


[Print this page](#)THIRD QUARTER RESULTS * FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT** Asterisks denote mandatory information*

Name of Announcer *	CHASEN HOLDINGS LIMITED
Company Registration No.	199906814G
Announcement submitted on behalf of	CHASEN HOLDINGS LIMITED
Announcement is submitted with respect to *	CHASEN HOLDINGS LIMITED
Announcement is submitted by *	CHEW KOK LIANG
Designation *	COMPANY SECRETARY
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>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2010
Description	Please see attached.
Attachments	 CHL_Q32011_results.pdf Total size = 111K (2048K size limit recommended)

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Chasen Holdings Limited
(Incorporated in the Republic of Singapore)
(Company Registration No.: 199906814G)

This announcement has been reviewed by the Company's sponsor, KW Capital Pte. Ltd., for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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THIRD QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2010

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

The directors of Chasen Holdings Limited (“our Company” or “we”) are pleased to announce the unaudited operating results for the third quarter ended 31 December 2010.

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

	Q3 FY2011 \$'000	Q3 FY2010 \$'000	Increase/ (Decrease) %	9M FY2011 \$'000	9M FY2010 \$'000	Increase/ (Decrease) %
Revenue	19,908	16,717	19	54,690	53,628	2
Cost of sales	(14,619)	(13,447)	9	(38,881)	(41,649)	(7)
Gross profit	5,289	3,270	62	15,809	11,979	32
Other operating income	484	346	40	910	1,568	(42)
Distribution and selling expenses	(1,500)	(930)	61	(3,816)	(2,639)	45
Administrative expenses	(2,438)	(1,990)	23	(7,188)	(5,853)	23
Other operating expenses	(148)	(63)	135	(25)	(97)	(74)
Finance costs	(249)	(127)	96	(656)	(345)	90
Profit before income tax	1,438	506	184	5,034	4,613	9
Income tax expense	(258)	(329)	(22)	(660)	(1,073)	(38)
Net profit for the financial period	1,180	177	567	4,374	3,540	24
Net profit attributable to :						
Equity holders of the Company	1,372	(130)	NM	4,323	2,344	84
Minority interest	(192)	307	NM	51	1,196	(96)
	1,180	177	567	4,374	3,540	24

	Q3 FY2011 \$'000	Q3 FY2010 \$'000	9M FY2011 \$'000	9M FY2010 \$'000
Earnings per share attributable to equity holders of the Company (cents) [see item 6]				
- basic	0.70	(0.09)	2.20	1.61
- diluted	0.70	(0.09)	2.19	1.60

Statement of Comprehensive Income for the Third Quarter ended 31 December 2010

	Q3 FY2011 \$'000	Q3 FY2010 \$'000	Increase/ (Decrease) %	9M FY2011 \$'000	9M FY2010 \$'000	Increase/ (Decrease) %
Net profit for the financial period	1,180	177	567	4,374	3,540	24
Other comprehensive income:						
Other adjustment	-	3	NM	-	3	NM
Currency translation differences arising from consolidation	(40)	(83)	(52)	(742)	(1,216)	(39)
Other comprehensive income/(expense) for the period, net of tax	(40)	(80)	(50)	(742)	(1,213)	(39)
Total comprehensive income	1,140	97	1,075	3,632	2,327	56
Total comprehensive income attributable to:						
Equity holders of the Company	1,332	(210)	NM	3,581	1,131	217
Minority interests	(192)	307	NM	51	1,196	(96)
	1,140	97	1,075	3,632	2,327	56

* NM - not meaningful

1(a)(ii) Profit before income tax is determined after charging / (crediting):

	Q3 FY2011 \$'000	Q3 FY2010 \$'000	9M FY2011 \$'000	9M FY2010 \$'000
Depreciation of property, plant and equipment	1,000	964	2,881	2,621
Gain on disposal of property, plant and equipment	(97)	(5)	(94)	(77)
Property, plant and equipment written off	-	-	-	36
Unrealised foreign exchange loss/(gain)	86	36	(89)	131
Realised foreign exchange (gain)/loss	61	26	113	(35)
Interest income	(4)	(10)	(9)	(42)
Interest expense on bank borrowings	159	73	367	185
Finance lease interest	49	41	134	106

