

CHASEN HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
Company registration number: 199906814G

**CHASEN HOLDINGS LIMITED
AND ITS SUBSIDIARIES**

CONDENSED INTERIM FINANCIAL STATEMENTS

**FOR THE SIX MONTHS ENDED
30 SEPTEMBER 2021**

CHASEN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

Company registration number: 199906814G

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Group		Change
	First half year ended		
	30-Sep-21	30-Sep-20	
	S\$'000	S\$'000	%
Revenue	83,967	58,367	44%
Cost of sales	(68,803)	(46,753)	-47%
Gross profit	15,164	11,614	31%
Other operating income	2,660	3,424	-22%
Distribution and selling expenses	(3,474)	(3,496)	1%
Administrative expenses	(8,360)	(6,825)	-22%
Other operating expenses	(1,101)	(1,014)	-9%
Finance expenses	(1,146)	(1,082)	-6%
Profit before income tax	3,743	2,621	43%
Income tax expense	(985)	(581)	-70%
Net profit for the financial period	2,758	2,040	35%
Profit attributable to:			
Equity holders of the Company	1,647	1,073	53%
Non-controlling interests	1,111	967	15%
Net profit for the financial period	2,758	2,040	35%

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**Condensed interim consolidated statement of profit or loss and other comprehensive income
(Cont'd)**

	<u>Group</u>		Change %
	30-Sep-21 S\$'000	30-Sep-20 S\$'000	
Net profit for the financial period	2,758	2,040	35%
Other comprehensive income/(loss):			
Exchange differences on translating foreign operations	250	(171)	246%
Other comprehensive income/(loss) for the financial period, net of tax	<u>250</u>	<u>(171)</u>	246%
Total comprehensive income for the financial period	<u><u>3,008</u></u>	<u><u>1,869</u></u>	61%
Total comprehensive income attributable to:			
Owners of the Company	1,899	923	106%
Non-controlling interests	<u>1,109</u>	<u>946</u>	17%
Total comprehensive income for the financial period	<u><u>3,008</u></u>	<u><u>1,869</u></u>	61%

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B. Condensed interim statements of financial position

	Group		Company	
	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000
ASSETS				
Non-current assets				
Investment properties	850	850	5,900	5,900
Property, plant and equipment	73,933	70,877	579	594
Investment in subsidiaries	-	-	37,150	37,150
Investment in associate	-	-	-	-
Goodwill on consolidation	10,559	10,559	-	-
Intangible assets	-	-	-	-
Land use rights	1,264	1,254	-	-
Club membership	2	2	-	-
Other investments	4,632	4,632	-	-
Other receivables, deposits and prepayments	286	279	-	-
Deferred tax assets	1,081	1,244	-	-
	92,607	89,697	43,629	43,644
Current assets				
Inventories	7,003	6,243	-	-
Contract assets	1,008	1,009	-	-
Trade receivables	53,133	43,680	-	-
Other receivables, deposits and prepayments	16,910	15,301	228	52
Amount due from subsidiaries	-	-	46,111	46,405
Cash and cash equivalents	14,046	16,070	1,659	470
	92,100	82,303	47,998	46,927
Total assets	184,707	172,000	91,627	90,571
EQUITY AND LIABILITIES				
Equity				
Share capital	53,086	53,086	82,614	82,614
Treasury shares	(145)	(145)	(145)	(145)
Other reserves	(846)	(834)	(5,120)	(5,120)
Retained profits	10,722	9,075	1,968	2,228
Equity attributable to owners of the Company	62,817	61,182	79,317	79,577
Non-controlling interests	6,819	5,486	-	-
Total equity	69,636	66,668	79,317	79,577

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B. Condensed interim statements of financial position (Cont'd)

	Group		Company	
	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000
Non-current liabilities				
Bank loans	25,318	21,115	4,722	5,120
Lease liabilities	9,735	8,272	579	591
Deferred tax liabilities	2,208	2,367	-	-
Provision	100	-	-	-
	37,361	31,754	5,301	5,711
Current liabilities				
Bank loans	35,764	36,701	6,366	4,826
Lease liabilities	8,136	6,332	22	22
Trade payables	20,779	20,670	-	-
Other payables and accruals	12,163	9,104	621	435
Provision	-	-	-	-
Income tax payable	868	771	-	-
	77,710	73,578	7,009	5,283
Total liabilities	115,071	105,332	12,310	10,994
Total equity and liabilities	184,707	172,000	91,627	90,571

