MARY CHIA
HOLDINGS LIMITED
(Incorporated in Singapore with Unique Entity No.: 200907634N)
SGX Stock Code: 5OX

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD AND FINANCIAL YEAR ENDED 31 MARCH 2022

In view of the qualified opinion issued by the Company's independent auditors, Foo Kon Tan LLP, on the audited financial statements of the Group for the financial year ended 31 March 2021, the Company is required by the Singapore Exchange Securities Trading Limited to announce its quarterly financial statements pursuant to Catalist Rule 705.

Contents

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	GROUP 12 months ended 31 March 2022 $'000	GROUP 12 months ended 31 March 2021 $'000	Variance %	GROUP 3 months ended 31 March 2022 $'000	GROUP 3 months ended 31 March 2021 $'000	Variance %
Revenue	4	12,481	9,342	34	3,282	4,338	(24)
Other operating income		1,786	2,574	(31)	607	834	(27)
Purchases and related costs		(2,205)	(1,170)	88	(488)	(649)	(25)
Changes in inventories		(45)	(107)	(58)	(263)	(73)	>100
Depreciation of plant and equipment		(459)	(179)	>100	(128)	(60)	>100
Depreciation of right-of-use assets		(1,986)	(988)	>100	(502)	(585)	(14)
Staff cost		(7,144)	(5,013)	43	(1,524)	(2,140)	(29)
Operating lease expenses		(372)	(150)	>100	(132)	(56)	>100
Other operating expenses		(2,878)	(2,380)	21	(1,175)	(841)	40
Finance cost		(465)	(412)	13	(105)	(105)	-
(Loss)/Profit before income tax		**(1,287)**	**1,517**	N.M.	**(428)**	**663**	N.M.
Income tax expense		(2)	(74)	(97)	(2)	27	N.M.
(Loss)/Profit for the financial period		**(1,289)**	**1,443**	N.M.	**(430)**	**690**	N.M.
Other comprehensive income for the year, net of tax							
Items that may be reclassified subsequently to profit or loss:							
Exchange differences on translation of foreign operations		22	71	(69)	21	59	(64)
Other comprehensive income for the period, net of tax		22	71	(69)	21	59	(64)
Total comprehensive (loss)/income for the period		(1,267)	1,514	N.M.	(409)	749	N.M.
(Loss)/Profit attributable to:							
Equity holders of the Company		(1,178)	1,951	N.M.	(409)	1,225	N.M.
Non-controlling interests		(111)	(508)	(78)	(21)	(535)	(96)
		(1,289)	1,443	N.M.	(430)	690	N.M.
Total comprehensive (loss)/income attributable to:							
Equity holders of the Company		(1,156)	2,022	N.M.	(388)	1,284	N.M.
Non-controlling interests		(111)	(508)	(78)	(21)	(535)	(96)
		(1,267)	1,514	N.M.	(409)	749	N.M.

(Loss)/Earnings per share for loss for the period attributable to the owners of the Company during the year:

	12 months 2022	12 months 2021	3 months 2022	3 months 2021
Weighted average number of ordinary shares	229,544,130	195,709,751	232,172,215	195,709,751
- Basic (LPS)/EPS (Cents)	(0.51)	1.00	(0.18)	0.55
- Diluted (LPS)/EPS (Cents)	(0.51)	1.00	(0.18)	0.55

N.M.: not meaningful

B. Condensed interim consolidated statements of financial position

		Group		Company	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Note	$'000	$'000	$'000	$'000
ASSETS					
Non-Current Assets					
Plant and equipment	10	1,347	1,215	-	2
Right-of-use assets	8	2,963	3,254	-	-
Intangible assets	9	90	126	-	-
Derivative financial instruments		320	320	-	-
Goodwill	9.1	2,586	2,586	-	-
Deferred tax assets		351	351	-	-
Investment in subsidiaries		-	-	2,507	2,507
		7,657	**7,852**	**2,507**	**2,509**
Current Assets					
Inventories		546	823	-	-
Trade and other receivables		1,018	1,120	8,406	7,717
Other assets		1,292	1,258	19	24
Cash and cash equivalents		1,301	1,562	130	96
		4,157	**4,763**	**8,555**	**7,837**
Total Assets		**11,814**	**12,615**	**11,062**	**10,346**
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	12	11,944	11,601	11,944	11,601
Reserves		(17,813)	(16,657)	(13,959)	(13,682)
Non-controlling interests		336	447	-	-
Total Equity		**(5,533)**	**(4,609)**	**(2,015)**	**(2,081)**
Non-Current Liabilities					
Lease liabilities	11	2,400	3,426	-	-
Borrowings	11	179	368	-	-
Deferred tax liabilities		299	299	-	-
Provision		143	199	-	-
		3,021	**4,292**	**-**	**-**
Current Liabilities					
Trade and other payables		6,811	6,145	12,410	11,416
Deferred consideration payable		667	1,011	667	1,011
Borrowings	11	1,013	342	-	-
Lease liabilities	11	3,075	3,260	-	-
Contract liabilities		2,329	1,637	-	-
Provision		355	355	-	-
Current tax liabilities		76	182	-	-
		14,326	**12,932**	**13,077**	**12,427**
Total Liabilities		**17,347**	**17,224**	**13,077**	**12,427**
Total Equity and Liabilities		**11,814**	**12,615**	**11,062**	**10,346**

C. Condensed interim consolidated statements of changes in equity

The Group

	Attributable to equity holders of the Group							
	Share Capital $'000	Merger Reserve $'000	Capital Reserve $'000	Foreign Currency Translation Reserve $'000	Accumulated Losses $'000	Atrributable to owners of the Company $'000	Non-controlling interest $'000	Total Equity $'000
2022								
Balance as at 1 April 2021	11,601	(927)	(184)	(240)	(15,306)	(5,056)	447	(4,609)
Loss for the period	-	-	-	-	(1,178)	(1,178)	(111)	(1,289)
Other comprehensive losses								
- Foreign currency translation differences	-	-	-	22	-	22	-	22
Total comprehensive loss for the financial period	-	-	-	22	(1,178)	(1,156)	(111)	(1,267)
Issuance of shares	343	-	-	-	-	343	-	343
Balance as at 31 March 2022	11,944	(927)	(184)	(218)	(16,484)	(5,869)	336	(5,533)