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

	Group		Company	
	31 Dec 10 \$'000	31 Mar 10 \$'000	31 Dec 10 \$'000	31 Mar 10 \$'000
ASSETS				
Non-current assets				
Property, plant and equipment	16,641	15,309	-	-
Fixed deposits	1,000	1,000	1,000	1,000
Financial assets, available-for-sale	4,881	4,336	4,881	4,336
Club membership	42	56	30	43
Other receivables, deposits and prepayments	2,101	2,829	1,013	2,019
Investment in subsidiaries	-	-	38,075	37,375
Intangible assets	1,984	2,293	-	-
Goodwill on consolidation	7,952	3,382	-	-
Total non-current assets	34,601	29,205	44,999	44,773
Current assets				
Gross amount due from customers on work-in-progress	770	162	-	-
Inventories	1,108	755	-	-
Trade receivables	35,811	28,951	-	-
Amount due from subsidiaries	-	-	21,965	12,028
Other receivables, deposits and prepayments	8,572	4,033	2,618	1,134
Cash and bank balances	10,157	6,957	801	115
Total current assets	56,418	40,858	25,384	13,277
LIABILITIES				
Current liabilities				
Bank overdraft	411	204	-	-
Bank loan (secured)	4,290	5,754	1,212	1,928
Trade payables	6,138	7,518	-	-
Other payables and accruals	11,152	6,291	342	400
Deferred income	17	19	-	-
Obligations under hire purchase contracts	791	1,159	-	-
Income tax payable	1,057	1,552	37	37
Total current liabilities	23,856	22,497	1,591	2,365
Net current assets	32,562	18,361	23,793	10,912
Non-current liabilities				
Bank loan (secured)	6,993	4,490	872	947
Deferred income	-	14	-	-
Obligations under hire purchase contracts	1,750	1,237	-	-
Deferred income tax liabilities	278	339	-	-
Total non-current liabilities	9,021	6,080	872	947
NET ASSETS	58,142	41,486	67,920	54,738

	Group		Company	
	31 Dec 10 \$'000	31 Mar 10 \$'000	31 Dec 10 \$'000	31 Mar 10 \$'000
EQUITY				
Capital and reserve attributable to equity holders of the Company				
Share capital	36,947	23,737	66,475	53,265
Treasury shares	(248)	(358)	(248)	(358)
Currency translation reserve	(711)	32	-	-
Performance share plan reserve	50	160	50	160
Retained profits	15,161	13,040	1,643	1,671
Total shareholder's funds	51,199	36,611	67,920	54,738
Minority interest	6,943	4,875	-	-
Total equity	58,142	41,486	67,920	54,738

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	31 Dec 10 \$'000	31 Mar 10 \$'000
Amount repayable in one year or less or on demand		
Secured	5,081	6,913
Unsecured	-	-
	<u>5,081</u>	<u>6,913</u>
Amount repayable after one year		
Secured	8,743	5,727
Unsecured	-	-
	<u>8,743</u>	<u>5,727</u>
Total	<u>13,824</u>	<u>12,640</u>

Details of any collateral

The bank loans are secured by legal mortgage of the leasehold building (as at 31 December 2010), debenture with a fixed charge on certain plant and equipment, corporate guarantee from Chasen Holdings Limited and Chasen Logistics Services Limited, pledge of fixed deposits amounting to \$1,416,768 and assignment of contract proceeds from a subsidiary's job project. They are repayable over a period of 6 months to 15 years. Interest is charged at range from 0.75% to 8.38% per annum (31 March 2010: 2.34% to 13.75%).

The above bank borrowing includes the Group's utilized finance leases to acquire equipment and motor vehicles.

