



CASA HOLDINGS LIMITED

Company Registration No: 199406212

Full Year Financial Statement for the Year Ended 30 September 2014

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 2014 S\$'000	30 Sep 2013 S\$'000	+ / (-) %
Revenue	30,236	31,007	(3%)
Cost of sales	(18,250)	(19,141)	(5%)
Gross profit	11,986	11,866	1%
Other income	1,262	1,359	(7%)
Other (losses)/ gains - net	(1,683)	3,801	(144%)
Expenses			
- Selling and distribution expenses	(2,773)	(2,976)	(7%)
- Administrative and other operating expenses	(8,843)	(7,255)	22%
- Finance cost	(182)	(135)	35%
Share of loss of joint venture	-	(24)	(100%)
Share of profit of an associated company	4,036	3,530	14%
Profit before income tax	3,803	10,166	(63%)
Income tax expense	(722)	(676)	7%
Profit after income tax	3,081	9,490	(68%)
Other comprehensive income/(loss), net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Gains /(Losses)	296	(789)	
- Reclassification	-	(266)	
Share of other comprehensive losses of an associated company	-	(132)	
Revaluation reserves	11,805	-	
Other comprehensive income/(loss), net of tax	12,101	(1,187)	
Total comprehensive income for the year	15,182	8,303	
Net profit/(loss) attributable to:			
Equity holders of the Company	3,663	9,531	
Non-controlling interests	(582)	(41)	
	3,081	9,490	
Total comprehensive income/(losses) attributable to:			
Equity holders of the Company	15,503	8,334	
Non-controlling interests	(321)	(31)	
	15,182	8,303	

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

	30 Sep 2014	30 Sep 2013
	S\$'000	S\$'000
<i>Charging/(crediting):</i>		
Allowance for impairment of trade and other receivables	249	135
Reversal of allowance for impairment of trade and other receivables made in prior year	(99)	(161)
Reversal of allowance for impairment of investment in associated company	-	(3,555)
Depreciation of property, plant and equipment	614	555
Property, plant and equipment written off	163	-
Amortisation of land use rights	19	19
Gain on disposal of property, plant and equipment	(6)	(27)
Gain on disposal of financial assets at fair value through profit and loss	(8)	(151)
Gain on deemed disposal of a joint venture	(1,276)	-
Provision for warranty claims	215	217
Foreign exchange loss/(gain) – net	499	(16)
Fair value gain on investment properties	(156)	-
Fair value loss/(gain) on financial assets at fair value through profit and loss	10	(10)
Employee compensation	5,723	5,423
Impairment loss on goodwill	2,615	-
Inventories:		
- cost of inventories recognised as an expense (included in 'cost of sales')	17,617	18,621

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 2014 S\$'000	30 Sep 2013 S\$'000	30 Sep 2014 S\$'000	30 Sep 2013 S\$'000
<u>Current Assets:</u>				
Cash and cash equivalents	12,666	10,295	4,379	4,522
Financial assets, at fair value through profit or loss	-	82	-	82
Trade and other receivables	5,474	14,358	63	60
Amount due from subsidiaries	-	-	10,724	7,882
Inventories	7,148	7,695	-	-
Development properties	59,080	-	-	-
Total current assets	84,368	32,430	15,166	12,546
<u>Non-Current Assets:</u>				
Club membership	9	9	-	-
Investment in an associated company	31,587	28,929	14,452	14,452
Investment in joint venture	-	2,271	-	-
Investments in subsidiaries	-	-	12,959	14,229
Investment properties	789	-	789	-
Property, plant and equipment	26,357	11,445	-	393
Land use rights	843	862	-	-
Deferred tax assets	55	55	-	-
Total non-current assets	59,640	43,571	28,200	29,074
Total Assets	144,008	76,001	43,366	41,620
<u>Current Liabilities:</u>				
Trade and other payables	26,708	13,198	204	190
Amount due to subsidiaries	-	-	7,427	6,501
Borrowings	2,447	2,274	-	-
Provision for warranty claims	374	400	-	-
Current income tax liabilities	731	664	-	-
Total current liabilities	30,260	16,536	7,631	6,691
<u>Non-Current Liabilities</u>				
Long-term borrowing	32,713	-	-	-
Derivative financial instrument	300	-	-	-
Total non-current liabilities	33,013	-	-	-
Total Liabilities	63,273	16,536	7,631	6,691
Net Assets	80,735	59,465	35,735	34,929
<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	(4,489)	(4,705)	-	-
Revaluation reserves	14,020	2,396	-	-
Retained earnings	30,869	29,304	3,420	2,614
	72,715	59,310	35,735	34,929
Non-controlling interests	8,020	155	-	-
Total Equity	80,735	59,465	35,735	34,929

