CHASEN HOLDINGS LIMITED
Unique Entity Number 199906814G
Incorporated in the Republic of Singapore

CHASEN™

Media Release

Chasen hits highest-ever full-year gross profit of S$32.1 million on record revenue of S$131.9 million for FY2019

- *Specialist Relocation services in China lead growth in revenue*
- *Group's gross profit margin remains healthy at 24.4%*
- *Cash and cash equivalents of S$12.1 million*
- *Proposes final dividend of S$0.003 per share for FY2019*

S$'000	4Q FY2019	4Q FY2018	Change (%)	FY2019	FY2018	Change (%)
Revenue	33,192	34,997	(5)	131,880	127,563	3
Gross profit	9,354	8,180	14	32,118	29,213	10
Gross profit margin (%)	28.2	23.4	4.8	24.4	22.9	1.5
Net profit attributable to shareholders	1,299	2,740	(53)	5,374	5,792	(7)
Fully Diluted Earnings per share (cents)	0.34	0.72	(53)	1.39	1.56	(11)

Singapore, 30 May 2019 – SGX Mainboard-listed Chasen Holdings Limited ("**Chasen**" or the "**Group**") announced today that it recorded a full-year gross profit of S$32.1 million for the financial year ended 31 March 2019 **("FY2019**"), its highest ever, on the back of record revenue propelled by demand for its Specialist Relocation services in China.

Revenue for the Pan-Asian logistics specialist in FY2019 came in at S$131.9 million, 3% higher than S$127.6 million a year earlier, with Specialist Relocation contributing S$78.0 million (FY2018: S$75.1 million), or 59% of total sales.

For the fourth quarter ended 31 March 2019 ("**4Q2019**") and FY2019, the Group's gross profit of S$9.4 million and S$32.1 million were higher than last year's corresponding periods by S$1.2 million (+14%) and S$2.9 million (+10%) respectively. The Group's gross profit margin in 4Q2019 increased by 4.8% to 28.2% and 1.5% to 24.4% in FY2019.

For 4Q2019 and FY2019, the income tax expense of S$1.3 million and S$2.5 million were higher than last year's corresponding periods by S$1.3 million and S$1.6 million respectively. This was mainly due to the higher provision of deferred tax this year and the reversal of over-provision of income tax in last year's corresponding periods.

For 4Q2019, the Group recorded a net profit of S$1.3 million (4Q2018: S$2.7 million) on revenue of S$33.2 million (4Q2018: S$35.0 million). Specialist Relocation in China services slowed during the quarter, which coincided with the Lunar New Year festive period and lack of top and bottom-line contributions from the U.S. market as Phase 4 equipment installation at the Nevada plant has yet to commence.

Besides this, the Group's Suzhou contract manufacturing operation experienced slower growth as the supply chain reduced inventory to benefit the ongoing transition to 5G technology, which led to lower delivery of its telecom products. This was offset by higher revenue from the 3PL and T&E businesses.

The Group's profit after income tax for FY2019 was S$1.3 million, 22% lower than last year's corresponding period. Had it not been for the reversal of tax provision, the variance for profit after tax for FY2019 would be lower by S$0.01 million (or 1%) than last year.

Despite slower economic growth in key markets amidst concerns of US-China trade tensions, the order book for Specialist Relocation, which facilitates the set-up of new production capacities, will keep the Group busy for the current financial year.

Revenue for Third Party Logistics ("**3PL**") rose 3% or S$0.6 million to S$23.5 million in FY2019 (FY2018: S$22.9 million) as the cross-border trucking market continues to grow. Chasen has strengthened its first-mover advantage by starting loose cargo movement across national boundaries facilitated by its 3PL site operations in Vietnam and China, adding to its current network in Malaysia and Thailand.

Contributions from the Technical & Engineering ("**T&E**") Business Segment grew by 3% to S$30.4 million in FY2019 (FY2018: S$29.6 million). Chasen has reviewed its cost structure which enabled it to secure new construction-related projects despite the sluggish construction market in Singapore.

As at 31 March 2019, the Group had S$12.1 million in cash and cash equivalents, up from S$9.1 million as at 31 March 2018.

The Group has proposed a final dividend of S$0.003 per share for FY2019, to be paid out at a date to be announced subsequently. Together with the interim dividend of S$0.001 per share issued earlier in the year, the total dividend paid out for FY2019 will be S$0.004 per share.

Mr Low Weng Fatt, Chasen's Managing Director and CEO, said, "FY2019 has been a remarkable year as we recorded our highest revenue since listing. Demand for our Specialist Relocation and 3PL services remain encouraging. We continue to pick up orders from China and parts of South East Asia, despite slower economic growth. Our order book should keep us busy for the current financial year. Barring unforeseen circumstances, we expect to grow in revenue and to remain profitable in FY2020."

While concerns of US-China trade tensions have heightened, the Group's specialist relocation activities are largely focused within China itself and the 3PL cross-border activities involve movement of cargoes between China and South-East Asia.

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About Chasen Holdings Limited (Bloomberg: CHLD:SP; Reuters: CHHL.SI)

Chasen Holdings Limited is an SGX Mainboard-listed investment holding company with subsidiaries in Specialist Relocation solutions, Technical & Engineering services and Third-Party Logistics, including facilities for the packing and warehousing of sophisticated machinery and equipment for the region's manufacturing industries.

Headquartered in Singapore with operations in Malaysia, Vietnam, the People's Republic of China, Timor-Leste, Thailand and the U.S., Chasen serves global customers in industries such as wafer fabrication, TFT LCD production, chip testing and assembly, solar panel assembly, consumer electronics, telecommunications, ordnance, cultural relics, facilities maintenance, water treatment, marine and construction sectors.

Its diversified revenue base and long-standing customer relationship underlie its strong fundamentals, which enables the Group to weather fluctuating business cycles of various industries. Its business model and growth strategy are set to propel the Group in riding the opportunities available in the region and building on its recurring income base.