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

	Q3 FY2011 \$'000	Q3 FY2010 \$'000	9M FY2011 \$'000	9M FY2010 \$'000
Cash flows from operating activities:-				
Profit before income tax	1,438	506	5,034	4,613
Adjustments for:				
Depreciation for property, plant and equipment	1,000	964	2,881	2,621
Gain on disposal of property, plant and equipment	(97)	(5)	(94)	(77)
Property, plant and equipment written off	-	26	-	36
Cost of share-based payments	-	-	-	146
Negative goodwill arising from acquisition of subsidiary	-	(46)	-	(66)
Amortisation of club membership	5	-	14	(1)
Amortisation of deferred income	(6)	-	(11)	-
Amortisation of intangible assets	137	-	287	-
Interest income	(4)	(10)	(9)	(42)
Interest expense	208	114	501	291
Operating profit before working capital changes	2,681	1,549	8,603	7,521
Trade and other receivables	(2,798)	(604)	(10,100)	4,009
Gross amount due from customers on work-in-progress	(82)	664	(609)	(1,592)
Inventories	(29)	(160)	(337)	(481)
Trade and other payables	1,742	(2,154)	3,051	(6,974)
Cash generated from operations	1,514	(705)	608	2,483
Income tax paid	(503)	(434)	(1,242)	(756)
Net cash (used in)/from operating activities	1,011	(1,139)	(634)	1,727
Cash flows from investing activities:-				
Investment in financial assets, available-for-sale	-	-	(545)	(475)
Purchase of plant and equipment	(2,294)	(704)	(3,890)	(2,394)
Proceeds from disposal of plant and equipment	107	21	145	122
Interest received	4	10	9	42
Net cash used in investing activities	(2,183)	(673)	(4,281)	(2,705)
Cash flows from financing activities:-				
Proceeds from rights issue, net	-	-	9,190	-
Proceeds from warrants issue	-	-	20	-
Interest paid	(208)	(114)	(501)	(291)
Proceeds from bank loans	3,258	510	6,410	2,245
Repayment of bank loans	(1,632)	-	(5,915)	-
Proceeds from hire purchase contracts	57	746	224	746
Repayment of hire purchase contracts	(297)	(314)	(302)	(918)
Dividend paid to equity holders of the Company	-	-	(1,310)	(753)
Placement of pledged fixed deposits with banks	(3)	-	(5)	(325)
Net cash from financing activities	1,175	828	7,811	704

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	Q3 FY2011 \$'000	Q3 FY2010 \$'000	9M FY2011 \$'000	9M FY2010 \$'000
Net (decrease)/increase in cash and cash equivalents	3	(984)	2,896	(274)
Cash and cash equivalents at beginning of period	7,855	7,900	5,341	7,850
Effect of exchange rate changes on balances in foreign currencies	471	(830)	92	(1,490)
Cash and cash equivalents at end of period	8,329	6,086	8,329	6,086
Cash and cash equivalents comprise:				
Cash and bank balances	8,740	5,427	8,740	5,427
Fixed deposits	1,417	2,070	1,417	2,070
	10,157	7,497	10,157	7,497
Less: Fixed deposits pledged	(1,417)	(1,411)	(1,417)	(1,411)
Bank overdraft	(411)	-	(411)	-
	8,329	6,086	8,329	6,086

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated statement of changes in equity for the periods ended 31 December 2010 and 31 December 2009 - Group

	Attributable to equity holders of the Company							
	Share capital \$'000	Treasury shares \$'000	Currency translation reserve \$'000	Performance share plan reserve \$'000	Retained profits \$'000	Total \$'000	Minority interests \$'000	Total Equity \$'000
Balance as at 1 April 2010	23,737	(358)	32	160	13,040	36,611	4,875	41,486
Increase in share capital arising from rights issue	9,190	-	-	-	-	9,190	-	9,190
Increase in minority interest	-	-	-	-	-	-	731	731
Total comprehensive income / (expense) for the period	-	-	(12)	-	1,331	1,319	244	1,563
Balance as at 30 June 2010	32,927	(358)	20	160	14,371	47,120	5,850	52,970
Increase in share capital arising from warrants issue	20	-	-	-	-	20	-	20
Final dividend for the previous year paid	-	-	-	-	(1,310)	(1,310)	-	(1,310)
Total comprehensive income / (expense) for the period	-	-	(691)	-	1,620	929	(181)	748
Balance as at 30 September 2010	32,947	(358)	(671)	160	14,681	46,759	5,669	52,428
Increase in share capital	4,000	-	-	-	-	4,000	-	4,000
Increase in minority interest	-	-	-	-	-	-	574	574
Effect on change in parent's ownership interest in a subsidiary	-	-	-	-	(892)	(892)	892	-
Transfer of treasury shares to performance share plan reserve	-	110	-	(110)	-	-	-	-
Total comprehensive income / (expense) for the period	-	-	(40)	-	1,372	1,332	(192)	1,140
Balance as at 31 December 2010	36,947	(248)	(711)	50	15,161	51,199	6,943	58,142

