



CAQ HOLDINGS LIMITED

HAIKOU PROJECT – CONSTRUCTION AND FIT OUT UPDATE

The construction of the exhibition centre, the three factories, the office building and three warehouses have now been completed. The construction of the fourth warehouse (Warehouse D) has been delayed by a month due to the delays in the completion of the capital raising under the Supplementary Prospectus dated 16 February 2015. Fit out of the interior spaces of the buildings is anticipated to be completed late August 2015, with a targeted date for opening of early October 2015.

HAIKOU PROJECT – LEASE COMMITMENT UPDATE

Lease Commitments

Haikou Peace Base Industry Company Limited (HPB) has signed several lease agreements for the office building and factories. HPB has signed several lease agreements for portions of the warehouses and exhibition centre.

A summary of the approximate lease commitments is as follows:

Building	Approximate Total Built Up Area (m ²)	Approximate Area of Lease Commitment Obtained (m ²)	Approximate Area of Lease Under Negotiations (m ²)	Approximate Area Vacant (m ²)
Commercial and Administrative Space	6,080	6,080	-	-
Factory Space	17,887	17,887	-	-
Warehouses	41,115	20,000	-	21,115
Exhibition Centre	22,083	10,000	-	12,083
Total	87,164	48,967	-	33,198