

ANNOUNCEMENT OF QUALIFIED OPINION ON THE FINANCIAL STATEMENTS

The Board of Directors of Casa Holdings Limited (“the Company” and together with its subsidiaries, “the Group”) wishes to announce the following:

Background

Reference is made to the announcement of qualified opinion on 22 December 2023 and the announcement on the completion of the proposed disposal of the entire shareholding interest in Fiamma Holdings Berhad (“Fiamma”) on 19 September 2024.

Our Independent Auditor, CLA Global TS Public Accounting Corporation (“CLA Global TS” or the “Group Auditor”), was unable to obtain sufficient appropriate audit evidence to provide reasonable assurance as to whether the financial information of Fiamma, which have been equity accounted for in the consolidated financial statements of the Group for the financial year ended 30 September 2023, were free from material misstatement, whether due to fraud or error. This limitation of the audit was due to Fiamma’s change of its financial year end from 30 September to 31 December and that KPMG Malaysia, was not engaged by Fiamma to perform audit for the period ended 30 September 2023, which resulted in the qualified opinion on the Group’s audited financial statements for the financial year ended 30 September 2023.

Following that, the Group disposed of its entire shareholding interest in Fiamma which was completed and announced on 19 September 2024. The Board was of the view that the Proposed Disposal was in the best interest of the Group, taking into consideration that the Proposed Disposal presents an opportunity for the Group to realise investment gains and potentially reallocate capital to other investment opportunities that might arise.

For the audit of the financial statements ended 30 September 2024, our Group Auditor was unable to obtain sufficient appropriate audit evidence to provide reasonable assurance as to the financial information of Fiamma of the financial period beginning on 1 October 2023 to 19 September 2024 (the “disposal date”) and that UHY Malaysia (the “Component Auditor”) was not engaged by Fiamma to perform audit for the financial period.

Qualified Opinion

On 18 December 2024, CLA Global TS issued a qualified audit opinion on the Group audited financial statements as stated in their Independent Auditor’s Report:

“a. Opening Balances

In the prior financial year ended 30 September 2023, the Group accounted for its investment in an associated company, Fiamma Holdings Berhad (“Fiamma”), using the equity method. Fiamma is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad. On 20 March 2023, the Board of Directors of Fiamma approved a change in the financial year end from 30 September to 31 December. Following this change, the audited financial statements of Fiamma covered a 15-month period from 1 October 2022 to 31 December 2023, which differs from the Group’s financial year end.

We were unable to obtain sufficient appropriate audit evidence to provide reasonable assurance about whether the unaudited financial statements of Fiamma, which have been equity accounted for in the Group’s consolidated financial statements for the prior financial year ended 30 September 2023, were free from material misstatement, whether due to fraud or error.

Qualified Opinion (continued)

Consequently, we were unable to determine if adjustments, if any, were necessary for the share of Fiamma's net profit of \$2,779,000 and other comprehensive loss of \$1,596,000 recognised in the consolidated statement of comprehensive income for the prior financial year ended 30 September 2023, as well as the carrying amount of the investment in Fiamma, amounting to \$18,401,000, recognised in the consolidated statement of financial position of the Group as at 30 September 2023.

In view of the aforementioned qualified opinion on the consolidated financial statements for the prior financial year ended 30 September 2023 we were unable to perform any alternative audit procedures to obtain sufficient and appropriate audit evidence to determine whether adjustments, if any, were required to be made to the opening balances and whether there may be possible effects on the comparability of the current year's figures with the corresponding figures.

b. Disposal of investment in an associated company

On 19 September 2024 ("disposal date"), the Board of Directors of the Company announced the completion of the disposal of its entire shareholding of 74,889,900 shares, representing 14.12% of Fiamma's issued and paid-up share capital.

We were unable to obtain sufficient and appropriate audit evidence to provide reasonable assurance as to whether the unaudited financial information of Fiamma from the beginning of the financial year on 1 October 2023 to the disposal date, which has been equity accounted for in the Group's consolidated financial statements for the financial year ended 30 September 2024, is free from material misstatement, whether due to fraud or error. Consequently, we were unable to determine if adjustments, if any, were necessary for the share of Fiamma's net profit of \$1,037,000, other comprehensive income of \$1,992,000, and gain on disposal of investment in associated company of \$4,638,000 as recognised in the consolidated statement of comprehensive income for the financial year ended 30 September 2024."

Going Forward

Given that the subject investment had been disposed of during the Group's financial year ended on 30 September 2024, the impact arising from the shareholding in Fiamma which has a different financial year end, and the limitation of the Group Auditor to perform the audit have both been eliminated afterwards.

The qualified opinion on the financial statements for the financial year ended 30 September 2024 was mainly addressing the opening balances of the carrying amount of investment in Fiamma as well as current year Group's share of Fiamma's results and other comprehensive income as at the disposal date to which the Group Auditor was unable to obtain sufficient appropriate evidence to provide reasonable assurance.

The Board is confident that there will be no qualified audit opinion of a similar nature in the forthcoming financial years because the investment in Fiamma has been fully disposed of during the financial year ended 30 September 2024 where the investment has been derecognised and the corresponding financial impact has been recognised accordingly in the audited financial statements of the financial year ended 30 September 2024.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities. When in doubt, shareholders and potential investors are advised to seek independent advice from their bankers, stockbrokers, solicitors, or other professional advisers.

By order of the Board

Lim Soo Kong
Director and Chief Executive Officer

10 January 2025