



CASA HOLDINGS LIMITED

Company Registration No: 199406212

Full Year Financial Statement for the Financial Year Ended 30 September 2017

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

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

	30 Sep 2017 S\$'000	30 Sep 2016 S\$'000	+/(-)%
Revenue	19,324	16,850	14.7%
Cost of sales	(11,255)	(9,975)	12.8%
Gross profit	8,069	6,875	17.3%
Other income	1,342	1,274	5.3%
Other losses – net	(11,130)	(942)	1,081.5%
Expenses			
- Selling and distribution	(2,073)	(1,860)	11.5%
- Administrative	(9,246)	(6,909)	33.8%
- Finance	(2,499)	(1,682)	48.6%
Share of profit of associated companies	1,879	1,779	5.6%
Share of loss of joint venture company	(99)	(113)	(12.4%)
Loss before income tax	(13,757)	(1,578)	
Income tax expense	(270)	(214)	26.2%
Total loss	(14,027)	(1,792)	682.8%
Other comprehensive (loss)/Income, net of tax:			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Currency translation differences arising from consolidation			
- (Loss)/Gain	(101)	243	
Shares of other comprehensive losses of associated companies	(1,012)	-	
<u>Item that will not be reclassified subsequently to profit or loss:</u>			
Revaluation gains on property, plant and equipment	148	-	
Shares of other comprehensive gains of associated companies	635	1,465	
Other comprehensive (loss)/income, net of tax	(330)	1,708	
Total comprehensive loss	(14,357)	(84)	
Total (loss)/profit attributable to:			
Equity holders of the Company	(12,671)	65	
Non-controlling interests	(1,356)	(1,857)	
	(14,027)	(1,792)	
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company	(12,917)	1,597	
Non-controlling interests	(1,440)	(1,681)	
	(14,357)	(84)	

1(a)(ii) The accompanying notes to the financial statements form an integral part of the financial statements

	30 Sep 2017	30 Sep 2016
	SS'000	SS'000
<i>Charging/(crediting):</i>		
Depreciation of property, plant and equipment	1,043	1,059
Allowance for impairment of trade and other receivables	69	59
Reversal of allowance for impairment of trade and other receivables	(23)	(100)
Fair value (gain)/loss on derivative financial instrument	(365)	1,323
Fair value loss on assets held for sale	5,818	129
Foreign exchange (gain)/loss - net	(68)	704
Employee compensation	4,015	4,238
Impairment loss on non-current other receivables	2,379	-
Impairment loss on investment in associated company	7,487	-
Provision for warranty claims	73	-
Gain on amortisation of interest-free payables	(2,221)	(36)
Loss on amortisation of non-current receivables	-	266
Loss on disposal of property, plant and equipment	-	12
Loss on disposal of investment in associated company	486	-
Inventories		
- Cost of inventories recognised as an expense (included in 'cost of sales')	10,886	9,680

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.