C. Condensed interim statements of changes in equity

Statements of Changes in Equity	Total equity	Attributable to owners of the Company									Non-controlling interests
		Total	Share capital	Treasury shares	Retained profits	Other reserves, Total	Capital reserve	Assets Revaluation reserve	Foreign currency translation reserve	Fair value adjustment reserve	
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2021	66,668	61,182	53,086	(145)	9,075	(834)	(491)	6,101	(1,224)	(5,220)	5,486
Profit for the financial period	2,758	1,647	-	-	1,647	-	-	-	-	-	1,111
<u>Other comprehensive income/ (loss) for the period</u>											
Exchange differences on translating foreign operations	250	252	-	-	-	252	-	-	252	-	(2)
Other comprehensive income/ (loss) for the period, net of tax	250	252	-	-	-	252	-	-	252	-	(2)
Total comprehensive income for the period	3,008	1,899	-	-	1,647	252	-	-	252	-	1,109
<u>Contributions by and distributions to owners</u>											
Dividend paid to non-controlling interest	(80)	-	-	-	-	-	-	-	-	-	(80)
Total contributions by and distributions to owners	(80)	-	-	-	-	-	-	-	-	-	(80)
<u>Changes in ownership interest in subsidiary</u>											
Reduction of interest in a subsidiary without loss of control	-	(240)	-	-	-	(240)	(240)	-	-	-	240
Total changes in ownership interest in a subsidiary	-	(240)	-	-	-	(240)	(240)	-	-	-	240
<u>Transaction with non-controlling interests</u>											
Additional capital investment in a subsidiaries	40	(24)	-	-	-	(24)	(24)	-	-	-	64
Total Transaction with non-controlling interests	40	(24)	-	-	-	(24)	(24)	-	-	-	64
Balance as at 30 September 2021	69,636	62,817	53,086	(145)	10,722	(846)	(755)	6,101	(972)	(5,220)	6,819

D. Condensed interim statements of changes in equity (Cont'd)

Group	Total equity	Total	Attributable to owners of the Company							Non-controlling interests	
			Share capital	Treasury shares	Retained profits	Other reserves, Total	Capital reserve	Assets Revaluation reserve	Foreign currency translation reserve		Fair value adjustment reserve
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2020	58,222	53,854	53,086	(145)	7,267	(6,354)	(560)	-	(1,097)	(4,697)	4,368
Profit for the financial period	2,040	1,073	-	-	1,073	-	-	-	-	-	967
<u>Other comprehensive income for the period</u>											
Exchange differences on translating foreign operations	(171)	(150)	-	-	-	(150)	-	-	(150)	-	(21)
Other comprehensive loss for the period, net of tax	(171)	(150)	-	-	-	(150)	-	-	(150)	-	(21)
Total comprehensive income/ (loss) for the period	1,869	923	-	-	1,073	(150)	-	-	(150)	-	946
<u>Contributions by and distributions to owners</u>											
Acquisition of a subsidiary without change of control	(401)	132	-	-	-	132	140	-	(8)	-	(533)
Total contributions by and distributions to owners	(401)	132	-	-	-	132	140	-	(8)	-	(533)
Balance as at 30 September 2020	59,690	54,909	53,086	(145)	8,340	(6,372)	(420)	-	(1,255)	(4,697)	4,781

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C. Condensed interim statements of changes in equity (Cont'd)

	Total equity	Share capital	Treasury shares	Retained profits	Other reserves, Total	Capital reserve	Fair value adjustment reserve
Company	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2021	79,577	82,614	(145)	2,228	(5,120)	100	(5,220)
Loss for the financial period	(260)	-	-	(260)	-	-	-
Balance as at 30 September 2021	79,317	82,614	(145)	1,968	(5,120)	100	(5,220)

	Total equity	Share capital	Treasury shares	Retained profits	Other reserves, Total	Capital reserve	Fair value adjustment reserve
Company	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2020	81,243	82,614	(145)	3,371	(4,597)	100	(4,697)
Loss for the financial period	(577)	-	-	(577)	-	-	-
Balance as at 30 September 2020	80,666	82,614	(145)	2,794	(4,597)	100	(4,697)

