

RESPONSE TO SGX QUERIES REGARDING THE COMPANY'S FULL YEAR RESULTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

The Board of Directors of Casa Holdings Limited (the "Company" and together with its subsidiaries, the "Group") wishes to announce the following in response to queries raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") with respect to the Company's full year results for the financial year ended 30 September 2021.

Question 1

We refer to the Company's FY2021 full yearly results announced on 29 November 2021. We note that the Group has significant non-current other payables of \$30.1 million as at 30 September 2021. Please provide a breakdown of the significant items and elaborate on when the Group expects to repay these payables.

Company's response

The non-current other payables of \$30.1 million consist of loan from minority shareholders for their share of contribution to finance our Property Development Business Segment. It comprises:

- \$16.3 million loan from Mr Lim Soo Kong, our founding shareholder cum CEO/Director of the Company and his associated companies; and
- \$13.8 million loan from other local minority shareholders

The payables are unsecured, interest-free and have no fixed term of repayment.

Question 2

We note that the Group has held land at Teluk Jawa, Mukim of Plentong, Johor, Malaysia for many years as development property. We also note that the Company has explained that it foresees that its property development business in Johor will remain on hold until market conditions improve. Given that development has been halted for a significant period of time since FY2016, please provide an update of the status of the development of this land and elaborate further on the future plans for this land. Please also clarify whether there has been any recent valuation performed for this land, and if so, please disclose the market value indicated by such valuation.

Company's response

The Seventh Cove Development has been temporarily put on hold. The management may consider to re-launch this project when market sentiment improves. Again we will consider all options to unlock the value of the Teluk Jawa should opportunities arise. A valuation has been performed for this piece of land recently and the market value indicated by the valuer is approximately \$55.3 million.

Question 3

We note that the Company has explained that there was a significant increase in employee compensation of 29.4% as a result of business disruption due to covid-19. Please elaborate further on how such business disruption resulted in an increase in headcount and overtime charges given that the dealers' shops were not allowed to open and sales were negatively affected.

Company's response

Increase in head count due to recruitment of sales and marketing team to develop more brands and more staff returned to work from cross border as our dealers' shops are allowed to open.

Increase in overtime charges of essential services staff as customers are working from home during COVID-19 result in higher usage of home appliances and increase in demand for repair services.

Increase in staff bonus provision and sales incentive due to improvement in sales in 2021 as sales returned to pre-COVID 19 level and challenges in staff retention and recruitment due to disruption in labour supply caused by COVID-19.

By order of the Board

Lim Soo Kong
Executive Director and Chief Executive Officer

Date: 6 December 2021