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MEDIA RELEASE - CHASEN REPORTS HIGHER GROSS PROFIT OF S\$10.5 MILLION IN 1H2011 * Financial Statement And Related Announcement

* Asterisks denote mandatory information

Name of Announcer *	CHASEN HOLDINGS LIMITED
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Announcement is submitted by *	CHEW KOK LIANG
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The details of the announcement start here ...

For the Financial Period Ended *	30-09-2010
Description	Please see attached.

Attachments
 [CHL_Press_Release_1H2011_results.pdf](#)

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MEDIA RELEASE – FOR IMMEDIATE RELEASE

Chasen reports higher gross profit of S\$10.5 million in 1H2011

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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- **Revenue from both Relocation Services and Third Party Logistics up 71% y-o-y in 1H2011**
- **Relocation Services and Third Party Logistics business segments will continue to drive growth for FY2011**

SINGAPORE – 12 November 2010 – Chasen Holdings Limited (“Chasen” or “the Group”), a SGX-Catalist listed diversified investment holding company specializing in relocation solutions for sophisticated machinery and equipment with complementary logistics, technical and engineering service capabilities, reports a higher gross profit and gross profit margin of S\$10.5 million and 30% for six months ended 30 September 2010 (“1H2011”) from S\$8.7 million and 24% respectively over the previous corresponding period. This was despite a 6% reduction in total group revenue to S\$34.8 million in 1H2011 (from S\$36.9 million last year). Due to the higher selling, distribution and administrative costs incurred for the three months ended 30 September 2010 (“2Q2011”), the net profit decreased by 5% to S\$3.2 million in 1H2011.

Financial Highlights (S\$'000)

	2Q2011	2Q2010	Change (%)	1H2011	1H2010	Change (%)
Revenue	17,757	20,417	(13)	34,782	36,911	(6)
Gross Profit	5,320	4,798	11	10,520	8,709	21
Gross Profit Margin	30%	24%	-	30%	24%	-
PAT	1,618	2,191	(26)	3,194	3,363	(5)
Net Margin	9%	11%	-	9%	9%	-
Basic - Earnings per share (cents)	1.02	1.25	(18)	1.86	1.70	9

The Group's revenue declined marginally by 6% y-o-y to S\$34.8 million in 1H2011 as compared to S\$36.9 million in 1H2010. Relocation Services and Third Party Logistics business segments recorded a significant increase of 71% in revenue, registering S\$16.8 million and S\$6.0 million in 1H2011 respectively. However, this was offset by much weaker performance in the Technical and Engineering business segment. Competition in the local construction market is stiff and that resulted in fewer projects secured. Most local projects were completed in 4Q2010 and commencement of projects secured in China has been delayed. Thus, these contributed to a 49% reduction in revenue registered under Technical and Engineering to S\$12.0 million in 1H2011 from S\$23.7 million in 1H2010.

However, gross profit margin improved from 24% in 1H2010 to 30% in 1H2011 mainly due to change in sales mix, as projects secured under Relocation Services business segment drew higher margins than those in Technical and Engineering business segment.

Professional fees incurred for successful acquisitions and bonus payment pumped up the administrative expenses by 23% to approximately S\$4.8 million. This, together with lower revenue recorded in the Technical and Engineering business segment, contributed to a reduction in the Group's bottomline.

The proceeds from the listing of Rights Shares and Warrants in May 2010 brought the Group to a net cash position as at 30 September 2010. The Group's EPS was 1.86 Singapore cents in 1H2011 while the Net Asset Value stood at 24.0 Singapore cents as at 30 September 2010.

Outlook

Chasen has gained good momentum in building its order book for relocation projects during the period. The Group announced a series of contract wins amounting to a total of approximately RMB99.6 million for 1H2011, which includes relocation of TFT LCD panel manufacturing plants, solar panel manufacturing plants and electronics manufacturing lines in Malaysia, China and Eastern Europe. These projects are expected to be completed by 2010 and mid-2011.

***“New contract wins and commencement of delayed projects previously reported has translated positively into our 1H2011 financials. Despite the challenges faced in the local construction market, we will continue to focus on project executions and devote our efforts to ensure smooth and timely delivery.*”**

I believe our team is constantly dedicating time and efforts to replenish the order book for all of our business segments. Based on our current order book, our Relocation Services and Third Party Logistics business segments will continue to be our main growth driver for the rest of this fiscal year.”

Low Weng Fatt, Managing Director

- End -

About Chasen Holdings Limited

Chasen is a sponsored Catalist-listed investment holding company with subsidiaries in specialist relocation solutions, technical and 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, Chasen serves industries such as wafer fabrication, TFT display panel production, chip testing & assembly, solar panel assembly, consumer electronics, telecommunications, marine and construction sectors in Singapore, Malaysia, Vietnam and China.

Its diversified revenue base and long-standing customer relationship provide a strong fundamental that would enable the Group to weather business cycles in specific industry. Its business model and growth strategy have positioned the Group to benefit from growth opportunities in the region and to increase the proportion of recurring income in Group revenue.

For more information please visit the website at: www.chasen.com.sg

Issued for and on behalf of Chasen Holdings Limited

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