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D. Condensed interim consolidated statement of cash flows

	Group	
	First half year ended	
	30-Sep-21	30-Sep-20
	S\$'000	S\$'000
Operating activities		
Profit before taxation	3,743	2,621
Allowance for doubtful trade receivables	478	41
Allowance for doubtful debt written back	(573)	-
Amortisation of land use rights	14	9
Bad debts written-off (trade)	109	1
Bad debts written-off (non trade)	-	4
Depreciation of property, plant and equipment	5,982	5,066
Interest expenses	1,146	1,082
Interest income	6	(21)
Net gain on disposal of plant and equipment	(50)	(38)
Operating cash flows before working capital changes	10,855	8,765
Inventories	(760)	139
Contract assets and liabilities	1	(229)
Trade and other receivables	(11,083)	(6,797)
Trade and other payables	3,168	5,610
Cash generated from operations	2,181	7,488
Income tax paid	(702)	(281)
Net cash generated from operating activities	1,479	7,207

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D. Condensed interim consolidated statement of cash flows (Cont'd)

	Group	
	First half year ended	
	30-Sep-21	30-Sep-20
	S\$'000	S\$'000
Investing activities		
Acquisition of a subsidiary without change of control	-	(305)
Additional capital investment by non-controlling interests	40	-
Interest received	(6)	21
Purchase of property, plant and equipment	(1,862)	(1,073)
Proceeds from disposal of property, plant and equipment	119	78
Effects of foreign currency re-alignment on investing activities	(179)	53
Net cash flows used in investing activities	(1,888)	(1,226)
Financing activities		
Dividend paid to non-controlling interests	(80)	-
Interest paid	(1,146)	(1,082)
Proceeds from bank loans	30,640	38,910
Repayment of bank loans	(27,485)	(34,688)
Repayment of lease liabilities	(3,543)	(3,169)
Placement of pledged fixed deposits with banks	205	(265)
Net cash flows used in financing activities	(1,409)	(294)
Net (decrease)/increase in cash and cash equivalents	(1,819)	5,687
Effect of exchange rate changes on cash and cash equivalents	-	(62)
Cash and cash equivalents at beginning of year	13,876	5,772
Cash and cash equivalents as at end of the financial year	12,057	11,397

Note to Statement of Cash Flows:

Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following amounts:

	Group	
	First half year ended	
	30-Sep-21	30-Sep-20
	S\$'000	S\$'000
Cash and bank balances	11,000	10,768
Fixed deposits	3,046	2,817
	14,046	13,585
Less: Fixed deposits pledged	(1,989)	(2,188)
Cash and cash equivalents	12,057	11,397

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E. Notes to the condensed interim consolidated financial statements**1. Corporate information**

Chasen Holdings Limited (the “Company”) (Registration Number: 199906814G) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (the “SGX-ST”).

The registered office and principal place of business of the Company is located at 18 Jalan Besut, Singapore 619571.

The principal activity of the Company is that of investment holding. The principal activities of the respective subsidiaries and associate are:

- (a) Specialist Relocation Solutions – being the provision of specialist manpower equipped with specialized material handling tools, equipment and vehicles to relocate machinery and equipment of customers within their premises, from one location to another location within a country, or from one country to another. Being a strategic partner to its customers in the management of their global relocation needs through projects or maintenance contracts. The Group is equipped to handle very sensitive machinery and equipment in cleanroom and “raised floor” environment. It also manufactures customized wooden crates and pack machinery and equipment for Original Equipment Manufacturer (“OEM”) based on their specifications, utilizing specialized packaging material before they are transported to their new locations.
- (b) Third Party Logistics – being the provision of packaging, trucking, distribution, freight forwarding, non-bonded and bonded warehousing (with in-house customs clearance), cargo management and last mile services. The seamless cross-border trucking services are capable of delivering goods from Singapore through Peninsular Malaysia into Thailand, Myanmar and across Indo-China, Vietnam and into the People’s Republic of China. Most of the Group’s warehouses are air-conditioned and humidity-controlled, with floor load built for heavy equipment/machinery or racked for palletized goods storage. In addition, it includes complementary third-party logistics business activities for the provision of logistic services or support complementing Specialist Relocation and Technical and Engineering Business.
- (c) Technical & Engineering – being the provision of design, fabrication and installation of steel structures, mechanical and electrical installations including hook-up for production facilities, parts refurbishment, engineering and spares support, facilities management and maintenance, contract manufacturing, process engineering services, 4G & 5G telecommunications, ordnance, solar panel installation, scaffolding equipment and services and construction activities.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 September 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2021.