	Share Capital $'000	Merger Reserve $'000	Capital Reserve $'000	Foreign Currency Translation Reserve $'000	Accumulated Losses $'000	Atrributable to owners of the Company $'000	Non-controlling interest $'000	Total Equity $'000
2021								
Balance as at 1 April 2020	6,878	(927)	(399)	(311)	(17,257)	(12,016)	1,038	(10,978)
Profit for the period	-	-	-	-	1,951	1,951	(508)	1,443
Other comprehensive income								
- Foreign currency translation differences	-	-	-	71	-	71	-	71
Total comprehensive income for the financial period	-	-	-	71	1,951	2,022	(508)	1,514
Issuance of shares pursuant to:		-	-	-	-	-	-	-
- Share placement	800	-	-	-	-	800	-	800
- Business combinations	659	-	-	-	-	659	-	659
- Debt conversion	3,264	-	215	-	-	3,479	-	3,479
Non-controlling interests arising from business combinations	-	-	-	-	-	-	(83)	(83)
Total transactions with owners, recognised directly in equity	4,723	-	215	-	-	4,938	(83)	4,855
Balance as at 31 March 2021	11,601	(927)	(184)	(240)	(15,306)	(5,056)	447	(4,609)

C. Condensed interim consolidated statements of changes in equity (Cont'd)

The Company

	Attributable to equity holders of the Company			
	Share Capital	Capital Reserve	Accumulated Losses	Total
2022	**$'000**	**$'000**	**$'000**	**$'000**
Balance as at 1 April 2021	11,601	215	(13,897)	(2,081)
Loss for the period	-	-	(277)	(277)
Total comprehensive loss for the financial period	-	-	(277)	(277)
Issuance of shares	343	-	-	343
Balance as at 31 March 2022	11,944	215	(14,174)	(2,015)

	Share Capital	Capital Reserve	Accumulated Losses	Total
	$'000	**$'000**	**$'000**	**$'000**
2021				
Balance as at 1 April 2020	6,878	-	(9,339)	(2,461)
Loss for the year	-	-	(4,558)	(4,558)
Total comprehensive loss for the financial period	-	-	(4,558)	(4,558)
Issuance of shares pursuant to:	-	-	-	-
- Share placement	800	-	-	800
- Business combinations	659	-	-	659
- Debt conversion	3,264	215	-	3,479
Balance as at 31 March 2021	11,601	215	(13,897)	(2,081)

D. Condensed interim consolidated statement of cash flows

		Group	
		12 months ended 31 March 2022	12 months ended 31 March 2021
	Note	$'000	$'000
Cash Flows from Operating Activities			
(Loss)/Profit before taxation		**(1,287)**	**1,517**
Adjustments for:			
Depreciation of plant and equipment		459	179
Depreciation of right-of-use assets		1,986	988
Fair value changes in call option		-	(69)
Amortisation of intangible assets	9	36	12
Finance cost	6	465	412
Plant and equipment written off		-	26
Inventory written off		24	-
Right-of-use assets written off		163	-
Lease liabilities written off		(168)	-
Impairment loss on plant and equipment		168	119
Impairment loss on right-of-use assets		-	55
Gain on disposal of right-of-use assets		-	(1)
Gain on disposal of plant and equipment		-	(2)
Gain on loan to share conversion		-	(346)
Interest income		-	(42)
Tax expenses		(2)	-
Operating profit before working capital changes		**1,844**	**2,848**
Change in inventories		253	(91)
Change in trade, other receivables and other assets		68	60
Change in trade, other payables and contract liabilities		1,118	262
Cash generated from operations		**3,283**	**3,079**
Interest received		-	42
Income tax paid		(106)	(98)
Net cash generated from operating activities		**3,177**	**3,023**
Cash Flows from Investing Activities			
Acquisition of plant and equipment	10	(747)	(1,176)
Acquisition of a subsidiary, net of cash acquired		-	(295)
Proceeds from disposal of plant and equipment		-	21
Net cash used in investing activities		**(747)**	**(1,450)**
Cash Flows from Financing Activities			
Proceeds from issuance of ordinary shares		-	800
Proceeds from borrowings	11	822	100
Repayment of borrowings	11	(341)	(83)
Repayment of lease liabilities	11	(2,739)	(2,405)
Interest paid		(433)	(170)
Net cash used in financing activities		**(2,691)**	**(1,758)**
Net changes in cash cand cash equivalents		(261)	(185)
Cash and cash equivalents at beginning of period		942	1,127
Cash and cash equivalents at end of period		**681**	**942**
Cash and cash equivalents		1,301	1,562
Restricted cash		(620)	(620)
		681	**942**

E. Notes to the condensed interim consolidated financial statements

These notes form an integral part of the condensed interim consolidated financial statements.

1. Corporate information

Mary Chia Holdings Limited (the "**Company**") is incorporated and domiciled in Singapore and which shares are publicly trade on Catalist of the Singapore Exchange. These condensed interim consolidated financial statements for the three months and financial year ended 31 March 2022 comprise the Company and its subsidiaries (collectively, the "**Group**"). The primary activity of the Company is investment holding.

The principal activities of the Group are:

(a) Provision of lifestyle and wellness treatment services (including slimming, skin care and hair care centres); and
(b) Retail sale of cosmetics and toiletries and direct selling of skincare and health supplements.

2. Basic of Preparation

The condensed interim financial statements for the three months and financial year ended 31 March 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 March 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

<u>Going concern</u>
The Group recorded a net loss and total comprehensive loss of $1,289,000 and $1,267,000 (FY21 net profit and total comprehensive income - $1,443,000 and $1,514,000) and reported a net operating cash inflows of $3,177,000 (FY21 - $3,023,000) for the financial year ended 31 March 2022. As at 31 March 2022, the Group's current liabilities exceeded its current assets by $10,169,000 (as at 31 March 2021 - $8,169,000) and the Group had a deficit in equity of $5,533,000 (as at 31 March 2021 - $4,609,000).

As at 31 March 2022, the Company's current liabilities exceeded its current assets by $4,522,000 (as at 31 March 2021 - $4,590,000) and the Company had a deficit in equity of $2,015,000 (as at 31 March 2021 - $2,081,000).

As at 31 March 2022, the Group's current liabilities included contract liabilities related to non-refundable payments received in advance from customers amounting to $2,329,000 (as at 31 March 2021 - $1,637,000). Excluding this amount, the Group's current liabilities would be $11,997,000 (as at 31 March 2021 - $11,295,000) compared to current assets of $4,157,000 (as at 31 March 2021 - $4,763,000) as at 31 March 2022.

Notwithstanding the above, management believes that the Group and the Company will have sufficient resources to continue in operation for the foreseeable future, taking into consideration the Company's controlling shareholder has given an undertaking to provide financial support to the Group and the

Company for the next 12 months from the date of the letter of undertaking (8 July 2022) to operate without any curtailment of operations.

Accordingly, the management considers it appropriate that these condensed interim consolidated financial statements are prepared on a going concern basis.

2.1 New and amended standards adopted by the Group

On 1 April 2021, the Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations ("**SFRS(I) INT**") and amendments to SFRS(I), effective for the current financial year that are relevant to them. The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods, as discussed below:

Reference	**Description**	**Effective date (Annual periods beginning on or after)**
Amendments to SFRS(I) 16	COVID-19 Related Rent Concessions	1 June 2020
Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16	Interest Rate Benchmark Reform – Phase 2	1 January 2021

2.2 Use of judgements and estimates

The preparation of the condensed interim consolidated financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future periods affected.

