

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

HALF YEAR (“1HFY2021”) FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2020

PART I - INFORMATION REQUIRED FOR HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group		
	Half year ended		Change
	30-Sep-20	30-Sep-19	
	S\$'000	S\$'000	
Revenue	58,367	56,188	4%
Cost of sales	(46,753)	(46,075)	-1%
Gross profit	11,614	10,113	15%
Other operating income	3,424	1,066	221%
Distribution and selling expenses	(3,496)	(2,714)	-29%
Administrative expenses	(6,825)	(6,005)	-14%
Other operating expenses	(1,014)	(475)	-113%
Interest expenses	(1,082)	(1,017)	-6%
Profit before income tax	2,621	968	171%
Income tax expense	(581)	(324)	-79%
Net profit for the financial period	2,040	644	217%
Profit attributable to:			
Equity holders of the Company	1,073	334	221%
Non-controlling interests	967	310	212%
Net profit for the financial period	2,040	644	217%

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1(a)(ii) A statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

	<u>Group</u>		Change %
	<u>Half year ended 30-Sep-20 S\$'000</u>	<u>30-Sep-19 S\$'000</u>	
Net profit for the financial period	2,040	644	217%
Other comprehensive loss:			
Exchange differences on translating foreign operations	(171)	(833)	79%
Other comprehensive loss for the financial period, net of tax	(171)	(833)	79%
Total comprehensive income / (loss) for the financial period	<u>1,869</u>	<u>(189)</u>	1089%
Total comprehensive income / (loss) attributable to:			
Owners of the Company	923	(458)	302%
Non-controlling interests	946	269	252%
Total comprehensive income / (loss) for the financial period	<u>1,869</u>	<u>(189)</u>	1089%

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1(a)(iii) Profit before income tax is arrived at after charging/(crediting) the following:

	Group		
	Half year ended		
	30-Sep-20	30-Sep-19	Change
	S\$'000	S\$'000	%
Allowance for doubtful trade receivables	41	-	N.M.
Amortisation of land use rights	9	9	0%
Bad debts written-off (trade)	1	25	96%
Bad debts written-off (non trade)	4	-	N.M.
Depreciation of property, plant and equipment	5,066	5,212	3%
Interest expenses	1,082	1,017	-6%
Interest income	(21)	(84)	-75%
Net gain on disposal of plant and equipment	(38)	(266)	-86%
Reversal of provision	-	(19)	N.M.
Realised foreign exchange (gain) / loss	(2)	8	125%
Unrealised foreign exchange loss	448	217	-106%

Note:

N.M. - Not meaningful

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Statements of Financial Position

	Group		Company	
	As at 30-Sep-20 S\$'000	As at 31-Mar-20 S\$'000	As at 30-Sep-20 S\$'000	As at 31-Mar-20 S\$'000
ASSETS				
Non-current assets				
Investment properties	850	850	6,100	6,100
Property, plant and equipment	48,465	49,253	609	624
Investment in subsidiaries	-	-	37,150	37,150
Investment in associate	-	-	-	-
Goodwill on consolidation	10,559	10,559	-	-
Intangible assets	-	-	-	-
Land use rights	889	908	-	-
Club membership	3	3	-	-
Other investments	5,155	5,155	523	523
Other receivables, deposits and prepayments	304	358	-	-
Deferred tax assets	1,261	1,264	-	-
	67,486	68,350	44,382	44,397
Current assets				
Inventories	5,790	5,929	-	-
Contract assets	1,013	784	-	-
Trade receivables	42,483	35,254	-	-
Other receivables, deposits and prepayments	18,515	18,939	61	60
Amount due from subsidiaries	-	-	48,552	49,382
Cash and cash equivalents	13,585	7,695	427	307
	81,386	68,601	49,040	49,749
Total assets	148,872	136,951	93,422	94,146
EQUITY AND LIABILITIES				
Equity				
Share capital	53,086	53,086	82,614	82,614
Treasury shares	(145)	(145)	(145)	(145)
Other reserves	(6,372)	(6,354)	(4,597)	(4,597)
Retained profits	8,340	7,267	2,794	3,371
Equity attributable to owners of the Company	54,909	53,854	80,666	81,243
Non-controlling interests	4,781	4,368	-	-
Total equity	59,690	58,222	80,666	81,243

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Statements of Financial Position (Cont'd)