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The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1. The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense.

Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group is organized into business units based on their products and services, and has three reportable segments as follows:

- (a) Specialist Relocation Solutions
- (b) Third Party Logistics
- (c) Technical & Engineering

The Group's reportable segments are strategic business units that are organized based on their function and targeted customer groups. They are managed separately because each business unit requires different skill sets and marketing strategies. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

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4.1. Reportable segments

	Specialist Relocation		Third Party logistics		Technical & Engineering		Total	
	First half year ended							
	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:								
External sales	34,399	31,003	45,091	22,132	17,605	11,425	97,095	64,560
Inter-segment revenue	(654)	(374)	(12,237)	(5,476)	(237)	(343)	(13,128)	(6,193)
Total revenue	33,745	30,629	32,854	16,656	17,368	11,082	83,967	58,367
Results:								
Gross profit	8,534	7,220	4,540	2,900	2,090	1,494	15,164	11,614
Unallocated other operating income							2,666	3,403
Unallocated expenses							(6,352)	(6,214)
Loss allowance on financial assets							(478)	(41)
Bad debt written off							(109)	(5)
Depreciation and amortisation							(5,996)	(5,075)
Interest income							(6)	21
Interest expense							(1,146)	(1,082)
Profit before income tax							3,743	2,621

	Specialist Relocation		Third Party logistics		Technical & Engineering		Total	
	First half year ended							
	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Analysis by business segment								
Reportable segment assets:								
Allocated assets	76,651	75,326	45,524	21,472	55,234	47,698	177,409	144,496
Unallocated assets							7,298	4,376
Total assets							184,707	148,872
Reportable segment liabilities:								
Allocated liabilities	43,985	45,501	31,242	11,064	27,111	19,802	102,338	76,367
Unallocated liabilities							12,733	12,815
Total liabilities							115,071	89,182
Other material non-cash items:								
Total depreciation and amortisation	2,969	2,996	1,760	909	1,267	1,170	5,996	5,075
Capital expenditure								
-Property, plant and equipment	374	544	2,188	566	719	440	3,281	1,550

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4.1. Reportable segments (Cont'd)
Analysis by geographical segment

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	<u>Revenue</u>		<u>Non-current assets</u>		<u>Capital expenditure</u>	
	<u>30-Sep-21</u>	<u>30-Sep-20</u>	<u>30-Sep-21</u>	<u>30-Sep-20</u>	<u>30-Sep-21</u>	<u>30-Sep-20</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Singapore	22,924	17,443	50,284	46,224	477	343
PRC	26,669	23,760	16,065	11,511	864	579
Malaysia	20,534	13,339	23,462	7,309	1,883	382
USA	2,008	176	98	119	-	-
Vietnam	4,246	1,309	643	519	6	40
Thailand	7,586	2,340	974	543	51	206
	<u>83,967</u>	<u>58,367</u>	<u>91,526</u>	<u>66,225</u>	<u>3,281</u>	<u>1,550</u>

Note:

The above non-current assets do not include deferred tax assets.

4.2. Disaggregation of Revenue

The disaggregation of revenue from contracts with customers is as follows:

