



29 April 2022

Company Announcements Office
ASX Limited
Sydney, NSW
Australia

CAQ Holdings Limited March 2022 Quarter Activities Report

Operations Review

CAQ Holding Limited ("CAQ" or "the Company") property leasing business remained steady in March 2022 Quarter. Leasing revenue totalled RMB3.60 million during the March 2022 Quarter, slightly up from RMB3.52 in the December 2021 Quarter, representing a increase of approximately 2%.

The refurbishment of the exhibition centre was completed in December 2021 with all approval certificates and licences obtained. All systems were under testing and defects were being ratified by the contractor. By the end of March 2022, over 90% of were with the balance of works completed by the end of April .

The existing vacancy (including areas subject to negotiation) rate being:

Warehouse (41,750m ²)	12%	(11% in December 2021)
Factories (17,784m ²)	58%	(58% in December 2021)
Exhibition Centre*	100%	(100% in December 2021)
Administrative Building	55%	(55% in December 2021)

(*) exhibition Centre redevelopment completed at end of April.

Work is continuing on securing new tenants for all areas with a number of contracts under negotiation. Existing factory tenants have reserved, but not yet confirmed, an interest in the lease of the remaining untenanted Factory space.

No new tenancy agreements were agreed on the lease of the Exhibition Centre during the Quarter, as the Exhibition Centre had not been delivered for tenant's decoration. The refurbishment being incomplete in the Quarter. COVID-19 restrictions have cause business interruptions with limitations on travel inhibiting progress to effect the leasing of the Exhibition Centre.

During the March 2022 Quarter CAQ's receipts from customers was \$761k (RMB3.50 million) which was up 12% on the December 2021 Quarter of \$678k (RMB3.29 million).

The operations of Kingmall JV were scaled down to a minimum level due to challenging trading conditions which prevailed during the March Quarter. During the Quarter CAQ agreed with its joint venture partner terms a Sale of CAQ's joint venture 45% interest in the Kingmall JV to its partner. Final terms of the agreement were reached in late March leading to the Company disposing its entire interest for a consideration of \$704k (RMB3.24 million). The carrying value of CAQ's interest in the Kingmall Joint Venture is \$530K. On 1 April 2022, the Company received 80% of the consideration, being approximately \$563k (RMB2.59 million). The remaining 20%, being approximately \$141k (RMB0.65 million), is to be received upon the completion of an update to the business registration in respect of shareholding with the government authority, which is expected to occur in early May 2022.

CAQ Holdings Limited (ACN 091 687 740)

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Financial

At the end of the Quarter the Group had cash at bank of \$0.418m.

Payments of directors fees to director related parties and their associates during the quarter totalled \$33k.

Ends

This announcement has been authorised for release to ASX by Mr Michael Siu, Director, on behalf of the Board of Directors.

For further information contact:

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