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

	As at 30/9/2014 (S\$'000)		As at 30/9/2013 (S\$'000)	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	2,447	-	2,274	-
Amount repayable after one year	32,713	-	-	-

The Group's borrowings are secured by land held for property development, leasehold buildings and land use rights 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 2014	30 Sep 2013
	S\$'000	S\$'000
Cash flows from operating activities		
Net profit	3,081	9,490
Adjustments for:		
Income tax expense	722	676
Amortisation and depreciation	633	574
Property, plant and equipment written off	163	-
Interest income	(39)	(66)
Interest expense	182	135
Dividend income	-	(59)
Share of results of joint venture	-	24
Share of results of an associated company, net of tax	(4,036)	(3,530)
Reversal of impairment loss for an associated company	-	(3,555)
Fair value loss / (gain) on financial assets at fair value through profit and loss	10	(10)
Fair value gain on investment properties	(156)	-
Gain on disposal of financial assets at fair value through profit and loss	(8)	(151)
Gain on disposal of property, plant and equipment	(6)	(27)
Gain on deemed disposal of a joint venture	(1,276)	-
Impairment loss on goodwill	2,615	-
Unrealised foreign exchange loss	463	58
Operating cash flow before working capital changes	2,348	3,559
Change in working capital:		
Inventories	1,149	(408)
Trade and other receivables	9,334	(1,319)
Trade and other payables and warranty provision	204	1,220
Development properties	(58,370)	-
Cash (used in)/ generated from operations	(45,335)	3,052
Income tax paid	(654)	(474)
Net cash (used in) / provided by operating activities	(45,989)	2,578
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,007)	(3,507)
Deposits for land held for property development	-	(5,561)
Proceeds from the sale of property, plant and equipment	17	27
Proceeds from sale of financial assets, at fair value through profit and loss	80	1,085
Acquisition of a subsidiary	(1,127)	-
Advances to joint venture	-	(898)
Dividends received from associated company	1,062	1,392
Dividends received from other investments	-	59
Interest received	39	66
Addition to investment properties	(240)	-
Net cash used in investing activities	(3,176)	(7,337)
Cash flows from financing activities		
Bills payable	(1,649)	2,022
Proceeds from related parties' borrowing	14,866	3,850
Repayment of bank borrowings	(2,274)	(1,943)
Proceeds from bank borrowings	35,456	2,274
Proceeds from capital contribution by non-controlling interests	8,186	-
Dividends paid to shareholders	(2,098)	(2,098)
Deposit pledged	(949)	148
Interest paid	(952)	(135)
Decrease in short- term deposits with more than 90 days maturity	-	2,505
Net cash provided by financing activities	50,586	6,623
Net increase in cash and cash equivalents	1,421	1,864
Cash and cash equivalents at beginning of the financial year	10,121	8,110
Effects of currency translation on cash and cash equivalents	1	147
Cash and cash equivalents at end of the financial year	11,543	10,121

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						Total equity
	Share capital	Currency translation reserve	Revaluation reserve	Retained earnings	Total	Non-controlling Interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
The Group							
Balance as at 1 Oct 2013	32,315	(4,705)	2,396	29,304	59,310	155	59,465
Total comprehensive income/ (loss) for the financial year	-	216	11,624	3,663	15,503	(321)	15,182
Dividend relating to 2013 paid	-	-	-	(2,098)	(2,098)	-	(2,098)
Capital contribution	-	-	-	-	-	8,186	8,186
Balance as at 30 Sep 2014	32,315	(4,489)	14,020	30,869	72,715	8,020	80,735

The Group							
Balance as at 1 Oct 2012	32,315	(3,640)	2,528	21,871	53,074	186	53,260
Total comprehensive (loss)/ income for the financial year	-	(1,065)	(132)	9,531	8,334	(31)	8,303
Dividend relating to 2012 paid	-	-	-	(2,098)	(2,098)	-	(2,098)
Balance as at 30 Sep 2013	32,315	(4,705)	2,396	29,304	59,310	155	59,465

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 2013	32,315	2,614	34,929
Total comprehensive income for the financial year	-	2,904	2,904
Dividend relating to 2013 paid	-	(2,098)	(2,098)
Balance as at 30 Sep 2014	32,315	3,420	35,735

The Company			
Balance as at 1 Oct 2012	32,315	(66)	32,249
Total comprehensive income for the financial year	-	4,778	4,778
Dividend relating to 2012 paid	-	(2,098)	(2,098)
Balance as at 30 Sep 2013	32,315	2,614	34,929

- 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 2014

- 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 2014, the total number of issued shares of the Company was 209,826,140 (As at 30 September 2013: 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 2013.

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.**

As at the end of the financial year, the Group has changed its policy on land and buildings from cost model to revaluation model. The Board considers the change will result in a more appropriate presentation of the value of the Group's assets. This change in accounting policy has been applied prospectively.