	<u>Specialist relocation services</u>		<u>Third-party logistics</u>		<u>Technical and Engineering Services</u>		<u>Total</u>	
	<u>30-Sep-21</u>	<u>30-Sep-20</u>	<u>30-Sep-21</u>	<u>30-Sep-20</u>	<u>30-Sep-21</u>	<u>30-Sep-20</u>	<u>30-Sep-21</u>	<u>30-Sep-20</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Geographical markets								
Singapore	10,267	9,403	5,904	4,388	6,753	3,652	22,924	17,443
PRC	15,681	16,335	378	2	10,610	7,423	26,669	23,760
Malaysia	1,998	3,407	18,531	9,925	5	7	20,534	13,339
United States of America	2,008	176	-	-	-	-	2,008	176
Vietnam	3,791	1,308	455	1	-	-	4,246	1,309
Thailand	-	-	7,586	2,340	-	-	7,586	2,340
Total	<u>33,745</u>	<u>30,629</u>	<u>32,854</u>	<u>16,656</u>	<u>17,368</u>	<u>11,082</u>	<u>83,967</u>	<u>58,367</u>
Timing of revenue recognition								
Goods or services transferred at a point in time	-	-	-	-	14,023	9,628	14,023	9,628
Services transferred overtime	33,745	30,629	32,854	16,656	3,345	1,454	69,944	48,739
Total	<u>33,745</u>	<u>30,629</u>	<u>32,854</u>	<u>16,656</u>	<u>17,368</u>	<u>11,082</u>	<u>83,967</u>	<u>58,367</u>

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5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2021 and 31 March 2021:

	Group		Company	
	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000
Financial Assets				
Other investments	4,632	4,632	-	-
Cash and cash equivalents	14,046	16,070	1,659	470
Trade receivables	53,133	43,680	-	-
Other receivables	10,852	9,459	186	31
	82,663	73,841	1,845	501
Financial Liabilities				
Trade payables	20,779	20,670	-	-
Other payables	12,163	9,104	621	435
Borrowings	52,011	41,546	5,964	5,990
	84,953	71,320	6,585	6,425

6. Profit before taxation
6.1. Significant items

Profit before income tax is arrived after charging/(crediting) the following:

	Group		
	First half year ended		Change %
30-Sep-21 S\$'000	30-Sep-20 S\$'000		
Allowance for doubtful trade receivables	478	41	N.M.
Allowance for doubtful debt written back	(573)	-	N.M.
Amortisation of intangible assets	-	-	N.M.
Amortisation of land use rights	14	9	56%
Bad debts written-off (trade)	109	1	N.M.
Bad debts written-off (non trade)	-	4	-100%
Depreciation of property, plant and equipment	5,982	5,066	18%
Government grants income	(792)	(2,595)	69%
Interest expenses	1,146	1,082	6%
Net gain on disposal of plant and equipment	(50)	(38)	-32%
Realised foreign exchange gain	(40)	(2)	N.M.
Unrealised foreign exchange loss	68	448	-85%

Note:

N.M. - Not meaningful

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6.2. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	First half year ended	
	30-Sep-21	30-Sep-20
	S\$'000	S\$'000
Current income tax expense	951	581
Deferred income tax expense relating to origination and reversal of temporary differences	34	-
	985	581

8. Dividends

No ordinary dividend was paid for the 6 months ended 30 September 2021 (6 months ended 30 September 2020: Nil).

9. Net Asset Value

	Group	
	As at	
	30-Sep-21	31-Mar-21
Net asset value per share (cents) based on the total number of issued shares excluding treasury shares	16.2	15.8
Total number of issued shares excluding treasury shares ('000)	387,027	387,027

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10. Other investments

Other investment comprise the following:

	Group		Company	
	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000
Details of other investments at FVTOCI				
Unquoted equity instruments – at FVTOCI	4,632	4,632	-	-
Total financial assets held at FVTOCI	4,632	4,632	-	-

Fair value measurement

The fair values of applicable other investments are determined and categorized using a fair value hierarchy as follows:

- (a) Level 1 – the fair values of assets and liabilities with standard terms and conditions and which trade in active markets that the Group can access at the measurement date are determined with reference to quoted market prices (unadjusted).
- (b) Level 2 – in the absence of quoted market prices, the fair values of the assets and liabilities are determined using the other observable, either directly or indirectly, inputs such as quoted prices for similar assets/liabilities in active markets or included within Level 1, quoted prices for identical or similar assets/liabilities in non-active markets.
- (c) Level 3 – in the absence of quoted market prices included within Level 1 and observable inputs included within Level 2, the fair values of the remaining assets and liabilities are determined in accordance with generally accepted pricing models.

