



29 April 2021

Company Announcements Office  
ASX Limited  
Sydney, NSW  
Australia

## **CAQ Holdings Limited March 2021 Quarter Activities Report**

### **Operations Review**

CAQ Holdings Limited (CAQ) showed continuing growth in commercial retail operations with leasing activities remained steady in the March 2021 Quarter.

Sales from the Kingmall Joint Venture continued an upward trend. Sales have increased by approximately 56% quarter on quarter after a new outlet and a new consignment outlet were opened by the Kingmall Joint Venture in the March 2021 Quarter.

During the March 2021 Quarter, the total sales from the Kingmall operation reached RMB5.56 million, up from RMB3.56 million in the December 2020 Quarter, representing an increase of approximately 56%.

The property leasing business remained steady in the March 2021 Quarter. Leasing revenue totalled RMB3.5 million during the March 2021 Quarter, up from RMB 2.9m in the December 2020 Quarter, representing an increase of approximately 21%. Refurbishment of the exhibition centre is expected to be completed in May 2021 and after which it is expected the occupancy of our assets will increase in the coming periods.

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

Warehouse (41,750m <sup>2</sup> )	0%	(0.8% in December 2020)
Factories (17,784m <sup>2</sup> )	70%	(67% in December 2020)
Exhibition Centre	100%	(100% in December 2020)
Administrative Building	56%	(57% in December 2020)

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.

During the March 2021 Quarter CAQ's operating revenue was \$634k (RMB3.18 million) which was slightly reduced from \$646K (RMB3.08 million) of the December 2020 quarter due to the appreciation in RMB during the quarter. The AUD vs RMB has changed from 0.2099 in December 2020 to 0.1996 in March 2021.

The Exhibition Centre, after renovation, was scheduled to open in the mid-May 2021 and start generating income starting from the second quarter of 2021. The planned opening timeline has not been achieved with work now scheduled to be completed in May 2021, subject to the time of the final certification work to be performed by the local government bureaus. The total floor area of the Exhibition Centre is 22,441.96 sqm. After the opening the Exhibition Centre, diamond and jewellery retailers will open outlets which is expected to lead to an increase in demand of office areas and warehouse space, thereby benefiting the Group's associated infrastructure assets.

**Financial**

At the end of the Quarter the Group had cash at bank of \$0.429m and a undrawn line of credit of \$1.9m.

**Ends**

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

For further information contact:

Mark Maine  
Company Secretary  
+61 416107244