The critical accounting estimates and assumptions used and areas involving a significant judgement are described below.

Significant judgements in applying accounting policies

Income tax

The Group has exposure to income taxes in various jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Determination of the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. For leases of office premises and service outlets, the Group considers factors including historical lease durations and the costs and business disruption required to replace the leased asset.

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Determination of operating segments

Management will first identify the Chief Operating Decision Maker ("CODM"). Then it should identify their business activities (which may not necessarily earn revenue or incur expenses). Management will further determine whether discrete financial information is available for the business activities and whether that information is regularly reviewed by the CODM. Judgement is applied by management of the aggregation criteria to operating segments.

Critical accounting estimates and assumptions used in applying accounting policies

Impairment tests for cash-generating units containing goodwill

Goodwill is allocated to the Group's cash-generating units ("CGU") as follows:

	31 March 2022	31 March 2021
	$'000	$'000
Goodwill:		
Monsoon Hairdressing Group	**2,586**	**2,586**

The carrying amounts of goodwill attributable to the Monsoon Hairdressing Group's cash-generating unit ("Monsoon CGU") comprise:
• Monsoon Hair House Pte. Ltd.
• M Nature Pte. Ltd.
• M Plus Hair Pte. Ltd.
• Hatsuga Enterprise Pte. Ltd.
• Starting Line Trading Pte. Ltd.

The recoverable amount of a CGU is determined based on the higher of fair value less cost to sell ("FVLCTS") and value-in-use ("VIU") calculations. The VIU calculations use cash flow projections based on financial budgets prepared by management covering a five-year period each for Monsoon CGU, and a five-year period with terminal value.

The key assumptions for the value-in-use calculations are those regarding the discount rates, revenue growth rates, terminal growth rate and gross profit margin for the forecasted periods. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The revenue growth rates are estimated based on historical growth of respective CGUs and the long-term average growth rate of Singapore's Consumer Price Index ("CPI"). Gross profit margin is based on past practices and expectations of future market changes.

A change in the parameters used in the analysis of each CGU would result in a different VIU.

The carrying amount of goodwill as at 31 March 2022 and 31 March 2021 amounted to $2,586,000.

Allowance for expected credit loss ("ECL") of trade and other receivables
Allowance for ECL of trade and other receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the ECL calculation, based on the Group's past collection history, existing market conditions as well as forward looking estimates at each reporting date. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Possible default events over the expected life of a financial instrument whereas 12-month ECL represents the portion of lifetime ECL expected to result from default events possible within twelve months after the reporting date.

Depreciation of plant and equipment, right-of-use assets and intangible assets
The Group reviews the estimated useful lives of plant and equipment and right-of- use assets at the end of each annual reporting period. Changes in the expected level and future usage can impact the economic useful lives of these assets with consequential impact on the future depreciation charge. A reduction in the estimated useful lives of these non-financial assets would increase depreciation expense and decrease non-current assets.

Impairment of plant and equipment, right-of-use assets and intangible assets
The carrying amounts of the plant and equipment, right-of-use assets and intangible assets are reviewed at the end of each reporting period to determine whether there is any indication that those plant and equipment and right-of-use assets have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated. The carrying amount is reduced to the estimated recoverable amount, if lower.

The recoverable amounts of these assets and, where applicable, cash-generating units, have been determined based on value-in-use calculations. These calculations require the use of estimates. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit (or group of cash-generating units) and also to use many estimates and assumptions such as future market growth, forecast revenue and costs, useful lives of utilisation of the assets, discount rates and other factors.

A decrease in the value-in-use of these non-financial assets would decrease the Group's profit.

Impairment of investments in subsidiaries
Determining whether investments in subsidiaries are impaired requires an estimation of the value-in-use of the investments. The value-in-use calculation requires the Company to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows.

At the reporting date, the carrying amounts of investments in subsidiaries are $2,507,000 (2021 - $2,507,000). Management has evaluated the recoverability of the investment based on such estimates. A decrease in the present value of estimated future cash flows will increase the allowance for impairment of investments in subsidiaries.

Allowance for inventory obsolescence
The Group reviews the aging analysis of inventories at each reporting date and makes provision for obsolete and slow-moving inventory items identified that are no longer suitable for sale. The net realisable value for such inventories is estimated based primarily on the latest invoice prices and current market conditions. Possible changes in these estimates could result in revisions to the valuation of inventories.

A decrease in the net realisable values of the inventory will decrease the Group's profit.

Estimation of the incremental borrowing rate ("IBR")
For the purpose of calculating the right-of-use asset and lease liability, an entity applies the interest rate implicit in the lease ("IRIIL") and, if the IRIIL is not readily determinable, the entity uses its IBR applicable to the leased asset. The IBR is the rate of interest that the entity would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. For most of the leases whereby the Group is the lessee, the IRIIL is not readily determinable. Therefore, the Group estimates the IBR relevant to each lease asset by using observable inputs (such as market interest rate and asset yield) when available, and then making certain lessee specific adjustments (such as a group entity's credit rating).

Provision of reinstatement cost
Provision relates to estimated costs of dismantlement, removal or reinstatement of plant and equipment arising from the acquisition or use of assets.

The Group has recognised a provision for reinstatement of rental properties obligations associated with properties rented by the Group. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove equipment from the site and the expected timing of those costs. The carrying amount of the provision as at 31 March 2022 was $498,000 (as at 31 March 2021 - $554,000).

An increase in the estimated pre-tax discount rate used would decrease the carrying amount of provision.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services provided. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and services in different markets.

Management has determined the operating segments based on the reports reviewed to make strategic decisions. Each segment represents a strategic business unit that offers different types of products and services. The Group's reportable segments are as follows:-

- Beauty, slimming and spa treatment for women
- Beauty, slimming and spa treatment for men
- Direct selling
- Investment holding
- Hairdressing

Inter-segment transactions are determined on an arm's length basis.