Fair value measurements that use inputs of different hierarchy levels are categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The following table presented the assets measured at fair value:

	Level 1		Level 2		Level 3	
	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000	As at 30-Sep-21 S\$'000	As at 31-Mar-21 S\$'000
Group						
Financial assets at FVTOCI	-	-	-	-	4,632	4,632
Company						
Financial assets at FVTOCI	-	-	-	-	-	-

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11. Intangible assets

	Group			
	Goodwill on consolidation	Know-how*	Non-contractual customer relationship**	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Cost				
At 31 March 2021 and 30 September 2021	10,559	440	966	11,965
Accumulated amortisation				
At 31 March 2021 and 30 September 2021	-	440	966	1,406
Carrying Amount				
At 31 March 2021 and 30 September 2021	10,559	-	-	10,559

No impairment loss was recognised during the current financial period ended 30 September 2021 and 2020.

12. Property, plant and equipment

During the six months ended 30 September 2021, the Group acquired assets amounting to S\$8,779,000 (31 March 2021: S\$26,281,000) and disposed of assets amounting to S\$69,000 (31 March 2021: S\$155,000).

As at 31 March 2021, leasehold land and buildings were revalued by independent professional valuers based on the presumption that the Group's current use of the properties is their highest and best use in the absence of other factors proving otherwise. As at 30 September 2021, there was no material change in the valuation as performed on 31 March 2021.

13. Investment properties

	Group		Company	
	30-Sep-21 S\$'000	31-Mar-21 S\$'000	30-Sep-21 S\$'000	31-Mar-21 S\$'000
Cost				
Beginning of financial period	850	850	5,900	6,100
Fair value loss	-	-	-	(200)
End of financial period, representing net book value	850	850	5,900	5,900

Investment properties of the Group and the Company were stated at fair value, which had been determined based on valuation performed as at 31 March 2021. As at 30 September 2021, there was no material change in the valuation as performed on 31 March 2021.

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14. Borrowings

The Group's borrowings (including lease liabilities*) are as follows:

	As at 30 September 2021		As at 31 March 2021	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	28,055	15,845	29,057	13,976
Amount repayable after one year	30,289	4,764	27,035	2,352
Total	58,344	20,609	56,092	16,328

Details of collateral

The banking facilities are secured by the following collaterals:

- (a) legal mortgage of the Group's investment property and leasehold buildings; and
- (b) pledge of fixed deposits amounting to \$1.7 million (31 March 2021: \$2.2 million).

In addition, the banking facilities are secured by:

- (a) corporate guarantee by the Company and/or a subsidiary; and
- (b) personal guarantee from directors of certain subsidiaries that are not wholly-owned by the Group.

* The Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases and the effect on lease obligation recognition was \$12.6 million as at 30 September 2021.

15. Share Capital

The details of change of the Company's share capital are summarised as below:

	No. of shares	
	FY2021	FY2020
Issued and paid up capital excluding treasury share As at 1 April and 30 September	387,026,748	387,026,748
Treasury shares As at 1 April and 30 September	1,841,107	1,841,107

As at 30 September 2021, the number of treasury shares represented 0.48% (30 September 2020: 0.48%) of the total number of issued and paid-up shares of the Company.

The Company has no subsidiary holdings as at 30 September 2021 and 30 September 2020.

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Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year is as follows:

	As at	
	30-Sep-21	31-Mar-21
Total number of issued shares	388,867,855	388,867,855
Less: Treasury shares	(1,841,107)	(1,841,107)
Total number of issued shares excluding treasury shares	<u>387,026,748</u>	<u>387,026,748</u>

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of subsidiary holdings during the current financial period reported on.

Chasen Performance Share Plan 2017

At the Extraordinary General Meeting of the Company held on 28 July 2017, the shareholders of the Company approved the adoption of the Chasen Performance Share Plan 2017 (the "CPSP").

No shares were granted under CPSP as at 30 September 2021 and 30 September 2020.

F. Other information required by listing rule appendix 7.2**F1 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the Company's auditors.

F2 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

F2A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

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F3 Whether the same accounting policies and methods of computations as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and method of computation in the current quarter's financial statements as those of the previous audited financial statements.

F4 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

F5 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

- (a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group	
	First half year ended	
	30-Sep-21	30-Sep-20
EPS based on average number of shares (cents)	0.43	0.28
EPS based on a fully diluted basis (cents)	0.43	0.28
Weighted average number of shares ('000)	387,027	387,027
Weighted average number of shares - diluted ('000)	387,027	387,027

The basic and diluted EPS were the same for the both financial periods as there were no potentially dilutive ordinary securities existing during both financial periods.