	Attributable to equity holders of the Company							Total Equity \$'000
	Share capital \$'000	Treasury shares \$'000	Currency translation reserve \$'000	Performance share plan reserve \$'000	Retained profits \$'000	Total \$'000	Minority interests \$'000	
Balance at 1 April 2009	23,737	(534)	1,072	154	8,989	33,418	3,120	36,538
Cost of share-based payments	-	-	-	67	-	67	-	67
Total comprehensive income / (expense) for the period	-	-	(709)	-	656	(53)	516	463
Balance as at 30 June 2009	23,737	(534)	363	221	9,645	33,432	3,636	37,068
Transfer of treasury shares to performance share plan reserve	-	111	-	(111)	-	-	-	-
Cost of share-based payments	-	-	-	79	-	79	-	79
Final dividend for the previous year paid	-	-	-	-	(753)	(753)	-	(753)
Total comprehensive income / (expense) for the period	-	-	(424)	-	1,818	1,394	373	1,767
Balance as at 30 September 2009	23,737	(423)	(61)	189	10,710	34,152	4,009	38,161
Purchase of treasury shares	-	(19)	-	-	-	(19)	-	(19)
Transfer of treasury shares to performance share plan reserve	-	84	-	(84)	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	24	24
Acquisition of minority interest	-	-	-	-	-	-	(14)	(14)
Total comprehensive income / (expense) for the period	-	-	(83)	-	(127)	(210)	307	97
Balance as at 31 December 2009	23,737	(358)	(144)	105	10,583	33,923	4,326	38,245

	Share capital \$'000	Treasury shares \$'000	Performance share plan reserve \$'000	Retained profits \$'000	Total Equity \$'000
Balance as at 1 April 2010	53,265	(358)	160	1,671	54,738
Increase in share capital arising from rights issue	9,190	-	-	-	9,190
Total comprehensive income / (expense) for the period	-	-	-	43	43
Balance as at 30 June 2010	62,455	(358)	160	1,714	63,971
Increase in share capital arising from warrants issue	20	-	-	-	20
Final dividend for the previous year paid	-	-	-	(1,310)	(1,310)
Total comprehensive income / (expense) for the period	-	-	-	770	770
Balance as at 30 September 2010	62,475	(358)	160	1,174	63,451
Increase in share capital	4,000	-	-	-	4,000
Transfer of treasury shares to performance share plan reserve	-	110	(110)	-	-
Total comprehensive income / (expense) for the period	-	-	-	469	469
Balance as at 31 December 2010	66,475	(248)	50	1,643	67,920

	Share capital \$'000	Treasury shares \$'000	Performance share plan reserve \$'000	(Accumulated losses)/ Retained profits \$'000	Total Equity \$'000
Balance as at 1 April 2009	53,265	(534)	154	1,089	53,974
Cost of share-based payments	-	-	67	-	67
Total comprehensive income / (expense) for the period	-	-	-	(245)	(245)
Balance as at 30 June 2009	53,265	(534)	221	844	53,796
Transfer of treasury shares to performance share plan expense	-	111	(111)	-	-
Cost of share-based payments	-	-	79	-	79
Final dividend for the previous year paid	-	-	-	(753)	(753)
Total comprehensive income / (expense) for the period	-	-	-	(298)	(298)
Balance as at 30 September 2009	53,265	(423)	189	(207)	52,824
Purchase of treasury shares	-	(19)	-	-	(19)
Transfer of treasury shares to performance share plan reserve	-	84	(84)	-	-
Total comprehensive income / (expense) for the period	-	-	-	17	17
	53,265	(358)	105	(190)	52,822