4.1 Reportable segments

Group	Beauty, slimming and spa treatment for women		Beauty, slimming and spa treatment for men		Direct selling		Investment holding		HairDressing		Total	
	12 months ended 31 Mar 22	12 months ended 31 Mar 21	**12 months ended 31 Mar 22**	12 months ended 31 Mar 21	**12 months ended 31 Mar 22**	12 months ended 31 Mar 21	**12 months ended 31 Mar 22**	12 months ended 31 Mar 21	**12 months ended 31 Mar 22**	12 months ended 31 Mar 21	**12 months ended 31 Mar 22**	12 months ended 31 Mar 21
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Revenue	**6,018**	4,992	**189**	89	**544**	822	**-**	-	**5,730**	3,439	**12,481**	9,342
Inter-segment revenue	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
External revenue	**6,018**	4,992	**189**	89	**544**	822	**0**	0	**5,730**	3,439	**12,481**	9,342
Other information:												
Other operating income	**1,135**	2,045	**37**	141	**44**	152	**-**	-	**570**	236	**1,786**	2,574
Purchases and related costs	**(381)**	(544)	**-**	-	**(128)**	(40)	**-**	-	**(1,696)**	(586)	**(2,205)**	(1,170)
Changes in inventories	**(16)**	108	**(1)**	(2)	**(17)**	(181)	**-**	-	**(11)**	(32)	**(45)**	(107)
Depreciation of plant and equipment	**(207)**	(76)	**-**	(1)	**-**	(4)	**-**	-	**(252)**	(98)	**(459)**	(179)
Depreciation of right-of-use assets	**(926)**	(579)	**-**	-	**-**	(16)	**-**	-	**(1,060)**	(393)	**(1,986)**	(988)
Staff costs	**(4,033)**	(3,404)	**(250)**	(264)	**(138)**	(122)	**-**	-	**(2,723)**	(1,223)	**(7,144)**	(5,013)
Operating lease expense	**(237)**	(148)	**-**	(2)	**-**	-	**-**	-	**(135)**	-	**(372)**	(150)
Other operating expenses	**(1,968)**	(1,735)	**(38)**	(58)	**(69)**	(252)	**(6)**	(1)	**(797)**	(334)	**(2,878)**	(2,380)
Finance costs	**(290)**	(270)	**-**	(1)	**-**	(22)	**-**	-	**(175)**	(119)	**(465)**	(412)
Loss before taxation											**(1,287)**	1,517
Income tax expense											**(2)**	(74)
Loss for the year											**(1,289)**	1,443
Other information												
Assets												
Segment assets	**3,747**	6,575	**82**	143	**79**	399	**27**	33	**7,879**	5,465	**11,814**	12,615
Liabilities												
Segment liabilities	**12,226**	11,828	**146**	122	**66**	100	**9**	8	**4,824**	4,984	**17,271**	17,042
Unallocated liabilities												
- Income tax payables	**-**	-	**-**	-	**-**	-	**-**	-	**76**	182	**76**	182
Total liabilities											**17,347**	17,224
Other disclosure												
Capital expenditure	**(411)**	(637)	**-**	(26)	**(135)**	(17)	**-**	-	**(201)**	(496)	**(747)**	(1,176)
Depreciation of plant and equipment	**207**	76	**-**	1	**-**	4	**-**	-	**252**	98	**459**	179
Impairment loss on plant and equipment	**166**	84	**-**	8	**2**	-	**-**	-	**-**	27	**168**	119
Impairment loss on right-of-use assets	**-**	-	**-**	-	**-**	-	**-**	-	**-**	55	**-**	55
Gain on disposal of plant and equipment	**-**	-	**-**	-	**-**	2	**-**	-	**-**	-	**-**	2
Gain on disposal of right-of-use assets	**-**	-	**-**	-	**-**	1	**-**	-	**-**	-	**-**	1
Plant and equipment written off	**-**	-	**-**	-	**-**	26	**-**	-	**-**	-	**-**	26
Depreciation of right-of-use assets	**926**	579	**-**	-	**-**	16	**-**	-	**1,060**	393	**1,986**	988
Amortisation of intangible assets	**-**	-	**-**	-	**-**	-	**-**	-	**36**	12	**36**	12
Inventory written off	**-**	-	**-**	-	**24**	-	**-**	-	**-**	-	**24**	-
Right-of-use assets written off	**163**	-	**-**	-	**-**	-	**-**	-	**-**	-	**163**	-
Lease liabilities written off	**(168)**	-	**-**	-	**-**	-	**-**	-	**-**	-	**(168)**	-
Interest received	**-**	42	**-**	-	**-**	-	**-**	-	**-**	-	**-**	42

** Hairdressing segment comparative of 12 months is effectively approximately 4 month to 31 March 2021 as acquisition of Monsoon Hairdressing group was completed on 24 November 2020.*

Group	Beauty, slimming and spa treatment for women		Beauty, slimming and spa treatment for men		Direct selling		Investment holding		HairDressing		Total	
	3 months ended 31 Mar 22 $'000	3 months ended 31 Mar 21 $'000	**3 months ended 31 Mar 22 $'000**	3 months ended 31 Mar 21 $'000	**3 months ended 31 Mar 22 $'000**	3 months ended 31 Mar 21 $'000	**3 months ended 31 Mar 22 $'000**	3 months ended 31 Mar 21 $'000	**3 months ended 31 Mar 22 $'000**	3 months ended 31 Mar 21 $'000	**3 months ended 31 Mar 22 $'000**	3 months ended 31 Mar 21 $'000
Revenue	**1,783**	1,534	**40**	33	**96**	175	**-**	-	**1,363**	2,596	**3,282**	4,338
Inter-segment revenue	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
External revenue	**1,783**	1,534	**40**	33	**96**	175	**0**	0	**1,363**	2,596	**3,282**	4,338
Other information:												
Other operating income	**470**	372	**8**	5	**20**	27	**-**	-	**109**	430	**607**	834
Purchases and related costs	**(124)**	(161)	**-**	-	**(43)**	-	**-**	-	**(321)**	(488)	**(488)**	(649)
Changes in inventories	**(238)**	45	**(1)**	(1)	**4**	(66)	**-**	-	**(28)**	(51)	**(263)**	(73)
Depreciation of plant and equipment	**(68)**	(33)	**-**	(1)	**-**	-	**-**	-	**(60)**	(26)	**(128)**	(60)
Depreciation of right-of-use assets	**(243)**	(192)	**-**	-	**-**	-	**-**	-	**(259)**	(393)	**(502)**	(585)
Staff costs	**(1,006)**	(1,111)	**(17)**	(83)	**(25)**	(23)	**-**	-	**(476)**	(923)	**(1,524)**	(2,140)
Operating lease expense	**(73)**	(56)	**-**	-	**-**	-	**-**	-	**(59)**	-	**(132)**	(56)
Other operating expenses	**(714)**	(444)	**(1)**	88	**(34)**	25	**(1)**	19	**(425)**	(529)	**(1,175)**	(841)
Finance costs	**(66)**	(84)	**-**	-	**-**	(21)	**-**	-	**(39)**	-	**(105)**	(105)
Loss before taxation											**(428)**	663
Income tax expense											**(2)**	27
Loss for the year											**(430)**	690
Other information												
Assets												
Segment assets	**3,747**	6,575	**82**	143	**79**	399	**27**	33	**7,879**	5,465	**11,814**	12,615
Liabilities												
Segment liabilities	**12,226**	11,828	**146**	122	**66**	100	**9**	8	**4,824**	4,984	**17,271**	17,042
Unallocated liabilities												
- Income tax payables	**-**	-	**-**	-	**-**	-	**-**	-	**76**	182	**76**	182
Total liabilities											**17,347**	17,224
Other disclosure												
Capital expenditure	**(207)**	(1,274)	**4**	(52)	**(116)**	(34)	**-**	-	**-**	(501)	**(319)**	(1,861)
Depreciation of plant and equipment	**68**	33	**-**	1	**-**	-	**-**	-	**60**	26	**128**	60
Impairment loss on plant and equipment	**166**	84	**-**	8	**2**	-	**-**	-	**-**	27	**168**	119
Impairment loss on right-of-use assets	**-**	-	**-**	-	**-**	-	**-**	-	**-**	55	**-**	55
Gain on disposal of plant and equipment	**-**	-	**-**	-	**-**	2	**-**	-	**-**	-	**-**	2
Gain on disposal of right-of-use assets	**-**	-	**-**	-	**-**	1	**-**	-	**-**	-	**-**	1
Plant and equipment written off	**-**	-	**-**	-	**-**	26	**-**	-	**-**	-	**-**	26
Depreciation of right-of-use assets	**243**	192	**-**	-	**-**	-	**-**	-	**259**	393	**502**	585
Amortisation of intangible assets	**-**	-	**-**	-	**-**	-	**-**	-	**9**	9	**9**	9
Inventory written off	**-**	-	**-**	-	**24**	-	**-**	-	**-**	-	**24**	-
Right-of-use assets written off	**163**	-	**-**	-	**-**	-	**-**	-	**-**	-	**163**	-
Lease liabilities written off	**(168)**	-	**-**	-	**-**	-	**-**	-	**-**	-	**(168)**	-
Interest received	**-**	42	**-**	-	**-**	-	**-**	-	**-**	-	**-**	42

