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

RESPONSE TO QUESTIONS FROM SHAREHOLDER IN RELATION TO THE COMPANY'S ANNUAL REPORT AND ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The Board of Directors of Chasen Holdings Limited (the "**Company**") refers to the questions raised by a shareholder relating to the Company's Annual Report and Annual General Meeting for the financial year ended 31 March 2023 ("**FY2023**") released on 11 July 2023. The Company wishes to provide clarification as follows:

1. **Why is Chasen CEO, Mr Low paid between $500k to $1 million, while Chasen Holdings 2023 net profits attributable to owners of the company is only $.516 million. What is the rationale to his well-paid salary.**

   The remuneration package of Mr Low is reviewed and recommended to the Board by the Remuneration Committee taking into consideration factors including market and industry benchmarks, responsibilities, performance, and the need to offer a competitive package to attract, retain, and motivate talent.

   As the leader of the Group, Mr. Low plays a crucial role in executing the Group's business strategy and managing its operations, driving Group's performance and creating value for shareholders. Mr. Low's remuneration is reflective of his overall responsibilities and leadership, experience, and ability to navigate the Group to achieve its goals.

2. **What's the point of Share buyback Mandate each year when the company is not buying shares back despite its depressed share price?**

   The purpose of renewing the Share Buyback Mandate on a yearly basis is to provide the Company's ability and flexibility to repurchase its own shares if the market conditions requires the Company to do so.

3. **Do the management have shareholders in mind? It's because directors' salary seems to be well paid. While shareholders are not getting dividends for a few years or even capital gains.**

   Management is always conscious of the shareholders' interest, and its decision-making takes into consideration the long-term interest and value creation for shareholders. Management strives to balance the interests of shareholders while taking into account the long-term sustainability and growth of the Group, as well as external factors that may influence business and financial decisions. Dividend shall be recommended when appropriate as the Group improves its performance further.

   The last dividend was paid in FY2019, before COVID-19 pandemic. The absence of dividends in recent years since FY2020 was attributable to the challenging circumstances brought about by the pandemic. The challenging circumstances during that period have affected many industries, including Chasen and the Group has been focusing on stabilizing its operations and navigating through those unprecedented times.

   The remuneration of the directors, which are reviewed and recommended to the Board by the Remuneration Committee, are determined through a thorough evaluation process that considers factors such as responsibilities, contributions and the need to attract and retain qualified and experience individuals.

4. **What is the point of chasing increasing revenue while net profit is stagnant. A few millions.**

   The Group does not pursue revenue growth at the expense of profitability. It recognises the importance of a healthy bottom line while increasing revenue. The inflationary challenges faced, including those related to the COVID-19 pandemic and the geo-political risks, have impacted profitability.

   Increasing revenue is a strategic approach aimed at laying the groundwork for strengthening market presence, future profitability and enhancing long-term shareholder value.

5. **Chasen debt's levels are increasing exponentially to chase increasing revenue growth, however net profit is not in line with revenue growth. What is Chasen management plans to increase net profits.**

   The increase in borrowings is to support the transactional projects undertaken by the Group.

   To increase profit, the Group is reviewing its cost structure, operational efficiency, and pricing strategies. By identifying areas where costs can be reduced or efficiencies improved, the Group would enhance its profitability. This may involve streamlining processes, renegotiating supplier contracts, implementing cost-control measures, or exploring new business opportunities that offer higher profit margins.

6. **Year 2019, Chasen holdings revealed exploring "potential spinoffs and other capital market actions to enhance value to its shareholders". What is the progress?**

   We have been continuously exploring opportunities to enhance shareholders' value and would update the shareholders if there is any progress.

7. **How is Chasen holdings going to capitalise ongoing factories relocation from China to other countries.**

   Chasen, with operational presence in six countries, including Singapore, Malaysia, Thailand, Vietnam, China, and the USA, is well-positioned to capitalise on factories relocation from China to other countries.

   Chasen will leverage its expertise and capabilities in Specialist Relocation and Third-Party Logistics services to support those customers who are relocating their factories. This includes providing transportation, warehousing, inventory management, and other value-added services tailored to meet their specific needs during the relocation.

By Order of the Board

Low Weng Fatt
Managing Director and CEO

21 July 2023