

NON-DISCLOSEABLE TRANSACTION
PROPOSED JOINT VENTURE TO ACQUIRE TWO LOTS OF LAND IN MALAYSIA AND AN INTERESTED PERSON TRANSACTION

1. INTRODUCTION

The Board of Directors of the Casa Holdings Limited (the “Company”) and its subsidiary companies (the “Group”) wishes to announce that the Company has through its wholly owned subsidiary, Casa Property Holdings Pte Ltd (“JPHPL”), incorporate a Joint Venture Company (“JV Co”), VMD Development Sdn Bhd, together with VMD Pte Ltd (“VMDPL”). The JV Co is to act as an industrial property developer to acquire two pieces of land at Geran Mukim 919 Lot No 165 and Geran Mukim 684 Lot No.182 (the “Land”). The JV Co is part of the Group’s plan to diversify and to accumulate land bank for the Industrial Property Development Business.

The Land comprises two lots of lands, adjacent to each other, containing total area of 6.8914 hectares. The value of the Land is RM 16,319,253, being the value of the Consideration for the Land. The Consideration was determined on a willing-buyer-seller basis.

The equity participation of the Group and VMDPL is 50:50. The issued and paid up capital of the JV Co shall be RM 300,000.

The Company intends to fund the investment primarily through internal source.

2. RATIONAL FOR, AND BENEFIT OF, THE PROPOSED JOINT VENTURE

The Board, having considered the prospects of the Proposed Joint Venture, is of the view that the Proposed Joint Venture will provide additional source of revenue for the Group and is thus in the best interest of the Group.

3. CHAPTER 9 OF THE LISTING MANUAL

VMDPL is 50% owned by Mr Lim Soo Kong (“LSC”), the Chief Executive Officer and Executive Director of the Company and Mr. Lim Stefan Matthieu Shing Yuan (“LSY”), a Non-Executive Director of the Company. LSC and LSY are therefore considered to be an interested person as defined under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and the proposed Joint Venture constitutes an interested person transaction as defined under Chapter 9 of the Listing Manual.

The value of the JV amounts to approximately RM 9 million (SGD \$3 million) taking into account the Company’s equity participation, advances to and the proportionated corporate guarantees provided by the Company in respect to the loan. This constitutes 4.0% of the Group’s audited net tangible assets value as at 31 March 2015.

Pursuant to Rule 916 (2) of the Listing Manual, the Joint Venture between an issuer and an interested person is not required to comply with Rule 906 of the Listing Manual (in obtaining Shareholder approval) if:

- (a) The risks and rewards of the Joint Venture is in proportion to the equity participation of each joint venture partner;
- (b) The issuer confirms by an announcement that its audit Committee is of the view that the risks and rewards of the Joint Venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interest of the issuer and its minority shareholders; and
- (c) The interested person does not have an existing equity interest in the JV Co prior to the participation of the entity at risk in the Joint Venture.

In compliance with Rule 916(2)(b), the audit committee of the Company, having considered the terms and conditions of the proposed joint venture agreement, is of the view that the risks and rewards of the Proposed Joint ventures are in proportion to the equity of each joint venture partner and the terms of the proposed Joint Ventures are not prejudicial to the interests of the Company and its minority shareholders.

As the Proposed Joint Venture to be entered by the Company meet the requirements of Rule 916(2) of the Listing Manual, approval by the shareholders of the Company is not required for the Proposed Joint Ventures and the entry by the Company into the Proposed JVAs.

4. FINANCIAL EFFECTS

The Proposed Joint Venture is not expected to have any material financial impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 30 September 2016.

5. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above and for their respective shareholdings in the Company (if any), none of the Directors, and to the best of the Directors' knowledge, none of the controlling shareholders of the Company have an interest, direct or indirect, in the Proposed Joint Ventures.

By the Order of the Board
CASA Holdings Limited

Dr Low Seow Chay
Chairman of the Board

8 October 2015