	<u>The Group</u>		<u>The Company</u>	
	30 Sep 2017	30 Sep 2016	30 Sep 2017	30 Sep 2016
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current Assets:</u>				
Cash and cash equivalents	3,278	7,524	66	165
Trade and other receivables	5,363	4,129	378	94
Amount due from subsidiary corporations	-	-	21,726	16,787
Inventories	4,621	4,151	-	-
Development properties	53,925	55,270	-	-
Total current assets	67,187	71,074	22,170	17,046
Assets held for sale	9,706	660	7,979	660
<u>Non-Current Assets:</u>				
Club membership	9	9	-	-
Investments in associated companies	12,533	36,416	10,305	18,948
Investment in joint venture company	2,112	2,038	-	-
Investments in subsidiary corporations	-	-	12,959	12,959
Property, plant and equipment	19,958	20,695	-	-
Other receivable	-	2,379	-	-
Derivative financial instrument	3,214	3,579	-	-
Deferred income tax assets	83	7	-	-
Total non-current assets	37,909	65,123	23,264	31,907
Total Assets	114,802	136,857	53,413	49,613
<u>Current Liabilities:</u>				
Trade and other payables	12,408	21,625	240	229
Amount due to subsidiary corporations	-	-	12,908	11,601
Borrowings	13,885	9,853	-	-
Hire Purchases	21	-	-	-
Provision for warranty claims	392	319	-	-
Current income tax liabilities	371	305	-	-
Total current liabilities	27,077	32,102	13,148	11,830
<u>Non-Current Liabilities</u>				
Long-term borrowing	12,347	25,847	-	-
Other payables	14,275	3,493	-	-
Hire Purchases	45	-	-	-
Total non-current liabilities	26,667	29,340	-	-
Total Liabilities	53,744	61,442	13,148	11,830
Net Assets	61,058	75,415	40,265	37,783
<u>Capital and Reserves attributable to equity holders of the Company</u>				
Share capital	32,315	32,315	32,315	32,315
Currency translation reserves	(11,134)	(10,097)	-	-
Revaluation reserves	12,281	13,393	-	-
Retained earnings	25,851	36,619	7,950	5,468
	59,313	72,230	40,265	37,783
Non-controlling interests	1,745	3,185	-	-
Total Equity	61,058	75,415	40,265	37,783

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

	As at 30/9/2017		As at 30/9/2016	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	13,906	-	9,853	-
Amount repayable after one year	12,392	-	25,847	-

The Group's borrowings are secured by land held for property development and corporate guarantees.

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.

	30 Sep 2017 S\$'000	30 Sep 2016 S\$'000
Cash flows from operating activities		
Total loss	(14,027)	(1,792)
Adjustments for:		
Depreciation of property, plant and equipment	1,043	1,059
Fair value (gain)/loss on derivative financial instrument	(365)	1,323
Fair value loss on assets held for sale	5,818	129
Loss on disposal of investment in associated company	486	-
Impairment loss on non-current other receivables	2,379	-
Impairment loss on investment in associated company	7,487	-
Income tax expense	270	214
Interest expense	2,499	1,682
Interest income	(34)	(38)
Provision for warranty	73	-
Gain on amortisation of interest-free payables	(2,221)	(36)
Loss on amortisation of non-current receivables	-	266
Loss on disposal of property, plant and equipment	-	12
Share of results of associated companies	(1,879)	(1,779)
Share of results of a joint venture company	99	113
Unrealised foreign exchange loss/(gain)	1,004	(846)
Operating cash flow before working capital changes	2,632	307
Change in working capital:		
Development properties	(51)	(299)
Inventories	(470)	9
Trade and other payables	(881)	(482)
Trade and other receivables	(967)	353
Cash generated from/(used in) operations	263	(112)
Income tax paid	(280)	(283)
Net cash used in operating activities	(17)	(395)
Cash flows from investing activities		
Purchase of property, plant and equipment	(213)	(282)
Proceeds from disposal of investments in associated company and assets held-for-sale	1,600	-
Investment in joint venture company	(183)	(2,149)
Investment in associated company	-	(4,136)
Dividends received from associated company	676	1,203
Interest received	34	38
Net cash provided by/(used in) investing activities	1,914	(5,326)
Cash flows from financing activities		
Increase in bills payable	894	1,467
Proceeds from related parties' borrowing	3,348	3,700
Repayment of bank borrowings	(9,340)	(2,973)
Deposit pledged	(21)	(57)
Interest paid	(1,562)	(2,041)
Net cash (used in)/provided by financing activities	(6,681)	96
Net decrease in cash and cash equivalents	(4,784)	(5,625)
Cash and cash equivalents at beginning of the financial year	6,722	12,295
Effects of currency translation on cash and cash equivalents	(92)	52
Cash and cash equivalents at end of the financial year	1,846	6,722

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.

