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

UPDATE ON BUSINESS DEVELOPMENTS FOR THE OCTOBER-DECEMBER 2019 PERIOD

The Board of Directors of Chasen Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to provide an update on the business developments of the Group following the disclosure of its financial results as announced on 14 February 2020.

The Group remains mindful of the dampened global market sentiment affecting businesses, specifically in the People's Republic of China (PRC), which has been impacted by a slowdown in its domestic economy for the past year, now aggravated by the current COVID-19 outbreak.

To prevent the spread of COVID-19, the PRC authorities has implemented stringent measures limiting the movement of the local population. To mitigate operational disruptions in areas in the PRC and Southeast Asia in which it operates, the Group has Standard Operating Procedures (SOPs) in place and established Business Continuity Plans (BCPs). Most workers of the Group's PRC subsidiaries had returned to work following the extended Chinese New Year spring break. Relocation operations at its customers' production plant sites to fulfil its project contractual obligations will resume pending certification by the relevant local authorities at each site. Similarly, factory production at its contract manufacturing subsidiary is also dependent upon work resumption by its subcontractors in order to deliver the required components.

The Group will continue to monitor the situation and maintain close communication with the relevant local authorities and its customers to stay up-to-date with developments. Additionally, the Group is implementing cost-cutting measures to mitigate negative impact to its business in the PRC and elsewhere, including Singapore, where the government's recently announced budget measures would be helpful.

The Group takes this opportunity to announce that it recently secured several contracts worth a total of approximately S$12.52 million, which would run for between six months to two years. The contracts are expected to have a positive impact mainly in the financial year ending 31 March 2021 ("FY2021") and FY2022. The Specialist Relocation and Third Party Logistics contracts are as follows:

- Specialist Relocation – approximately S$5.98 million in total consisting of:
  a) Move-in services for an 11th Generation TFT LCD plant in Shenzhen, PRC; and
  b) Move-in services for a few U.S. and German electronics and semi-conductor manufacturing MNCs in Penang, Malaysia.

- Third Party Logistics – approximately S$6.54 million in total consisting of cross-border land and ocean freight services spanning Malaysia, Thailand and Vietnam.

The Group shall be completing the acquisition of its Bangalore incorporated subsidiary, Chasen (India) Hi-Tech Logistics Services Private Limited for its Specialist Relocation business segment, and would make an announcement separately. This is in anticipation of Chinese electronic manufacturers expanding their operations to meet increasing demand for consumer electronics in the Indian market. The Board is of the opinion that with the Group's proven track record and leading position in this niche logistics sector, it is well-positioned to capture a significant share of the growing specialist relocation market in the sub-continent.

In view of the fluid and uncertain situation surrounding the global outbreak of COVID-19 and particularly in the PRC, the Board is currently unable to ascertain the full extent of the financial impact on the Group's business. The Board would continue to keep shareholders updated as and when appropriate, when there is greater clarity on material developments relating to the Group's business performance.

By Order of the Board

Low Weng Fatt
Managing Director and CEO

4 March 2020