engineering Pte Ltd, continued to secure new solar panel installation projects in Singapore; pipeline has grown to 180 public housing blocks and 19 commercial buildings to date
- Secured several new sizeable contracts with a cumulative value of S\$53.1 million in 1HFY2023
- Despite increasing economic uncertainty and higher operating costs, the Group sees long-term business opportunities and remains cautiously optimistic

| S\$'000 | 1H FY2023 | 1H FY2022 | Change (%) |
|---|--------------|--------------|---------------|
| Revenue | 80,519 | 83,967 | (4) |
| Gross profit | 13,396 | 15,164 | (12) |
| Gross profit margin (%) | 17 | 18 | (1.5) ppt* |
| Profit Before Tax | 2,069 | 3,743 | (45) |
| Net profit after tax | 1,182 | 2,758 | (57) |
| Fully diluted earnings per share (cents) | 0.12 | 0.43 | (72) |

*ppt – Percentage Points

Singapore, 14 November 2022 – SGX Mainboard-listed Chasen Holdings Limited ("Chasen" or the "Group") said today it has secured S\$53.1 million worth of new projects for the six months ended 30 September 2022 ("1HFY2023"), even as it recorded net profit before tax of S\$2.1 million on revenue of S\$80.5 million during the period.

The diversified logistics group said 1HFY2023 top line declined 4% from S\$84.0 million in the corresponding period a year ago, as prolonged travel restrictions in the People's Republic of China ("PRC") due to its "Dynamic zero-COVID" policy delayed project timelines for the Specialist Relocation segment and disrupted operations for the Third-Party Logistics ("3PL") cross-border land freight.

The overall decline was partially offset by higher revenue contributions from the Group's Technical & Engineering ("T&E") subsidiary, Hup Lian Engineering Pte Ltd, which secured eight new solar panel installation projects in Singapore, bringing the Group's total number of projects to 180 public housing blocks and 19 commercial buildings.

In line with lower revenue, gross profit for 1HFY2023 amounted to S\$13.4 million, 12% lower than S\$15.2 million in 1HFY2022. Correspondingly, 1HFY2023 gross profit margin stood at 17% compared to 18% in 1HFY2022. Net profit after tax for 1HFY2023 declined 57% to S\$1.2 million from S\$2.8 million for the comparative period a year ago, arising from higher operating expenses due to rising interest costs, costs of labour, energy and rental.

Fully diluted earnings per share stood at 0.12 Singapore cent in 1HFY2023 compared to 0.43 Singapore cent in 1HFY2022. Net asset value per share remained relatively stable at 16.6 Singapore cents as at 30 September 2022 from 16.7 Singapore cents as at 31 March 2022.

Despite increasing economic uncertainties and higher operating costs, Chasen remains cautiously optimistic. Even as the Group continues to secure new projects and see long-term business opportunities, it is closely monitoring the potential impacts of a slowdown in business conditions and is prepared to respond accordingly.

For the 3PL business segment, demand for cross-border land transportation and warehousing is expected to remain robust as companies take a "just-in-case" approach to logistics, compared to "just-in-time" to counter disruptions to global supply chains. In response, Chasen has increased its trucking fleet to 165 trucks as at September 2022 from 148 trucks in March 2022.

City Zone Express Sdn Bhd, the Group's 3PL subsidiary in Malaysia, has also received approval to construct a 280,000 sqft (2,600 sqm) warehouse in Batu Kawan Industrial Park ("BKIP"), a 1,151-acre industrial park located in Penang, Malaysia. The increased warehouse space, combined with the connectivity of BKIP, will enhance the Group's 3PL offerings.

On the Specialist Relocation front, the Group has expanded its customer base to include Original Equipment Manufacturers (OEMs), and will continue to pursue its diversification strategy into markets such as solar photovoltaic (PV) modules production plants, semiconductors, automotive as well as OLED display technology, which consumes lesser power and is cheaper to manufacture compared to TFT LCD. Chasen secured a relocation project for a US-based PV solar modules MNC setting up its manufacturing facility in Chennai, Tamil Nadu, marking the Group's first foray into India.

For T&E, the Group will continue to build its pipeline of solar panel installation projects in Singapore to meet growing demand. Chasen will continue to improve production capabilities and capacities of its components and part manufacturing entity in PRC, in order to capture opportunities within emerging technologies such as 5G, Internet of Things, Automotives and MedTech, while lowering its operating costs to propel bottom line.

CHASEN HOLDINGS LIMITED

Unique Entity Number 199906814G
Incorporated in the Republic of Singapore



Mr Low Weng Fatt, Chasen's Managing Director and CEO, said, *"Chasen recorded a resilient first half, along with a strong pipeline of fresh projects, which will cushion against increasing economic uncertainty. The relocation project in Chennai also underscores our efforts to expand our geographical footprint, diversify our revenue streams and add resilience to our business. Despite the continued travel restrictions in the PRC, we continue to seize new business opportunities, and remain committed to enhancing our service offerings and delivering value to our shareholders."*

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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, Technical & Engineering and Third-Party Logistics management and last mile services.

Headquartered in Singapore with operations in Singapore, Malaysia, Thailand, Vietnam, India, 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 & lithium battery production, GreenTech including solar PV modules production, solar panel assembly and installation, glass and façade cladding installations, consumer electronics and 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.