4.2 Disaggregation of Revenue

	Singapore		Malaysia		Taiwan		Total	
	12 months ended 31 Mar 22	12 months ended 31 Mar 21	**12 months ended 31 Mar 22**	12 months ended 31 Mar 21	**12 months ended 31 Mar 22**	12 months ended 31 Mar 21	**12 months ended 31 Mar 22**	12 months ended 31 Mar 21
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Revenue - Sales to external customers	**11,943**	8,362	**538**	980	**-**	-	**12,481**	9,342
Non-current assets#	**7,205**	7,267	**101**	234	**-**	-	**7,306**	7,501

Note # - exclude deferred tax assets.

	Singapore		Malaysia		Taiwan		Total	
	3 months ended 31 Mar 22	3 months ended 31 Mar 21	**3 months ended 31 Mar 22**	3 months ended 31 Mar 21	**3 months ended 31 Mar 22**	3 months ended 31 Mar 21	**3 months ended 31 Mar 22**	3 months ended 31 Mar 21
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Revenue - Sales to external customers	**3,074**	4,223	**208**	115	**-**	-	**3,282**	4,338
Non-current assets#	**7,205**	7,267	**101**	234	**-**	-	**7,306**	7,501

Note # - exclude deferred tax assets.

4.3 Timing of Revenue Recognition

	FY 2022			FY 2021		
The Group	**At a point in time**	**Over time**	**Total**	At a point in time	Over time	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Singapore						
Sales of goods	**3,678**	**-**	**3,678**	2,847	-	2,847
Beauty, slimming and spa service treatments	**-**	**3,830**	**3,830**	-	2,550	2,550
Hairdressing treatments	**-**	**4,435**	**4,435**	-	2,965	2,965
Malaysia						
Sales of goods	**49**	**-**	**49**	79	-	79
Beauty, slimming and spa service treatments	**-**	**489**	**489**	-	901	901
	3,727	**8,754**	**12,481**	2,926	6,416	9,342

4.4 A breakdown of sales

	The Group		
	12 months ended 31 March 2022	12 months ended 31 March 2021	**Variance %**
	$'000	$'000	**$'000**
Revenue reported for first half year	**5,765**	2,424	>100
(Loss)/profit after tax before non-controlling interests reported for first half year	**(937)**	760	N.M.
Revenue reported for second half year	**6,716**	6,918	(3)
(Loss)/profit after tax before non-controlling interests reported for second half year	**(352)**	683	N.M.

5. Financial assets and financial liabilities

	The Group		The Company	
	As at 31 March 2022	As at 31 March 2021	**As at 31 March 2022**	As at 31 March 2021
	$'000	$'000	**$'000**	$'000
Financial assets at fair value through profit or loss				
Derivative financial instrument	**320**	320	**-**	-
Financial assets at amortised cost				
Trade and other receivables#	**1,018**	1,101	**8,399**	7,710
Other assets#	**1,188**	1,149	**19**	4
Cash and cash equivalents	**1,301**	1,562	**130**	96
	3,507	3,812	**8,548**	7,810
Financial liabilities at amortised cost				
Other payables##	**6,459**	5,964	**12,410**	11,416
Lease liabilities	**5,475**	6,686	**-**	-
Borrowings	**1,192**	710	**-**	-
	13,126	13,360	**12,410**	11,416

Exclude goods and services tax and prepayments
Exclude goods and services tax

6. Loss before income tax

6.1 Significant items

	FY 2022	FY 2021
	$'000	$'000
Income		
Government grants	**886**	977
Rental rebate	**431**	882
Vendor rebate and Company's service fee income	**127**	-
Lease liabilities written off	**168**	-
Gain on loan to share conversion	**-**	346
Gain on fair value changes in call option	**-**	69
Interest income	**-**	42
Gain on disposal of property, plant and equipment	**-**	2
Gain on disposal of right-of-use assets	-	1
Expenses		
Interest on borrowings	**(146)**	(15)
Interest on lease liabilities	**(315)**	(346)
Interest on Hire Purchase	**(4)**	(5)
Depreciation of plant and equipment	**(459)**	(179)
Depreciation of right-of-use assets	**(1,986)**	(988)
Amortisation of intangible assets	**(36)**	(12)
Plant and equipment written off	**-**	(26)
Right-of-use assets written off	**163**	-
Impairment loss on plant and equipment	**(168)**	(119)

6.2 Related party transactions

There are no material related party transactions apart from those disclosed under the section titled "Interested person transactions" in the financial statements or in the information required by SGX Catalist Listing Rules Appendix 7C.

7. Net asset value

	The Group		The Company	
	As at 31 March 2022	As at 31 March 2021	**As at 31 March 2022**	As at 31 March 2021
Net asset value per ordinary share based on issued share capital as at the end of the financial year reported on (SG Cents).	**(2.38)**	(2.02)	**(0.87)**	**(0.91)**

<u>Note:</u>

Net asset value per ordinary share of the Group and Company are calculated by dividing net asset value of the Group and Company respectively by the number of issued ordinary shares of 232,172,215 as at 31 March 2022 (31 March 2021: 228,684,029).