Attributable to equity holders of the Company

	Share capital	Currency translation reserve	Revaluation Reserve	Retained earnings	Total	Non-controlling Interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
Balance as at 1 Oct 2016	32,315	(10,097)	13,393	36,619	72,230	3,185	75,415
Transfer to retained earning	-	-	(1,901)	1,901	-	-	-
Total comprehensive income/ (loss) for the financial year	-	(1,037)	789	(12,669)	(12,917)	(1,440)	(14,357)
Balance as at 30 Sep 2017	32,315	(11,134)	12,281	25,851	59,313	1,745	61,058

The Group							
Balance as at 1 Oct 2015	32,315	(11,063)	12,827	36,554	70,633	4,866	75,499
Total comprehensive income/ (loss) for the financial year	-	966	566	65	1,597	(1,681)	(84)
Balance as at 30 Sep 2016	32,315	(10,097)	13,393	36,619	72,230	3,185	75,415

Attributable to equity holders of the Company

	Share Capital	Retained earnings	Total
	S\$'000	S\$'000	S\$'000
The Company			
Balance as at 1 Oct 2016	32,315	5,468	37,783
Total comprehensive income for the financial year	-	2,482	2,482
Balance as at 30 Sep 2017	32,315	7,950	40,265

The Company			
Balance as at 1 Oct 2015	32,315	2,419	34,734
Total comprehensive income for the financial year	-	3,049	3,049
Balance as at 30 Sep 2016	32,315	5,468	37,783

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, 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 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.**

None. There were no shares held as treasury shares as at 30th September 2017.

- 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 September 2017, the total number of issued shares of the Company was 209,826,140 (As at 30 September 2016: 209,826,140).

- 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**

Not applicable.

- 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.

- 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.**

Save as disclosed in paragraph 5 below, the Company and the Group has applied the same accounting policies and methods of computation as in the Group's most recently audited financial statements for the financial year ended 30 September 2017.

Certain comparatives have been reclassified to conform with current year's presentation. The reclassification has no impact on the profit and loss accounts of the Company and the Group.

- 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 adoption of all new and revised Singapore Financial Reporting Standards did not result in significant changes in the Group's accounting policies.

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.

<u>Amount in cents</u>	The Group	
	<u>30 Sep 2017</u>	<u>30 Sep 2016</u>
(Loss)/Profit per ordinary share for the financial year reported on based on net (loss)/profit attributable to shareholders:		
(i) Based on the weighted average number of ordinary shares on issue	(6.03)	0.03
(ii) Based on a fully diluted basis	(6.03)	0.03

The earnings per share is calculated based on the group's net (loss)/profit attributable to the shareholders divided by the issued share capital of the Company of 209,826,140 shares.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

<u>Amount in cents</u>	The Group		The Company	
	<u>30 Sep 2017</u>	<u>30 Sep 2016</u>	<u>30 Sep 2017</u>	<u>30 Sep 2016</u>
Net asset value (NAV) attributable to the shareholders per ordinary share based on the issued share capital at the end of the financial year of 209,826,140	28.27	34.29	19.19	18.01

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) seasonal 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

The Group's revenue reported at \$19.3 million for the financial year ended 30 September 2017 ("FY2017"), a 14.7% increase from \$16.9 million as compared to the last financial year. The increase is mainly due to the Group entered into a new distributorship, Beko kitchen appliances, during FY 2017.

The Group's gross profit of \$8.0 million for FY 2017 is 17.3% higher than the gross profit of \$6.8 million as compared to FY 2016. The increase is in line with the increase in revenue.

Other losses of \$11.1 million in FY2017 is mainly due to

- (i) Fair Value Loss on Asset Held for Sale of \$5.8 million, as a result of portion investment in associated company, Fiamma Holdings Berhad ("Fiamma"), hold for resale revalued at market prices as at FY 2017
- (ii) Impairment Loss on Investment in Associated Company (Fiamma) due to (non-current) assets revalued at market prices as at FY 2017, amounting to \$7.5 million
- (iii) Loss on Disposal of Investment in Associated Company (Fiamma) during the year amounting to \$0.5 million

The losses are partially offset against

- (iv) Fair Value Gain on Derivative Financial Instrument of \$0.4 million
- (v) Gain on Amortization of interest-free payables of \$2.2 million

The increase in selling and distribution expenses to \$2.1 million in FY 2017 as compared to \$1.9 million in the last financial year is in line with increase in revenue.