	Group		Company	
	As at 30-Sep-20 S\$'000	As at 31-Mar-20 S\$'000	As at 30-Sep-20 S\$'000	As at 31-Mar-20 S\$'000
Non-current liabilities				
Bank loans	10,245	5,569	4,061	4,249
Lease liabilities	7,769	7,183	601	612
Deferred tax liabilities	1,140	1,145	-	-
	19,154	13,897	4,662	4,861
Current liabilities				
Bank loans	37,662	38,155	7,504	7,543
Lease liabilities	5,865	6,182	21	21
Trade payables	17,738	12,261	-	-
Other payables and accruals	8,165	7,936	569	478
Income tax payable	598	298	-	-
	70,028	64,832	8,094	8,042
Total liabilities	89,182	78,729	12,756	12,903
Total equity and liabilities	148,872	136,951	93,422	94,146

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1(b)(ii) In relation to the aggregate amount of group's borrowing and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

- (A) the amount repayable in one year or less, or on demand;**
- (B) the amount repayable after one year;**
- (C) whether the amounts are secured or unsecured; and**
- (D) details of any collaterals.**

The Group's borrowings are as follows:

	As at 30-Sep-20		As at 31-Mar-20	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	27,816	15,711	33,566	10,771
Amount repayable after one year	15,226	2,788	12,550	202
Total	43,042	18,499	46,116	10,973

Details of collateral

The banking facilities are secured by the following collaterals:

- (a) legal mortgage of the Group's investment property and leasehold buildings;
- (b) pledge of fixed deposits amounting to \$2.2 million (31 March 2020: \$1.9 million); and
- (c) assignment of contract proceeds from specific projects undertaken by certain subsidiaries.

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.

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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Cash Flows

	Group	
	Half year ended	
	30-Sep-20	30-Sep-19
	S\$'000	S\$'000
Operating activities		
Profit before income tax	2,621	968
Adjustments for:		
Allowance for doubtful trade receivables	41	-
Amortisation of land use rights	9	9
Bad debts written-off (trade)	1	25
Bad debts written-off (non trade)	4	-
Depreciation of property, plant and equipment	5,066	5,212
Interest expenses	1,082	1,017
Interest income	(21)	(84)
Net gain on disposal of plant and equipment	(38)	(266)
Reversal of provision	-	(19)
Operating cash flows before working capital changes	8,765	6,862
Movement in working capital:		
Inventories	139	(279)
Contract assets and liabilities	(229)	567
Trade and other receivables	(6,797)	(9,538)
Trade and other payables	5,610	(1,991)
Cash generated from / (used in) operations	7,488	(4,379)
Income tax paid	(281)	(1,053)
Net cash generated from / (used in) operating activities	7,207	(5,432)

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Consolidated Statement of Cash Flows (Cont'd)

	Group	
	Half year ended	
	30-Sep-20	30-Sep-19
	S\$'000	S\$'000
Investing activities		
Acquisition of a subsidiary without change of control	(305)	-
Interest received	21	84
Proceeds from disposal of plant and equipment	78	662
Purchase of property, plant and equipment	(1,073)	(1,142)
Effect of foreign currency re-alignment on investing activities	53	(536)
Net cash flows used in investing activities	(1,226)	(932)
Financing activities		
Dividend paid to equity holders	-	(1,161)
Interest paid	(1,082)	(1,017)
Proceeds from bank loans	38,910	27,637
Repayment of bank loans	(34,688)	(17,814)
Repayment of lease liabilities	(3,169)	(3,229)
Pledge of pledged fixed deposits with banks	(265)	(300)
Net cash flows (used in) / from financing activities	(294)	4,116
Net increase / (decrease) in cash and cash equivalents	5,687	(2,248)
Effects of exchange rates changes on cash and cash equivalents	(62)	(13)
Cash and cash equivalents as at beginning of the financial period	5,772	12,084
Cash and cash equivalents as at end of the financial period	11,397	9,823

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

	Group	
	Half year ended	
	30-Sep-20	30-Sep-19
	S\$'000	S\$'000
Cash and bank balances	10,768	6,932
Fixed deposits	2,817	4,469
	13,585	11,401
Fixed deposits pledged	(2,188)	(1,578)
Cash and cash equivalents	11,397	9,823

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

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	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
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
Other comprehensive loss for the period										
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
Contributions by and distributions to owners										
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

Statements of Changes in Equity (Cont'd)