8. Right-of-use assets

The Group	Retail outlets $'000	Motor vehicle $'000	Total $'000
<u>Cost</u>			
At 1 April 2020	6,688	237	6,925
Acquisition of subsidiaries	4,114	-	4,114
Additions	2,493	-	2,493
Disposal	(66)	(29)	(95)
Written off	(8)	(1)	(9)
At 31 March 2021	**13,221**	**207**	**13,428**
Additions	**1,749**	**-**	**1,749**
Written off	**(5,779)**	**-**	**(5,779)**
Exchange differences	**()**	**-**	**(4)**
At 31 March 2022	**9,187**	**207**	**9,394**
<u>Accumulated depreciation</u>			
At 1 April 2020	6,500	117	6,617
Acquisition of subsidiaries	2,558	-	2,558
Depreciation for the year	947	41	988
Disposal	(38)	-	(38)
Impairment losses recognised	55	-	55
Exchange differences	(5)	(1)	(6)
At 31 March 2021	**10,017**	**157**	**10,174**
Depreciation for the year	**1,980**	**6**	**1,986**
Written off	**(5,617)**	**-**	**(5,617)**
Exchange differences	**(112)**	**-**	**(112)**
At 31 March 2022	**6,268**	**163**	**6,431**
<u>Carrying amount</u>			
At 31 March 2022	**2,919**	**44**	**2,963**
At 31 March 2021	3,204	50	3,254

Right-of-use assets represent retail outlets leased by the Group and motor vehicles under finance lease.

9. Intangible assets

The Group	Non-compete agreement $'000
Cost	
At 1 April 2020	-
Additions from acquisition of subsidiaries	138
At 31 March 2021 and 31 March 2022	**138**
Accumulated amortisation	
At 1 April 2020	-
Amortisation	12
At 31 March 2021	12
Amortisation	**36**
At 31 March 2022	**48**
Carrying amount	
At 31 March 2022	**90**
At 31 March 2021	126

Intangible assets, comprising of the non-compete agreement have finite useful life over which they are amortised. Non-compete agreement have an amortisation period of 3 years.

9.1 Goodwill

The Group	**As at 31 March 2022 $'000**	As at 31 March 2021 $'000
Goodwill arising on consolidation	**2,586**	2,586

(a) Goodwill arising on consolidation

Cost		
At beginning of year/period	**2,586**	-
Additions arising from acquisition of subsidiaries	**-**	2,586
At end of year/period	**2,586**	2,586
Net book value	**2,586**	2,586

Impairment tests for goodwill

As at 31 March 2022 and 31 March 2021, the carrying amount of goodwill is attributable to the Group's cash-generating units ("CGU") comprising of Monsoon Hairdressing Group ("Monsoon CGU").

The Group	**As at 31 March 2022 $'000**	As at 31 March 2021 $'000
Monsoon CGU	**2,586**	**2,586**
Net book value	**2,586**	**2,586**

As at 31 March 2021, the carrying amount of goodwill is attributable to the Group's cash-generating units ("**CGU**") comprising of Monsoon Hairdressing Group ("**Monsoon CGU**"). No goodwill was allocated to other CGUs and they were not tested for impairment because there were no impairment indicators as at 31 March 2022.

10. Plant and equipment

During the 12 months ended 31 March 2022, the Group acquired assets amounting to $747,000 (31 March 2021: $1,176,000).

11. Aggregate amount of Group's borrowings and debt securities

	As at 31 March 2022 $'000	As at 31 March 2021 $'000
(a) Amount repayable in one year or less, or on demand (secured)		
Loans and borrowings	**1,013**	342
Leases liabilities	**3,075**	3,260
	4,088	3,602
(b) Amount repayable after one year (secured)		
Loans and borrowings	**179**	368
Leases liabilities	**2,400**	3,426
	2,579	3,794
	6,667	7,396

Loans and borrowings

i. The Group's loans from financial institutions have maturity dates from 31 August 2022 to 31 March 2025.

   The loans are secured by the following:

   a. Joint and several guarantee of $300,000 executed by Ms Ho Yow Ping, CEO and Executive Chairman of the Group and Mr Lee Eng Tat, director of M2 Group Pte. Ltd.
   b. Corporate guarantee amounting to $300,000 by M2 Group Pte. Ltd.
   c. Personal guarantees amounting to $822,000 executed by Ms Ho Yow Ping

ii. The additional loan in the first quarter of FY2022 refers to a subsidiary's loan via a financial institution through a P2P platform. The loan amounts to $500,000, has an interest of 11.0% and is repayable by 1 May 2022.

   The loan from the P2P platform is secured by Ms Ho Yow Ping. As at the date of this announcement, the loan has been repaid.

iii. The additional loan in the last quarter of FY2022 refers to subsidiaries' loan via several financial institutions. The loan amounts to $322,000, has interest of 8% to 10.8% and is repayable by 12 and 24 months.

Lease liabilities

i. The Group has lease contracts for retail outlets used in its operations. Leases of retail outlets generally have lease terms of two years with an option to renew for another two years. Generally, the Group are restricted from assigning and subleasing the leased assets.

12. Share capital

The Company	**As at 31 March 2022**	As at 31 March 2021	**As at 31 March 2022 $'000**	As at 31 March 2021 $'000
	Number of ordinary shares			
Issued and fully paid with no par value				
At beginning of period	**228,684,029**	228,684,029	**11,601**	11,601
Issuance of shares pursuant to Acquisition[1]	**3,488,186**	-	**343**	-
At end of period	**232,172,215**	228,684,029	**11,944**	11,601

Note: -

There were no outstanding convertibles, treasury shares and subsidiary holdings as at 31 March 2022 and 31 March 2021. There were no sales, transfers, cancellation and/or use of treasury shares or subsidiary holdings during the current financial period reported on.

Notes:

(1) The Company had, on 27 October 2020, announced that it had entered into sale and purchase agreement ("**SPA**") with Mr Lee Eng Tat. Pursuant to the SPA, the Company would acquire 80% of the issued share capital of the Monsoon Hairdressing group of companies ("**Target Companies**") from Mr Lee Eng Tat ("**Seller**") for an aggregate consideration of $3,046,456 ("**Aggregate Consideration**") ("**Acquisition**"). As a condition stated in the SPA, the remainder of the Non-Cash Consideration amounting to S$523,228 was to be payable on 31 December 2021, by the issue and allotment of such number of new ordinary shares in the share capital of the Company to the Seller based on the Issue Price of S$0.15 (equivalent to 3,488,186 shares in the Company), provided that the FY2021 consolidated management accounts of the Target Companies is not in a net liability position. The fair value of which was determined to be $343,250 at the date of settlement. The 3,488,186 Consideration Shares were issued and allotted on 31 December 2021.

13. Subsequent events

There are no known subsequent events that which have led to adjustments to this set of condensed interim consolidated financial statements.