1(d)(ii) Details of any changes in the company's share capital arising from right issues, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as a consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

	Group	
	Q3FY2011	Q3FY2010
Balance at 1 October	218,316,735	145,240,162
Transfer of treasury shares to performance share plan	462,000	350,000
Share buyback as treasury shares	-	(96,000)
Increase in share capital	10,476,689	-
Balance at 31 December	229,255,424	145,494,162

As at 31 December 2010, the number of outstanding warrants is 36,297,952 (31 December 2009 – nil) and the number of awards granted (not vested) under the Chasen Performance Share Plan is 1,704,412 (31 December 2009 – 819,500).

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year:-**

	Group	
	31 Dec 2010	31 Mar 2010
Total number of ordinary issued shares	229,255,424	145,494,162

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares 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.**

	Group	
	Q3FY2011	Q3FY2010
Balance at 1 October	1,499,944	1,753,944
Share buyback held as treasury shares	-	96,000
Transfer of treasury shares to performance share plan	(462,000)	(350,000)
Balance at 31 December	1,037,944	1,499,944

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

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

Not applicable.

- 4. Whether the same accounting policies and methods of computation 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 financial statements as those of the previous audited financial statements.

The Group has adopted the new and revised Singapore Financial Reporting Standards ("FRSs") that are mandatory for financial years beginning on and after 1 January 2009, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the retained earnings of the Group as at 30 September 2010.

- 5. If there are any changes in the accounting policies and method of computation, including any required by any accounting standard, what has changed, as well as the reasons for, and the effect of, the changes.**

Not applicable.

6. **Earning per ordinary shares 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.**

Earning per ordinary shares (EPS)	Group			
	Q3FY2011	Q3FY2010	9MFY2011	9MFY2010
EPS based on average number of shares (cents)	0.70	(0.09)	2.20	1.61
EPS on a fully diluted basis (cents)	0.70	(0.09)	2.19	1.60
Weighted average number of shares ('000)	196,600	145,386	196,600	145,386
Weighted average number of shares – diluted ('000)	197,325	146,111	197,325	146,111

7. **Net assets 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		Company	
	31 Dec 10	31 Mar 10	31 Dec 10	31 Mar 10
Number of shares ('000)	229,255	145,494	229,255	145,494
NAV (cents)	25.4	28.5	29.6	37.6

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonable or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Revenue

The Group's revenue for the third quarter ended 31 December 2010 ("Q3FY2011") increased by about 19% to approximately \$19.9 million from approximately \$16.7 million in the third quarter ended 31 December 2009 ("Q3FY2010"). The increase came substantially from the revenue of the newly acquired subsidiary, Global Technology Synergy Pte Ltd ('GTS').

The Relocation Services Business Segment contributed \$8.6million which is 83% increase over that of the same period in the last financial year which stood at \$4.7 million. Similarly, the revenue of Third Party Logistics Services Business Segment also increased 53% this year from \$2.0 million in the last financial year to \$3.1 million this financial year. This increase offset the reduction in revenue from the Engineering Business Segment which fell from \$10.0 million in the corresponding period last financial year to \$6.6 million (excluding GTS) this year.

The Group's revenue for the three quarters ended 31 December 2010 ("9MFY2011") increased by about 2% to approximately \$54.7million from approximately \$53.6 million in the three quarters ended 31 December 2009 ("9MFY2010").

The Relocation Services Business Segment contributed \$25.4million which is 75% increase over that of the same period in the last financial year which stood at \$14.5 million. Similarly, the revenue of Third Party Logistics Services Business Segment increased 65% this year from \$5.5 million in last financial year to \$9.0 million in this financial year. The revenue from Engineering Business Segment however reduced from \$33.7 million in the corresponding period last year to \$20.2 million this year.

Gross Profit Margin

The Group's gross profit for Q3FY2011 increased by 62% to approximately \$5.3 million from approximately \$3.3 million in Q3FY2010. The gross profit margin for third quarter was 27% as compared to 20% in Q3FY2010.