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.**

	The Group	
	<u>30 Sep 2014</u>	<u>30 Sep 2013</u>
<u>Amounts in cents</u>		
Profit per ordinary share for the period reported on based on net profit attributable to shareholders:		
(i) Based on the weighted average number of ordinary shares on issue	1.75	4.54
(ii) Based on a fully diluted basis	1.75	4.54

The earnings per share is calculated based on the group's net 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.**

	The Group		The Company	
	<u>30 Sep 2014</u>	<u>30 Sep 2013</u>	<u>30 Sep 2014</u>	<u>30 Sep 2013</u>
<u>Amounts in cents</u>				
Net asset value (NAV) per ordinary share based on the issued share capital at the end of the year				
	34.65	28.27	17.03	16.65

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**

Review of Group performance

The Group's revenue reported at S\$30.2 million for financial year ended 30 September 2014 ("FY2014"). There is no significant change in revenue as compared to the last financial year ended 30 September 2013 ("FY2013") of S\$31.0 million. The revenue is mainly contributed by trading segment.

The Group's gross profit for FY2014 is S\$12.0 million which is comparable to FY2013. The increase in gross profit margin is contributed by the trading segment.

Other losses of S\$1.7 million for FY2014 is mainly due to a impairment loss on goodwill less off a gain on deemed disposal on the shareholding interest in Uno Casa S.A.R.L. at Casablanca, Morocco. In FY2013, other gains of S\$3.8 million were mainly due to a reversal of allowance for impairment on investment in an associated company of S\$ 3.6 million.

Administrative and other operating expenses increased by S\$1.5 million from S\$7.3 million for FY2013 to S\$8.8 million for FY2014. This is mainly due to additional administrative expenses incurred for the new property development in Iskandar, and an increase in staff costs and property, plant and equipment written off.

Share of results of associated company increased by S\$0.5 million from S\$3.5 million for FY2013 to S\$4.0 million for FY2014 mainly due to an increase in profits from its property development segment.

As a result of the above, the Group's profit attributable to shareholders for FY2014 reported at S\$3.7 million as compared to S\$9.5 million for FY2013.

Review of working capital, assets or liabilities

Trade and other receivables

Decrease in trade and other receivables is mainly due to a decrease in deposit paid for land held for property development of S\$5.8 million in FY2013. The deposit is transferred to the Development Properties Accounts upon completion of the land acquisition transaction in the current financial year. In addition, there is a decrease in trade receivables of about S\$2.6 million as a result of improvements in collection from key project customers.

Development properties

Increase in development properties of S\$59.0 million is mainly due to acquisition of land held for property development in Iskandar.

Investment in an associated company

Investment in an associated company increased by S\$2.7 million is mainly due to share of results of associated company amounting to S\$4.0 million net off dividend income received of S\$1.1 million.

Investment in joint venture

Investment in joint venture decreased is due to the joint venture has become a subsidiary of the Group after a further acquisition of an additional 50% interest in the joint venture.

Property, plant and equipment

Property, plant and equipment increased mainly due to revaluation surplus and additional costs incurred for office premise set up in Iskandar for the property development business.

Trade and other payables

Increase in trade and other payables are mainly due to an increase in advances from related parties for the financing of property development business.

Bank borrowings

Increase in bank borrowings is mainly due to the financing of the property development business.

Review of cashflow

The Group reported a net increase in cash and cash equivalents is mainly due to funds generated from financing activities offset with net cash outflow from operating and investing activities. The net cash outflow from operating activities is mainly due to purchase of land for property development business.

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.

For our trading business in Singapore, prospects remain challenging due to a slowdown in the property market and the return of the Ariston distributorship to its principal. Nonetheless we are actively exploring opportunities to increase our product range in the Singapore market. We are also actively exploring opportunities to expand in other regional markets as well as enhancing our brand image in selective markets.

As for our property development business in Iskandar Malaysia, we are cautiously optimistic given the property cooling measures introduced by the Malaysia Government in the last quarter of 2013 and the increased competition from other developments. However, we believe that the fundamentals for property in Iskandar remain encouraging in the longer term given the increased connectivity with the proposed announcement of the high speed rail project from Singapore to Johor Bahru and Kuala Lumpur.

11. Dividend

(a) Current Financial Period Reported On

Proposed final dividend for the current financial period reported on is as followed:

Name of Dividend	Proposed Final Exempt (one-tier) Dividend
Dividend Type	Cash
Dividend Amount per ordinary share	1.00 cent

The proposed dividend has not been included in the financial statements.

(b) Corresponding Period of the Immediately Preceding Financial Year

Final tax exempt dividend of 1 cent per ordinary share was declared for the corresponding period of the immediate preceding financial year.