F. Other information required by Catalist Rule Appendix 7C

1. **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

   The condensed consolidated statement of financial position of the Company and its subsidiaries as at 31 March 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity, statement of changes in equity of the Company and condensed consolidated statement of cash flows for the three months and financial year ended 31 March 2022 and explanatory notes have not been audited or reviewed by the Company's auditor.

2. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**
   a) Updates on the efforts taken to resolve each outstanding audit issue;
   b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.
   This is not required for any audit issue that is a material uncertainty relating to going concern.

   The qualified opinion issued by the auditors were in relation to the auditors being unable to obtain trade receivables confirmation as at 31 March 2021 from two customers of Starting Line Trading Pte. Ltd. ("**Starting Line**"), namely HK Leading International Logistics Services Ltd ("**HK Leading**") and Sin Ann Trading & Logistics Ltd ("**Sin Ann**"). Relating thereto, the auditors were unable to verify if the receipts by Starting Line were from the said customers.

   Management has considered several payment options and Starting Line will engage in a face to face discussions with the customers on the payment channels acceptable to all parties when pandemic fears abate to a reasonable level. Pending that, sales to these customers has been reduced to a less material level.

   Save as disclosed, the Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

3. **Review of the performance of the group**

The prolonging effects of COVID-19 have continued to disrupt and adversely affect the operations of the Group's retail business. The statements below are denominated in Singapore dollars.

a. Statement of Profit or Loss and Other Comprehensive Income

Revenue recorded by the Group for the financial year ended 31 March 2022 ("**FY22**") amounted to S$12.4 million, an increase by $3.1 million compared to $9.3 million for the financial year ended 31 March 2021 ("**FY21**"). For the 3 months financial period ended 31 March 2022 ("**4QFY22**"), revenue amounted to S$3.3 million, a decrease by $1.0 million compared to $4.3 million for the 3 months financial period ended 31 March 2022 ("**4QFY21**") This is mainly due to the following:

(i) Increase in revenue contribution from the Monsoon Hairdressing group of companies ("**Monsoon**") acquired in November 2020 by S$2.3 million in FY22 compared to FY21 as Singapore eased restrictions and resumed normalcy. For 4QFY22, there was a decrease by S$1.2 million compared to 4QFY21 due to the tight manpower situation and as the Group were streamlining and integrating of 2 Monsoon outlets;
(ii) Increase in revenue from the beauty, slimming and spa treatment services for women segment by approximately S$1.0 million in FY22 compared to FY21 and increase of S$0.2 million in 4QFY22 compared to FY2021 as Singapore eased restrictions and resumed normalcy; and

(iii) The increases in revenue mentioned above in FY22 compared to FY21 was partially offset by a decrease in revenue from direct selling of S$0.3 million in FY22 compared to FY21 as the Group refocused once again on sales in physical outlets in response to the relaxing of social distancing rules.

Other operating income decreased by S$0.8 million from S$2.6 million in FY21 to S$1.8 million in FY22 and decreased by S$0.2 million in 4QFY22. The reduction in FY22 was mainly due to the reduction of the various Government support measures (for example of Jobs Support Scheme, Skills Future course support) and the reduction in rental rebates. The reduction was partially offset by an increase in vendor rebates of S$127,000. The decrease was offset by an increase in other income contributed by lease liabilities written off amounting to S$0.2 million arising from the early termination of a lease in FY22. For FY21, there was a gain on the conversion of loan to equity in FY21 amounting to S$0.3 million that was absent in FY22.

Purchases and related cost and changes in inventories combined increased by S$1.0 million from $1.3 million in FY21 to S$2.3 million in FY22 and increased marginally by S$29,000 from S$722,000 in 4QFY21 to S$751,000 in 4QFY22 primarily due to recognition of purchases and related costs by Monsoon which were recorded in December 2020 and arising from gradually increased on utilization of salon products.

Depreciation of plant and equipment increased by S$0.3 million in FY22 and S$68,000 in 4QFY22 mainly due to additional equipment acquired for the retail outlets.

Depreciation of right-of-use assets increased by S$1.0 million from S$1.0 million in FY21 to S$2.0 million in FY22 and decreased by S$0.1 million from S$0.6 million in 4QFY21 to S$0.5 million in 4QFY22. The increase is mostly attributable to lease agreement renewals for both Mary Chia and Monsoon retail outlets and offset by non renewal of lease agreement for two outlets

Staff costs increased by $2.1 million in FY22 and decreased by $0.6 million in 4QFY22 mainly due to the recording of only four months payroll from Monsoon hairdressing group of companies in FY21 (as Monsoon hairdressing group was acquired in 3QFY21) and decrease in 4QFY22 due to manpower attrition.

Operating lease expenses increased from S$0.2 million in FY21 to S$0.4 million in FY22 and mainly due to the extension of leases for lease periods below 12 months.

Other operating expenses increased by S$0.5 million in FY22 and by S$0.3 million in 4QFY22, largely due to the impairment of plant and equipment of S$0.2 million and right-of-use assets written off amounting of S$0.2 million in 4QFY22. Impairments were made to plant and equipment where the estimated value in use derived from those assets were lower than their carrying amounts.

As a result of the above factors, the Group reported a net loss of S$1.3 million in FY22, compared to a net profit of S$1.4 million in FY21 and a net loss of S$0.4 million in 4QFY22, compared to a net profit of S$0.7 million in 4QFY21.

b. Statement of Financial Position

Current and non-current assets

The Group's non-current assets decreased by approximately S$0.2 million, mainly due to a (i) depreciation of right-of-use assets amounting to S$2.0 million, (ii) increase in addition of plant and equipment of S$0.7 million which is offset by depreciation amounting to S$0.4 million, (iii) additional right-of-use assets relating to the leases of outlets amounting to S$1.7 million; and (iv) impairment loss on plant and equipment totalling S$0.2 million.

The Group’s current assets decreased by approximately S$0.6 million mainly due to:

(i) Decrease in trade and other receivables and other assets of approximately S$0.1 million as at 31 March 2022 arising mainly from a reduction in trade receivables as the Group focused on cash business;
(ii) Decrease in inventories of S$0.3 million as at 31 March 2022 as the Group reduced stocking up on inventories as a result of the reduced focus on online livestreaming sales as the Group refocused on sales in physical outlets; and

The increases were offset by a decrease in cash and cash equivalents of approximately S$0.3 million as explained under the statement of cash flow in paragraph (c) below.