Total equity	← Attributable to owners of the Company →								Non-controlling interests	
	Total	Share capital	Treasury shares	Retained profits	Other reserves, Total	Capital 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	
Group										
Balance as at 1 April 2019	75,208	70,543	53,086	(145)	23,905	(6,303)	(530)	(1,137)	(4,636)	4,665
Profit for the financial period	644	334	-	-	334	-	-	-	-	310
Other comprehensive loss for the period										
Exchange differences on translating foreign operations	(833)	(792)	-	-	-	(792)	-	(792)	-	(41)
Other comprehensive loss for the period, net of tax	(833)	(792)	-	-	-	(792)	-	(792)	-	(41)
Total comprehensive (loss) / income for the period	(189)	(458)	-	-	334	(792)	-	(792)	-	269
Contributions by and distributions to owners										
Dividend paid	(1,161)	(1,161)	-	-	(1,161)	-	-	-	-	-
Total contributions by and distributions to owners	(1,161)	(1,161)	-	-	(1,161)	-	-	-	-	-
Balance as at 30 September 2019	73,858	68,924	53,086	(145)	23,078	(7,095)	(530)	(1,929)	(4,636)	4,934

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 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)

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 2019	85,296	82,614	(145)	7,363	(4,536)	100	(4,636)
Loss for the financial period	(1,209)	-	-	(1,209)	-	-	-
<u>Contributions by and distributions to owners</u>							
Dividend paid	(1,161)	-	-	(1,161)	-	-	-
Total contributions by and distributions to owners	(1,161)	-	-	(1,161)	-	-	-
Balance as at 30 September 2019	82,926	82,614	(145)	4,993	(4,536)	100	(4,636)

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1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

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 share was granted under CPSP as at 30 September 2020 and 30 September 2019.

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 2020, the number of treasury shares represented 0.48% (30 September 2019: 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 2020 and 30 September 2019.

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1(d)(iii) To show the 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.

	As at	
	30-Sep-20	31-Mar-20
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>

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

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

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of 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.

2 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.

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

Not applicable.

3A 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.

4 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 period's financial statements as those of the previous audited financial statements except as stated in paragraph 5 below.

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5 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.

The Group has adopted all the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for annual periods beginning or after 1 April 2020. The adoption of these new or revised SFRS(I) and SFRS(I) INT did not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

6 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).

Earnings per share ("EPS")

	Group	
	Half year ended	
	30-Sep-20	30-Sep-19
EPS based on average number of shares (cents)	0.28	0.09
EPS based on a fully diluted basis (cents)	0.28	0.09
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.

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

Net asset value ("NAV")

	Group	
	As at	
	30-Sep-20	31-Mar-20
Net asset value per share (cents) based on the total number of issued shares excluding treasury shares	14.2	13.9
Total number of issued shares excluding treasury shares ('000)	387,027	387,027

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8 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 2020 ("1HFY2021"), the Group's revenue of S\$58.4 million was higher than last year's corresponding period by S\$2.2 million or 4% mainly due to higher revenue from its Specialist Relocation business segment ("Specialist Relocation") and Third-Party Logistics business segment ("3PL"), offset by lower revenue contribution from the Technical & Engineering business segment ("T&E").

The increase in revenue in Specialist Relocation was mainly due to the fast containment of COVID-19 infections and resumption of work in the PRC market following disruptions due to the pandemic. Significantly, the Group's 3PL segment was able to capture additional customers' demand from air and sea freight modes disrupted by restrictions due to COVID-19. This led to more customers turning to cross-border land transportation as an alternative, thereby lifting revenue and margin expansion for the period in review. For T&E, the complete shut-down of the Singapore construction market since April 2020 due to COVID-19 restrictions and only gradual re-opening subsequently, resulted in a decrease of revenue.

ii) Gross profit and gross profit margin

For 1HFY2021, the Group's gross profit increased S\$1.5 million or 15% to S\$11.6 million from S\$10.1 million a year ago, mainly due to higher margins in the 3PL and T&E business segments. Correspondingly, the gross profit margin increased to 20% compared to 18% in 1HFY2020.

iii) Other operating income

For 1HFY2021, the Group's other operating income of \$3.4 million was higher than last year's corresponding period by \$2.4 million mainly due to the Government's Jobs Support Scheme ("JSS") grants.

iv) Distribution and selling expenses

For 1HFY2021, the Group's distribution and selling expenses of \$3.5 million were higher than last year's corresponding period by \$0.8 million or 29% due to higher selling expenses as a consequence of new customers' projects and additional contracts captured opportunistically. Additional marketing expenses were incurred due to concerted Group-wide marketing activities to raise the profile of the Group's product and service offerings.

v) Administrative expenses

For 1HFY2021, the Group's administrative expenses of \$6.8 million were higher than last year's corresponding period by \$0.8 million or 14% mainly due to a one-time recovery of legal expenses during last year's corresponding period.

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vi) Profit before income tax

As a result of the above, the Group recorded a profit before income tax of \$2.6 million for 1HFY2021 which was higher than last year's corresponding period by \$1.7 million or 171%.

