



CASA HOLDINGS LIMITED
Company Registration No: 199406212

Financial Statement for Half Year Ended 31 March 2018

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 period

	31 Mar 2018 S\$'000	31 Mar 2017 S\$'000	+ / (-)%
Revenue	10,486	8,920	17.6%
Cost of sales	(5,963)	(5,159)	15.6%
Gross profit	<u>4,523</u>	<u>3,761</u>	20.3%
Other income	878	672	30.7%
Other gain - net	2,336	28	8,242.9%
Expenses			
- Selling and distribution	(1,249)	(973)	28.4%
- Administrative	(3,546)	(3,490)	1.6%
- Finance	(1,100)	(703)	56.5%
Share of profit of associated companies	610	647	(5.7%)
Share of loss of joint venture	(39)	(53)	(26.4%)
Profit/(loss) before income tax	<u>2,413</u>	<u>(111)</u>	NM
Income tax expense	(256)	(148)	73.0%
Net profit/(loss)	<u>2,157</u>	<u>(259)</u>	NM
Other comprehensive income/(loss), net of tax			
Currency translation differences arising from consolidation - gain/ (loss)	162	(726)	
Share of other comprehensive income/(loss) of associated company	1,213	(1,663)	
Other comprehensive income/(loss), net of tax	<u>1,375</u>	<u>(2,389)</u>	
Total comprehensive income/(loss)	<u>3,532</u>	<u>(2,648)</u>	
<u>Net income/(loss) attributable to:</u>			
Equity holders of the Company	<u>2,671</u>	<u>(3)</u>	
Non-controlling interests	(514)	(256)	
	<u>2,157</u>	<u>(259)</u>	
<u>Total comprehensive income/(loss) attributable to:</u>			
Equity holders of the Company	<u>3,951</u>	<u>(1,718)</u>	
Non-controlling interests	(419)	(930)	
	<u>3,532</u>	<u>(2,648)</u>	

NM - Not meaningful

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

	31 Mar 2018 S\$'000	31 Mar 2017 S\$'000
Charging/ (crediting):		
Other operating (income)/loss:		
- Interest income	(33)	(20)
- Rental income	(241)	(240)
- Service income	(560)	(400)
- Foreign exchange gain- net	(1,169)	(28)
- Gain on amortisation of non-current payables	(130)	-
- Gain on disposal of asset held-for-sale	(1,036)	-
Expenses:		
- Depreciation	537	522
- Employee compensation (including Directors' remuneration)	2,083	2,106
- Interest on borrowings	630	608
- Amortised interest on non-current payables	470	95

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>	
	31 Mar 2018	30 Sep 2017	31 Mar 2018	30 Sep 2017
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current assets</u>				
Cash and cash bank balances	12,243	3,278	7,862	66
Trade and other receivables	4,493	5,362	27,055	22,381
Inventories	4,252	4,621	-	-
Development properties	57,025	53,925	-	-
Assets held-for-sale	-	9,707	-	7,702
Total current assets	78,013	76,893	34,917	30,149
<u>Non-current assets</u>				
Club membership	9	9	-	-
Investments in associated companies	14,355	12,533	10,305	10,305
Investments in subsidiary corporations	-	-	12,959	12,959
Investments in joint venture company	2,352	2,112	-	-
Property, plant and equipment	19,764	19,958	-	-
Deferred income tax assets	84	83	-	-
Derivative financial instrument	1,890	3,213	-	-
Total non-current assets	38,454	37,908	23,264	23,264
Total assets	116,467	114,801	58,181	53,413
<u>Liabilities and shareholder's equity</u>				
<u>Current liabilities</u>				
Trade and other payables	13,588	12,409	11,731	13,148
Borrowings	17,473	13,906	-	-
Current income tax liabilities	470	371	-	-
Provisions	392	392	-	-
Total current liabilities	31,923	27,078	11,731	13,148
<u>Non-current liabilities</u>				
Borrowings	3,596	12,393	-	-
Other payables	16,142	14,114	-	-
Provisions	170	161	-	-
Total non-current liabilities	19,908	26,668	-	-
Total liabilities	51,831	53,746	11,731	13,148
Net assets	64,636	61,055	46,450	40,265
<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	(9,856)	(11,136)	-	-
Revaluation reserves	12,282	12,282	-	-
Retained profits	28,520	25,849	14,135	7,950
Equity attributable to equity holders of the Company	63,261	59,310	46,450	40,265
Non-controlling interests	1,375	1,745	-	-
	64,636	61,055	46,450	40,265