Current and non-current liabilities

The net decrease in the Group’s current and non-current liabilities by S$0.1 million was mainly due to:

(i) net increase in borrowings of S$0.5 million by a subsidiary of the Company, more details of which can be found under Note 11;
(ii) an increase in contract liabilities of S$0.7 million arising from prepaid packages recorded;
(iii) a decrease in current and non-current lease liabilities of S$1.2 million due to an increase of S$1.7 million on the Group’s two lease renewals and the opening of two new outlets during the period, net of repayment of S$2.7 million in lease liabilities and lease liabilities written off of S$0.2 million;
(iv) an increase in trade and other payables of $0.7 million due to timing of payments;
(v) a decrease in deferred consideration payable amounting to S$0.3 million due to the issuance of the Company’s shares being the remaining non-cash consideration in respect of the Monsoon acquisition; and
(vi) a decrease in current tax liabilities of about $0.1 million due to the payment of current tax. The increase was offset by tax paid of S$102,000.

Equity

The Group recorded a negative working capital of S$10.2 million and a negative equity of S$5.5 million as at 31 March 2022.

As at 31 March 2022, the Company's current liabilities exceeded its current assets by S$4.5 million and the Company had a deficit in equity of S$2.0 million.

Barring any unforeseen circumstances, the Board is of the opinion that the Group can continue as a going concern and meet its short term debt obligations when they fall due as the Group continues to re-strategise and streamlining its business and focusing on the areas of strength and competitive advantage. It also has continued financial support from its controlling shareholder Suki Sushi Pte Ltd.

c. Statement of Cash Flows Statement

The Group’s net cash generated from operating activities in FY22 was S$3.2 million. This was mainly due to loss before tax of S$1.3 million, adjusted for:-

(i) depreciation of plant and equipment amounting to S$0.4 million, and of right-of-use assets amounting to S$2.0 million; and finance cost of S$0.5 million;
(ii) impairment on plant and equipment of S$0.2 million, right-of-use assets written off of S$0.2 million and lease liabilities written off S$0.2 million, as explained in paragraph 3(a) above;
(iii) decrease in inventories of S$0.3 million and in trade and other receivables of S$0.1 million;
(iv) increase in trade and other payables and contract liabilities of S$1.1 million; and
(v) payment of income tax of S$0.1 million.

The Group's net cash used in investing activities in FY22 was S$0.7 million arising from addition of plant and equipment of the Group, being the purchase of equipment at retail outlets.

The Group's net cash used in financing activities in FY22 was S$2.7 million due to the net increase of borrowings of S$0.8 million, offset by the repayment of lease liabilities of S$2.7, and repayment of borrowings of S$0.3 million and interest paid of S$0.4 million.

As a result of the above, total cash and cash equivalents used in FY22 was S$681,000.

4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable. No forecast or a prospect statement has been previously disclosed to shareholders.

5. A commentary at the date of the announcement of the 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.

The recent COVID-19 pandemic has caused a lot of uncertainties in the Group's business environment. It has changed the way how business discussions and dealings are conducted and there is also a major shift in customer behaviour. To help overcome all these challenges, the Company is seeking support from Enterprise Singapore ("**ESG**") to drive business growth through development and interventions in business strategies, and strengthening the management system and processes. This involves tapping on ESG's Enterprise Development Grant for the Company's Business Strategy Development project. The project will span over a period of seven (7) months from 31 March 2022 to 30 October 2022. The main aim of the project is to crystalise the specific strategies to achieve transformative growth through these initiatives:

(i) To raise the sales revenue of local business operations. Specifically, the company plans to expand local business opportunities by raising the business volume from existing customers and designing new service offerings through differentiated marketing and branding.
(ii) To strengthen its existing digitalisation capability. It includes extending its marketing channel from offline to online; enhancing the current business processes; establishing central monitoring and information sharing platform to collect data and expand existing businesses into potential new market segments. It also includes raising the competencies and skills of employees to support the digitalisation plan.
(iii) To expand both locally and overseas after local operations are strengthened and stabilised, market outlook is clearer, and also when there is a steady and competent pool of human resource to be deployed to support the expansion plan.
(iv) To formalise the Company's succession plan and process, ensuring business continuity.

6. Dividend

6a. Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None. No dividend has been declared or recommended for FY22 in view of the Group's financial position as at 31 March 2022 and as the Group wishes to conserve cash to fulfil the operational and financial requirements of the Group.

6b. Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

6c. Date payable

Not applicable.

6d. Books closure date

Not applicable.

7. Interested person transaction

The Company does not have a general mandate from its shareholders for IPTs.

Name of Interested Person	Nature of relationship	Aggregate value of all IPTs during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S$ million)	Aggregate value of all IPTs conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S$100,000) (S$ million)
JL Asia Resources Pte Ltd[1] (Operating lease expenses)	JL Asia Resources Pte Ltd ("**JL Asia**") is wholly-owned by Lee Boon Leng ("**Mr Lee**"), who is the spouse of the Executive Chairman and CEO, Ms Ho Yow Ping. Mr Lee has a deemed interest of 47.58% in the shares of the Company ("**Shares**") by virtue of his 78.55% shareholdings interest in Suki Sushi Pte Ltd, which holds 47.58% of the Shares. Spa Menu Pte. Ltd., a wholly owned subsidiary of the Company leases an area of 257.6 square meters within the premise of 48, 49 and 50 Mosque Street to operate a spa under the brand name "Huang Ah Ma". [3] The tenancy was given up on 31 December 2021.	0.171	-
Suki Sushi Pte Ltd[2] (Operating lease expenses)	Mr Lee holds 78.55% interest in Suki Sushi while Ms Ho holds 21.45%. Mr Lee is deemed interested in 110,466,839 shares representing 47.58% in the capital of the Company by virtue of his 78.55% shareholdings interest in Suki Sushi Pte Ltd ("Suki Sushi"). Ms Ho directly owns 42,433,333 Shares representing 18.28% of the Company's Shares and is deemed interested in 47.58% in the Company by virtue of her 21.45% shareholding interest in Suki Sushi. [3]	0.162	-

Note:

1. *Please refer to the Company's announcement dated 6 July 2020 for more details.*
2. *Please refer to the Company's announcement dated 29 January 2021 for more details.*
3. *Please refer to the Company's changes of disclosure of interest/changes in interest of substantial shareholders announcement dated 4 January 2022 for more details.*

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format as set out in Appendix 7H under Rule 720(1) of the Listing Manual of the SGX-ST.

9. Review of performance of the Group – turnover and earnings

Please refer to Section F3 for further details.

10. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

No dividends were declared for FY22 and FY21.

11. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Not applicable.

12. Negative confirmation pursuant to Rule 705(5) of the Catalist Rules

The board of directors of the Company, confirm that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial results to be false or misleading in any material aspect.

13. Disclosures on acquisition or sale of shares pursuant to Rule 706A of the Catalist Rules

Not applicable. There were no such acquisitions or disposal of shares during FY22.

14. Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use

Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must have been disclosed

Not applicable. No such proceeds.

BY ORDER OF THE BOARD

Ho Yow Ping (He YouPing)
Chief Executive Officer
29 July 2022

This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Charmian Lim (Tel: (65) 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.