As a percentage of revenue, pre-tax profit margin for 1HFY2021 of 4.5% was higher than last year's corresponding period by 2.8%.

vii) Income tax expense

For 1HFY2021, the income tax expense of \$0.6 million was higher than last year's corresponding period by \$0.3 million due to higher chargeable income mostly from overseas subsidiaries.

viii) Profit after income tax

As a result, the Group recognised a profit after income tax of \$2.0 million for 1HFY2021 which was higher than last year's corresponding period by \$1.4 million or 217%.

As a percentage of revenue, the post-tax profit margin for 1HFY2021 of 3.5% was higher than last year's corresponding period by 2.4%.

B) Statements of Financial Position

i) Property, plant and equipment

The decrease in net book value of \$0.8 million was mainly due to depreciation charged during the period offset by capital expenditure incurred.

ii) Contract assets

The increase in contract assets of \$0.2 million was mainly due to the additional contractual obligations to the customers in the T&E business segment in Singapore.

iii) Trade receivables

The increase in trade receivables of \$7.2 million was mainly due to increase in period end billing to customers.

iv) Other receivables , deposits and prepayments, current

The decrease in other receivables, deposits and pre-payments of \$0.4 million was mainly due to receipt from other receivables.

v) Bank loans

The increase in bank loans of \$4.2 million was due to proceeds from new credit facilities offset by repayments of bank loans.

vi) Lease liabilities

The decrease in lease liabilities of \$0.3 million was mainly due to repayment of lease liabilities offset by addition of lease liabilities recognised for the new leases entered during the period.

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vii) Trade payables

The increase in trade payable by \$5.5 million was due to increase in period end billing by trade suppliers and contractors.

C) Consolidated Statement of Cash Flows

Net cash generated from operating activities for 1HFY2021 of \$7.2 million was a reversal of last year's corresponding period of net cash used in operating activities of \$5.4 million. This was mainly due to higher cash flows generated from the operations.

The net cash used in investing activities for 1HFY2021 of \$1.2 million was higher than last year by \$0.3 million. This was mainly due to cash outflows for an acquisition of non-controlling interest in a subsidiary.

Net cash used in financing activities for 1HFY2021 of \$0.3 million was a reversal of last year's corresponding period of net cash generated from operating activities of \$4.1 million. This was mainly due to lower net proceeds from bank loans during the financial period.

Overall, the Group's cash and cash equivalent as at 30 September 2020 of \$11.4 million was higher by \$1.6 million as compared to 30 September 2019.

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

Not applicable.

10 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.

Global economies are still grappling with the COVID-19 pandemic with caseloads still rising without the benefit of a vaccine. Renewed lockdowns across Europe paint a grim picture to the zone's recovery while rising infections in the USA and the US Presidential election in November 2020 have heightened uncertainties. Major developed markets and their final demands are important drivers for the global economy. Asia, in which most of the Group's businesses are based, has largely brought the pandemic under control for now. This is a big positive for the Group.

The Group's first half-year performance ended September 2020 was better than expected due to gradual easing of restrictions in various countries' and resumption of plans. The geographical and business diversifications of the Group provided competitive strength and balance despite the very difficult operating environment. This is augmented by local Government's grants and assistance. But these supports will and are being tapered off in the forward period as publicly announced.

The Group's 3PL business of targeted commercial focus in cross-border land freight and transportation services on top of more traditional core logistics services like warehousing has been instrumental in growing the top and bottom lines for the Group. It is noteworthy that 3PL continues to add new customers that also operate across the same geographical coverage of this business segment.

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The acquisition of a warehouse approved in the EGM on 25 September 2020 in the Bayan Lepas Industrial Area, Penang (Kawasan Perindustrian Bayan Lepas), and expected to be completed in early 2021, is revenue accretive and positions the Group's 3PL segment to capture strong growth in warehousing demand. The Group's existing warehouse is currently running at a 90% occupancy rate. Furthermore, the Group is on the lookout for strategic acquisitions in key locations to add to existing capacity to capture this fast-growing market segment.

The Group's success in the acquisition of new customers operating in key markets that are aligned to major structural growth themes such as solar, semi-conductor, 5G, healthcare and IoT devices is another positive. The Group will leverage this opportunity in the quarters to come to explore future pathways for revenue growth and profitability for all three business segments. With an established presence in the PRC where the PRC is a key R&D and production centre in line with global structural growth themes, the Group intends to re-focus its effort to strengthen its current operations and grow its market presence further.

11 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.

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

No dividend has been declared/recommended for half year ended 30 September 2020

13 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.

14 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

5 November 2020

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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 2020 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