The Group's gross profit for 9MFY2011 increased by 32% to approximately \$15.8 million from approximately \$12.0 million in 9MFY2010. The gross profit margin for the three quarters was 29% as compared to 22% in 9MFY2010. This is mainly due to the change in sales mix, as the gross profit margin particularly from the Relocation Business Segment is generally higher than the Engineering Business Segment.

Other Income

In this quarter, other income increased by about \$0.1 million from \$0.3 million to \$0.4 million but it decreased by about \$0.7 million from \$1.6 million for the three quarters ended 31 December 2010 to \$0.9 million in the corresponding period last year, which included bad debt recovery and rental of equipment.

Operating Expenses

The increase in distribution and selling expenses in the third quarter as well as in the year-to-date period was in tandem with the increase in revenue from our People's Republic of China's ('PRC') operations.

Overall, the administrative expenses in the three quarters increased 23% to \$7.2 million from \$5.9 million in the same corresponding period for the last financial year. The increase was mainly due to payment of bonus in the quarter and professional fees payable on corporate activities including acquisitions and joint ventures.

Tax Expense

Tax expense decreased from \$1.1 million in 9MFY2010 to \$0.7 million in 9MFY2011. This is mainly due to a higher tax expense provided for profits from the Engineering Business Segment in last financial period whereas no provision has been made for this segment in this quarter due to its current loss-making position. Although our PRC operations recorded higher profit this year, it is offset against tax losses from last financial year. Overall, the Group also enjoys group tax relief. Hence, this resulted in a lower tax expense compared to the same period last year.

Profit after tax

As a result of the abovementioned, the Group recorded an increase in profit after tax of 567% this third quarter from \$0.2 million to \$1.2 million. For the three quarters ended 31 December 2010, the Group's profit after tax increased 24% from \$3.5 million in 9MFY2010 to \$4.4 million in 9MFY2011.

Balance Sheet Analysis

The increase of \$3.8 million in other receivables, deposits and prepayments was mainly due to prepayment for acquisition of assets.

The increase of \$4.6 million in goodwill on consolidation was due to the acquisition of new subsidiaries.

The increase of \$6.9 million in the trade receivables represented about 34% of the turnover in this quarter. Included in the trade receivables is \$7.0 million which had been referred to arbitration. Based on our lawyer's opinion on the strength of our claim, it is the view of management that no provision was needed at this stage.

The decrease of \$1.4 million in the trade payables was mainly due to payments to the suppliers in accordance with the agreed credit terms.

The increase of \$4.9 million in the other payables and accruals was mainly due to accrual of project costs.

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

There were no variances between the prospect statement disclosed previously and the actual results.

10. A commentary at the date of 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 commencement of several relocation projects in the PRC, as reported in the last result announcement as well as new projects secured in the third quarter have contributed to the significant increase in revenue from the Relocation Business Segment in the current financial year. Based on projects secured to-date, this segment will continue to contribute a major portion of total group revenue for the next quarter.

In this quarter, the Engineering Business Segment had succeeded in securing some projects in Singapore with substantially reduced value and profit contribution. The reduced revenue and profit contribution from this segment is expected to continue into the next quarter.

The acquisition of Global Technology Synergy Pte Ltd and its subsidiary, Towards Green Sdn Bhd had contributed positively to the Group's revenue and profitability in this quarter and is expected to do so in the next quarter.

Barring unforeseen circumstances, the Group expects continued growth in its total revenue and that it would continue to be profitable in the current financial year.

11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on? No

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period immediately preceding financial year?

No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

By Order of the Board

Low Weng Fatt
Managing Director
14 February 2011

**Confirmation by the Board
Pursuant to Rule 705(5)**

We, Low Weng Fatt and Siah Boon Hock, being two directors of Chasen Holdings Limited ("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 results for the third quarter ended 31 December 2010 to be false or misleading in any material aspect.

On behalf of the board of directors

Low Weng Fatt
Managing Director

Siah Boon Hock
Executive Director

Singapore
14 February 2011