F6 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

A) Consolidated Income Statement

i) Revenue

For the six months ended 30 September 2021 ("1HFY2022"), the Group's revenue of S\$84.0 million was higher than last year's corresponding period by S\$25.6 million (or 44%) mainly due to recovery in all three business segments from the COVID-19 pandemic. The increase in revenue came mainly from Third Party Logistics business segment ("3PL"), as the Group's cross-border land transportation services continued to gain business momentum amid on-going disruptions to air and sea freight caused by the pandemic. For Specialist Relocation and Technical and Engineering business segments, the revenue increase came mainly from resumption of projects halted by earlier lockdowns, and new projects secured.

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ii) Gross profit and gross profit margin

For 1HFY2022, the Group's gross profit of S\$15.2 million was higher than last year's corresponding period by S\$3.6 million (or 31%) and was contributed by all 3 business segments. However, the gross profit margin of 18% was lower than last year's corresponding period by 2 percentage points due to higher cost of sales.

iii) Other operating income

For 1HFY2022, the Group's other operating income of S\$2.7 million was lower than last year's corresponding period by S\$0.8 million (or 22%) mainly due to lower receipt of government grants.

iv) Distribution and selling expenses

For 1HFY2022, the Group's distribution and selling expenses of S\$3.5 million remained the same as last year's corresponding period. As percentage of revenue, it was 4% which was lower than last year's corresponding period by 2 percentage points.

v) Administrative expenses

For 1HFY2022, the Group's administrative expenses of S\$8.4 million were higher than last year's corresponding period by S\$1.5 million (or 23%) due to provision of payroll and other additional related expenses. As a percentage of revenue, it was 12% which was lower than last year's corresponding period by two percentage points.

vi) Other operating expenses

For 1HFY2022, the Group's other operating expenses increased by S\$0.1 million as compared to last year's corresponding quarter mainly due to provision for doubtful debt.

vii) Profit before income tax

As a result of the above, the Group recorded a profit before income tax of S\$3.7 million for 1HFY2022 which was higher than last year's corresponding period by S\$1.1 million (or 43%). As a percentage of revenue, it was the same as last year's corresponding period at 4.5%.

viii) Income tax expense

For 1HFY2022, the income tax expense of S\$1.0 million was higher than last year's corresponding quarter by S\$0.4 million due to higher chargeable income.

ix) Profit after income tax

As a result, the Group recognised a profit after income tax of S\$2.8 million for 1HFY2022 which was higher than last year's corresponding period by S\$0.7 million (or 35%). As a percentage of revenue, it was relatively the same as last year's corresponding period at 3.3%.

B) Statements of Financial Position**i) Property, plant and equipment**

The increase in net book value of S\$3.1 million was mainly due to capital expenditure incurred and recognition of right-of-use asset offset by depreciation charged during the period.

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ii) Inventories

The increase in inventories of S\$0.8 million was mainly due to higher book orders as compared to last year's corresponding period.

iii) Trade receivables

The increase in trade receivables of S\$9.5 million was mainly due to increase in period end billing to customers.

iv) Other receivables , deposits and prepayments

The increase in other receivables, deposits and prepayments of S\$1.6 million was increase in deposits and prepayments.

v) Bank loans

The increase in bank loans of S\$3.3 million was due to proceed from credit facilities offset by repayments of bank loans.

vi) Lease liabilities

The increase in lease liabilities of S\$3.3 million was mainly due to addition of lease liabilities recognized for the new leases entered offset by repayment of lease liabilities during the period.

vii) Other payables and accruals

The increase in other payables and accruals by S\$3.4 million was due to increase in accruals.

C) Consolidated Statement of Cash Flows

Net cash generated from operating activities for 1HFY2022 of S\$1.5 million was lower than last year's corresponding period by S\$5.7 million mainly due to changes in working capital which resulted in higher net cash outflows from operating activities during the period.

The net cash used in investing activities for 1HFY2022 of S\$1.9 million was higher than last year by S\$0.7 million. This was mainly due to higher capital expenditure.

Net cash used in financing activities for 1HFY2022 of S\$1.4 million was higher than last year's corresponding period by S\$1.1 million. This was mainly due to lower proceeds from bank loans.