(c) Date Payable and Books Closure Date

Books closure date and the date of the dividend payable will be announced later.

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

2014	Trading	Manufacturing	Property Development	Other	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE					
External sales	23,696	6,570	-	-	30,266
Inter-segment sales	-	(30)	-	-	(30)
Sales to external parties	23,696	6,540	-	-	30,236
RESULTS					
Segment result	3,648	(1,358)	(629)	(412)	1,249
Interest income	-	7	32	-	39
Share of results of associated company	-	-	-	4,036	4,036
Gain on deemed disposal of a joint venture	-	-	-	1,276	1,276
Impairment loss on goodwill	-	-	-	(2,615)	(2,615)
Finance cost	-	-	-	-	(182)
Profit before income tax	-	-	-	-	3,803
Income tax expenses	-	-	-	-	(722)
Total Profit	-	-	-	-	3,081
ASSETS					
Segment assets	35,894	8,955	63,351	4,157	112,357
Associated company	-	-	-	31,587	31,587
Unallocated assets:					
Deferred tax asset	-	-	-	-	55
Club membership	-	-	-	-	9
Consolidated Total Assets	-	-	-	-	144,008
LIABILITIES					
Segment liabilities	4,809	3,189	19,175	209	27,382
Unallocated liabilities:					
Bank borrowings	-	-	-	-	35,160
Income tax liabilities	-	-	-	-	731
Consolidated Total Liabilities	-	-	-	-	63,273
OTHER					
Capital expenditure	176	78	2,810	-	3,064
Depreciation	427	168	19	-	614
Amortisation	-	19	-	-	19

12. (a) Primary segment reporting – Business Segment (continued)

2013	Trading	Manufacturing	Property Development	Other	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE					
External sales	23,780	7,241	-	-	31,021
Inter-segment sales	-	(14)	-	-	(14)
Sales to external parties	23,780	7,227	-	-	31,007
RESULTS					
Segment result	3,671	(70)	-	(425)	3,176
Interest income	3	12	-	51	66
Reversal of impairment on associated company	-	-	-	3,555	3,555
Share of results of associated company	-	-	-	3,529	3,529
Share of loss of joint venture	-	-	-	(24)	(24)
Finance cost					(135)
Profit before income tax					10,167
Income tax expenses					(677)
Total Profit					9,490
ASSETS					
Segment assets	25,913	7,855	5,865	5,022	44,655
Associated company	-	-	-	28,929	28,929
Joint Venture	-	-	-	2,271	2,271
Unallocated assets:					
Deferred tax asset					55
Club membership					9
Financial assets at fair value through profit or loss					82
Consolidated Total Assets					76,001
LIABILITIES					
Segment liabilities	8,511	2,367	2,396	324	13,598
Unallocated liabilities:					
Bank borrowings					2,274
Income tax liabilities					664
Consolidated Total Liabilities					16,536
OTHER					
Capital expenditure	3,500	7	-	-	3,507
Depreciation	365	190	-	-	555
Amortisation	-	19	-	-	19

12. (b) Secondary segment reporting – Geographical Segment

	Sales		Total assets	
	2014 S\$'000	2013 S\$'000	2014 S\$'000	2013 S\$'000
Singapore	22,128	22,292	33,747	30,506
Malaysia	-	-	98,296	34,556
China	6,540	7,227	8,955	8,668
Morocco	328	-	3,010	2,271
Other	1,240	1,488	-	-
	30,236	31,007	144,008	76,001

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

Revenue and segment profit for trading segment for FY2014 are comparable to FY2013.

Manufacturing

Revenue from manufacturing segment has decreased by S\$0.7 million from S\$7.2 million for FY2013 to S\$6.5 million for FY2014. The decrease is mainly due to loss of customers. As a results of the decrease in revenue and overall gross profit and increase in operating costs, the segment loss has increased from S\$70,000 for FY2013 to S\$1.4 million for FY2014.

Property Development

Property development segment has yet to launch its project thus no revenue is generated for this financial year. However, operating costs incurred contributed to segment loss of S\$0.6 million for FY2014.

14. A breakdown of sales

<u>Group</u>	FY 2014 S\$'000	FY 2013 S\$'000	% Increase /(decrease)
(a) Sales reported for the first half year	15,405	13,138	17%
(b) Profit after tax before deducting minority interests reported for first half year	2,300	2,565	(10%)
(c) Sales reported for the second half year	14,831	17,869	(17%)
(d) Profit after tax before deducting minority interests reported for second half year	781	6,925	(89%)

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

	FY 2014 (S\$'000)	FY 2013 (S\$'000)
Ordinary	2,098	2,098

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	383
Purchase of home appliances from Arda (Zhejiang) Electric Co Ltd	803
Purchase of building materials from Polybuilding (S) Pte Ltd	154

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

27 November 2014