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

	As at 31 Mar 2018		As at 30 Sep 2017	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	17,473	-	13,906	-
Amount repayable after one year	3,596	-	12,393	-

The Group's borrowings are secured by certain bank deposits, 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

	31 Mar 2018 S\$'000	31 Mar 2017 S\$'000
Net profit/(loss)	2,157	(259)
Adjustment for:		
Depreciation	537	522
Income tax expense	256	148
Interest income	(33)	(20)
Interest expense	1,100	703
Share of profit of associated companies	(610)	(647)
Share of loss of joint venture	39	53
Gain on disposal of asset held-for-sale	(1,036)	-
Gain on amortisation of non-current payables	(130)	-
Unrealised currency translation gain	(513)	(437)
Operating cash flows before working capital changes	1,767	63
Inventories	369	(41)
Trade and other receivables	913	(337)
Trade and other payables	204	(449)
Development properties	(59)	(37)
Cash generated from/(used in) operations	3,194	(801)
Income tax paid	(157)	(157)
CASH FLOWS GENERATED FROM /(USED IN) OPERATING ACTIVITIES	3,037	(958)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property, plant and equipment	(110)	(58)
Proceeds from disposal of asset held for sale	10,743	-
Proceeds from disposal of property held for sale	-	363
Investment in joint venture	(292)	(107)
Interest received	33	20
CASH FLOWS GENERATED FROM INVESTING ACTIVITIES	10,374	218
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayment of borrowings	(4,720)	(4,156)
Proceeds from borrowings	243	-
Proceeds from related parties' borrowings	1,964	1,477
Proceeds from non-controlling shareholders	49	-
(Decrease)/increase in bills payable	(844)	435
Interest paid	(630)	(824)
Decrease/(increase) in bank deposits pledged	157	(10)
CASH FLOWS USED IN FINANCING ACTIVITIES	(3,781)	(3,078)
Net change in cash and bank balances	9,630	(3,818)
Cash and bank balances at the beginning of the financial period	1,654	6,722
Effects of exchange rate changes on cash and bank balances	123	(160)
Cash and bank balance at the end of the financial period	11,407	2,744
Represented by:		
Cash and bank balances	12,243	3,521
Less: Bank deposits pledged	(836)	(777)
	11,407	2,744

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 S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Currency translation reserve S\$'000	Revaluation reserve S\$'000	Retained profits S\$'000			
The Group							
Balance as at 1 Oct 2017	32,315	(11,136)	12,282	25,849	59,310	1,745	61,055
Total comprehensive income/(loss) for the financial period	-	1,280	-	2,671	3,951	(419)	3,532
Incorporation of a subsidiary	-	-	-	-	-	49	49
Balance as at 31 Mar 2018	32,315	(9,856)	12,282	28,520	63,261	1,375	64,636

The Group							
Balance as at 1 Oct 2016	32,315	(10,097)	13,393	36,619	72,230	3,185	75,415
Total comprehensive loss for the financial period	-	(1,715)	-	(3)	(1,718)	(930)	(2,648)
Balance as at 31 Mar 2017	32,315	(11,812)	13,393	36,616	70,512	2,255	72,767

	Attributable to equity holders of the Company				Total S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Currency translation reserve S\$'000	Revaluation reserve S\$'000	Retained profits S\$'000			
The Company							
Balance as at 1 Oct 2017	32,315	-	-	7,950	40,265	-	40,265
Total comprehensive income for the financial period	-	-	-	6,185	6,185	-	6,185
Balance as at 31 Mar 2018	32,315	-	-	14,135	46,450	-	46,450

The Company							
Balance as at 1 Oct 2016	32,315	-	-	5,468	37,783	-	37,783
Total comprehensive income for the financial period	-	-	-	1,389	1,389	-	1,389
Balance as at 31 Mar 2017	32,315	-	-	6,857	39,172	-	39,172

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 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.

Nil.

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

The total number of issued shares of the Company was 209,826,140 as at 31 March 2018 (30 September 2017: 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.

Yes. The Company and the Group have 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.

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 the 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.

The Group 31 Mar 2018 31 Mar 2017

Amounts in cents

Profit/(loss) per ordinary share for the period reported on based on net profit/(loss) attributable to shareholders:

(i) Based on the weighted average number of ordinary shares on issue	1.27	NM*
(ii) Based on a fully diluted basis	1.27	NM*

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

*Not Meaningful. Loss per ordinary shares is less than 0.01 cent per share as the loss for the period 31 Mar 2017 is approximately S\$3,000.