Overall, the Group's cash and cash equivalent as at 30 September 2021 of S\$12.1 million was higher by S\$0.7 million as compared to 30 September 2020.

F7 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The results are consistent with the commentary of the last period.

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F8 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The operating conditions for the Group remained challenging amid global and domestic economic uncertainties resulting from the COVID-19 pandemic and more recently, a new more virulent variant. Against this backdrop, the Group's 1HFY2022 performance was better than last year's corresponding period due to low base effect as well as vaccine roll-outs in 2021. These have prevented more extended lockdowns due to COVID-19 and hence, broadly supported higher levels of economic activities in the Group's various countries of operations. New project wins also contributed to the better performance.

For Specialist Relocation, the demand for TFT LCD display panels in this manufacturing sector in the PRC remains robust in the period reported. With the PRC still adopting a zero-tolerance policy towards COVID-19, factories are almost back to normal with little restrictions to operate. The Group expects to see a steady pace of growth in the PRC for the display panel TFT LCD segment in the next reporting period. Demand in this sector is transitioning to display panels based on OLED technology, a specialized area in which the Group has a first-mover advantage. Even so, the Group is diversifying to grow its revenue stream in the PRC with a sharp focus on the local semiconductor front-end and back-end markets. These sectors are seeking self-sufficiency in capability in response to US restrictions to technology access/chip supply as well as responding to global chip shortages due to pent-up demand.

In the Third Party Logistics ("3PL") business segment, its cross-border Pan-Asia land freight transportation services continue to grow market share as it leverage on disruptions to air and sea freight due to COVID-19. The Group's new customers resonate with the value statement of "*Cheaper than Air, Faster than Sea*" advantage of land freight transportation during the pandemic period, contributing to a near-doubling of revenue. In the months ahead, the Group intends to double down efforts to retain these customers while growing their logistics spending on increasing cross-border services to fortify its position in the local and regional 3PL market, including through initiatives such as the ASEAN Customer Transit System.

In the Technical & Engineering ("T&E") business segment, the component and parts manufacturing activities in Singapore and the PRC continue to register strong growth in 5G telecoms, adoption of technology trends and worldwide supply shortages in the period reported. The current IC chips and component shortages, however, will crimp medium term growth until key bottlenecks of major manufacturers are resolved in the quarters ahead. Notwithstanding this, the Group will work to optimize its current production capacity to capitalize on the opportunities presented by the current supply/demand imbalance. The built-environment/construction sector in Singapore continues to improve, although still tentatively. Singapore's transition to endemic stage of COVID-19 is expected to be in fits and starts so as not to overwhelm the healthcare system. Hence, continued restrictions due to work place safe management measures and continued calibrated border controls on traditional sources for foreign workers from the region are expected to restrain the sector's activities from returning to pre-pandemic levels.

Inflationary pressures due to higher fuel costs, supply shortages driving input cost up and concern of withdrawal of quantitative easing by central banks are bearing on growth outlook in the forward period with the PRC, in particular, having slowed significantly in the third quarter. In addition, vaccines roll-outs are diverging significantly between wealthier and poorer nations leading to concerns from public health officials about the threat of a more virulent and deadly COVID-19 variant that may reset the nascent recoveries backwards. With this in mind, the Group aims to stay vigilant, resilient and competitive while continuing to capture opportunities and growth in the quarters ahead.

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F9 If a decision regarding dividend has been made:-**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

No.

(b) (i) Amount per share cents

Nil

(ii) Previous corresponding period cents

Nil

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

F10 If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared/recommendeded for six months ended 30 September 2021. The Group will advise subsequently if and when a dividend has been decided.

F11 If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained an IPTs general mandate at the General Meeting. There was no IPT exceeding \$100,000 for the period under review.

F12 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Low Weng Fatt
Managing Director and Chief Executive Officer
9 November 2021

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Confirmation by the Board pursuant to Rule 705(5) of the Main Board Listing Manual

We, Low Weng Fatt and Siah Boon Hock, being two directors of Chasen Holdings Limited (the "Company"), do hereby confirm on behalf of the board of directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited financial statements for the six months ended 30 September 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Low Weng Fatt
Managing Director and
Chief Executive Officer

Siah Boon Hock
Executive Director