The increase in administrative expenses of \$2.3 million is mainly contributed by Impairment Loss on Non-Current Other Receivable from an associate company in China, amounting to \$2.4 million.

The increase in finance cost of \$0.8 million is mainly due to increase in Amortised Interest on Interest-Free Payables as a result of reclassification of interest-free payables from current to non-current payables.

At the Group level, Total Comprehensive Loss of \$14.3 million was reported, as compared to the last financial year of \$0.01 million. The increase in losses by \$14.2 million is mainly contributed by Other losses of \$11.1 million and Impairment Loss on Non-Current Other Receivables of \$2.3 million.

At the Company level, Total Comprehensive Income of \$2.5 million was reported, as compared to the last financial year of \$3.0 million. The decrease of \$0.5 million in income is mainly due to decrease in dividend received from Fiamma by \$0.5 million, exchange loss of \$0.3 million partially offset by gain on disposal of investment held for resale of \$0.3 million.

Review of working capital, assets or liabilities

Trade and other receivables

Increase in trade and other receivables to \$5.3 million from \$4.1 million is due to increase in sales to more established departmental stores which are given a relatively longer credit term.

Inventories

Increase in Inventories to \$4.6 million from \$4.1 million is increase with increase in sales.

Asset held for sale

Increase in asset held for sale to \$9.7 million compared to \$0.6 million in prior year is mainly due to reclassification of asset from Investment in Associated Company of \$15.5 million less Fair value Loss on Assets Held for Sale of \$5.5 million. The proceeds from asset held for sale shall be used to settle bank borrowings repayable in one year.

Development properties

Decrease in development properties to \$53.9 million from \$55.3 million is mainly contributed by unrealised foreign exchange loss as result of depreciating Ringgit against our development properties which is denominated in Ringgit Malaysia.

Investment in associated companies

Investment in associated companies decreased by \$23.9 million is mainly due to disposal of shares of \$1.7 million during the year, reclassification of assets held for sale of \$15.5 million (less fair value loss of \$5.5 million), impairment loss of \$7.5 million, share of results of associated company amounting to \$1.9 million net off against dividend income received of \$0.6 million.

Trade and other payables

Increase in trade and other payables is mainly due to increase in amount due to related parties of \$3.3 million and increase in bill payables by \$0.9 million less gain on amortisation of interest-free payables (non-current) of \$2.2 million.

Bank borrowings

Decrease in bank borrowings is mainly due to repayment of \$9.3 million principal payment to the financial institutions.

Review of cashflows

The Group reported a net decrease in cash and cash equivalents which is mainly due to funds generated from investing and operating activities offset with net cash outflow from financing activities.

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

There was no forecast or prospect statement disclosed to the shareholders in the previous announcement.

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.

The external outlook of the global and regional economies remain clouded with significant downside risks. While we anticipate the addition of distribution rights for the Beko brand of products would improve our trading segment performance for the next reporting period, we are cautious to manage our operating costs closely amid the current challenging business environment. Nonetheless, the Group will remain focused on its long term vision in increasing its products range, developing new products and actively exploring new markets in Australia.

On the Property Development Segment, we are of the view that the property market in Malaysia remains sluggish. The progress of the property development will be adjusted in accordance to market situation.

11. Dividend

(a) Current Financial Period Reported On

No dividend was declared for the current financial period reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

No dividend was declared for the corresponding period of the immediate preceding financial year.