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>31 Mar 2018</u>	<u>30 Sep 2017</u>	<u>31 Mar 2018</u>	<u>30 Sep 2017</u>
<u>Amounts in cents</u>				
Net asset value (NAV) per ordinary share based on the issued share capital at the end of the period	30.15	28.27	22.14	19.19

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 Performance

The Group reported revenue of S\$10.5 million in the half year ended 31 March 2018 ("HY2018") as compared to S\$8.9 million in the half year ended 31 March 2017 ("HY 2017"), an increase of S\$1.6 million or 17.6%. The increase is due to contribution from Beko Home Appliances and increase in distribution outlets and distribution market for other brands.

Consistent with the increase in revenue, gross profit has also increased by 20.3%.

Other income increased by 30.7% or S\$0.2 million was mainly attributed to higher service income as a result of revision in service charges and increase in service job from Beko Home Appliances and Ferroli Water Heater.

Other gain of S\$2.3 million in HY2018 was pertaining to exchange gain of S\$1.2 million and gain on disposal of asset held for sale of S\$1.0 million upon completion of disposal of shares in Fiamma.

Selling and distribution expense increased by 28.4% or S\$0.3 million. The increase is in line with increase in revenue as well as increase in advertising and promotion expense.

Finance expense increased by 56.5% or S\$0.4 million mainly due to amortised interest arising from non-current payables.

Share of profit of associated companies decreased by 5.7% or S\$37,000 due to decrease in shareholdings in Fiamma Holdings Limited ("Fiamma") from 27.15% to 14.80% offset by increase in profit contributed by Fiamma as result of improved revenue.

As a result of the above, the Group reported profit before income tax of S\$2.4 million in HY2018 as compared to loss before tax of S\$0.1 million in HY2017. After taking into account of income tax expense and loss attributable to non-controlling interest, the Group reported a net profit attributable to equity holders of the Company of S\$2.7 million in HY2018 as compared to a net loss attributable to equity holders of the Company of S\$3,000 in HY2017.

Balance Sheet

Trade and other receivables

Trade and other receivables decreased by 16% due primarily to the substantial repayment by our major project customer as well as slowdown in project sales due to changes in government policy.

Development properties

The development properties refer to residential and commercial properties in Malaysia. The increase was mainly attributable to currency translation adjustment arising from the stronger Malaysian Ringgit against Singapore dollar.

Assets held-for-sale

Assets held-for-sale related to the disposal of 58 million ordinary shares in Fiamma that was completed during the financial period.

Investment in associated companies

Investment in associated companies increased by 14.5% mainly due to share of associated companies profit of S\$0.6 million and currency translation gain of S\$1.2 million arising from Fiamma.

Derivative financial instrument

Cross currency interest rate swap ("CCIRS) is transacted to hedge the Group's foreign currency borrowing. The derivative financial instrument asset/liability represents the fair value gain/loss made on the CCIRS.

Trade and other payables

The increase was mainly attributable to additional proceeds from related parties of S\$2.0 million and currency translation adjustment of S\$1.3 million arising from the stronger Malaysia Ringgit against Singapore Dollar.

Review of cashflow

Net cash flows generated from operating activities was S\$3.0 million for HY2018 as compared to a deficit in cash from operations in the previous corresponding period due to improved operating results and working capital inflow.

Net cash flows generated from investing activities was S\$10.4 million, attributed mainly to proceeds from the disposal of shares in Fiamma.

Net cash flows used in financing activities include repayment of borrowings/bills payable/interest expense of S\$6.2 million partially offset by proceeds from borrowings and related parties of S\$2.2 million.

Overall, the Group reported a net increase in cash and cash equivalents of S\$9.6 million. Cash and cash equivalents of the Group stood at S\$11.4 million as at end of HY2018.

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.

We are mindful of digital disruption and competition in the market, the trading segment performances for the next reporting period remain challenging. However, the Group remains cautiously optimistic in improving its sales and focuses on developing the new product ranges, build up its product brands and cultivate a new market in Australia.

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 immediately Preceding Financial Year.

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend was declared / recommended.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii).

If no IPT mandate has been obtained, please make a statement to that effect.

The Group has not obtained any IPT mandate during the period.

14. Confirmation Pursuant to the Rule 705(5) Of the SGX-ST Listing Manual

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge, nothing has come to the attention of the board directors which may render the interim financial results to be false or misleading, in any material aspect.

15. Confirmation Pursuant to the Rule 720(1) Of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set up in Appendix 7.7) pursuant to Rule 720(1) of the SGX-ST Listing Manual.

On Behalf of the board of directors

Lim Soo Chong
Chief Executive Officer

Stefan Matthieu Lim Shing Yuan
Director

15 May 2018