(c) Date Payable and Books Closure Date

Not applicable. No dividend was declared for the current financial period reported on.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR
ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

12. (a) Primary segment reporting – Business Segment

2017	Trading	Property Development	Unallocated	Total
	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE				
External sales	19,718	-	-	19,718
Inter-segment sales	(394)	-	-	(394)
Sales to external parties	19,324	-	-	19,324
RESULTS				
Segment result	2,065	2,111	(17,248)	(13,072)
Interest income	-	34	-	34
Share of results of associated company	-	-	1,879	1,879
Share of results of joint venture company	-	-	(99)	(99)
Interest expense	(80)	(2,419)	-	(2,499)
Loss before income tax				(13,757)
Income tax expenses				(270)
Net Loss				(14,027)
ASSETS				
Segment assets	27,938	61,935	24,929	114,802
Include:				
-Cash and cash equivalents			190	
-Other receivables –current			295	
-Investments in associated companies			12,533	
-Investments in a joint-venture company			2,112	
-Deferred income tax assets			84	
-Club membership			9	
-Asset held-for-sale			9,706	
LIABILITIES				
Segment liabilities	6,319	20,550	26,874	53,743
Include:				
-Bank borrowings			26,232	
-Income tax liabilities			371	
-Other payables			271	
OTHER				
Addition to investment in a joint venture company				183
Addition of property, plant and equipment	212	1	-	213
Depreciation	754	289	-	1,043

2016	Trading	Property Development	Unallocated	Total
	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE				
External sales	17,572	-	-	17,572
Inter-segment sales	(722)	-	-	(722)
Sales to external parties	16,850	-	-	16,850
RESULTS				
Segment result	1,091	(1,366)	(1,325)	(1,600)
Interest income	-	36	2	38
Share of results of associated company	-	-	1,779	1,779
Share of results of joint venture company	-	-	(113)	(113)
Interest expense	(104)	(1,578)	-	(1,682)
Loss before income tax				(1,578)
Income tax expenses				(214)
Net Loss				(1,792)
ASSETS				
Segment assets	28,799	66,236	41,822	136,857
Include:				
-Cash and cash equivalents			291	
-Other receivables -current			22	
-Other receivables -non-current			2,379	
-Investments in associated companies			36,416	
-Investments in a joint venture company			2,038	
-Deferred income tax assets			7	
-Club membership			9	
-Asset held-for-sale			660	
LIABILITIES				
Segment liabilities	5,972	19,216	36,254	61,442
Include:				
-Bank borrowings			35,700	
-Income tax liabilities			305	
-Other payables			249	
OTHER				
Addition to investment in an associated company	-	-	4,136	4,136
Addition to investment in a joint venture company			2,149	2,149
Addition of property, plant and equipment	166	116	-	282
Depreciation	746	313	-	1,059

12. (b) Secondary segment reporting – Geographical Segment

	Sales		Total assets	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
Singapore	18,705	15,603	35,504	28,952
Malaysia	-	-	77,300	105,284
Morocco	-	203	1,998	2,621
Other	619	1,044	-	-
	19,324	16,850	114,802	136,857

13. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Segment Reporting

Trading

Trading segment revenue and result for FY2017 increased by 14.7% and 89.3% respectively, as compared to the previous financial year.

Property Development

Property Development segment did not recognize any revenue for this financial year. Segment result reported a gain due to Fair Value Gain on Derivative Financial Instrument of \$0.3 million and Gain on amortization of interest-free payables of \$2.2 million less off operating expenses.

14. A breakdown of sales

<u>Group</u>	FY 2017	FY 2016	% Increase
	S\$'000	S\$'000	/(decrease)
(a) Sales reported for the first half year	8,920	8,260	8.0%
(b) Loss after tax before deducting minority interests reported for first half year	(259)	(1,158)	(77.6%)
(c) Sales reported for the second half year	10,404	8,590	21.1 %
(d) Loss after tax before deducting minority interests reported for second half year	(13,768)	(634)	2071.6%

15. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY 2017 (S\$'000)	FY 2016 (S\$'000)
Ordinary	-	-

16. Interested Person

Transactions Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)
Rental income received from Multicable Manufacturing (S) Pte Ltd	475
Purchase of home appliances from Arda (Zhejiang) Electric Co Ltd	576

17. Managerial Position

There is no person occupying a managerial position in the Company or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

On behalf of the board of directors

Lim Soo Kong
Chief Executive Officer

29 November 2017