

MARY CHIA HOLDINGS LIMITED
Company Registration No. 200907634N
(Incorporated in Singapore)

UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 SEPTEMBER 2018

PART 1 INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Variance \$'000	Variance %
	For the 6 months period ended			
	30-Sep-18 Unaudited \$'000	30-Sep-17 Unaudited \$'000		
Revenue	3,952	4,517	(565)	-12.5%
Other income	4,961	40	4,921	n/m
Purchases and related costs	(489)	(190)	(299)	157.4%
Changes in inventories	(66)	41	n/m	n/m
Depreciation of property, plant and equipment	(167)	(227)	60	-26.4%
Staff costs	(2,954)	(2,856)	(98)	3.4%
Operating lease expenses	(1,501)	(1,698)	197	-11.6%
Other operating expenses	(1,270)	(1,727)	457	-26.5%
Finance costs	(51)	(509)	458	-90.0%
Profit (Loss) before income tax	2,415	(2,609)	5,024	-192.6%
Income tax expenses	-	(54)		
Profit (Loss) for the period, net of tax	2,415	(2,663)	5,078	-190.7%
Other comprehensive income (loss) for the period, net of tax items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	43	(57)	n/m	n/m
Total comprehensive income (loss) for the period	2,458	(2,720)	5,178	-190.4%
Profit (Loss) attributable to:				
Equity holders of the Company	28	(2,895)	2,923	-101.0%
Non-controlling interests	2,387	232	2,155	928.9%
	2,415	(2,663)	5,078	-190.7%
Total comprehensive income (loss) attributable to:				
Equity holders of the Company	71	(2,952)	3,023	-102.4%
Non-controlling interests	2,387	232	2,155	928.9%
	2,458	(2,720)	5,178	-190.4%

n/m: not meaningful

1(a)(ii) Notes to consolidated statement of comprehensive income

Profit (Loss) before income tax is determined after charging/(crediting):

	Group		Variance \$'000	Variance %
	For the 6 months period ended			
	30-Sep-18	30-Sep-17		
	Unaudited	Unaudited		
	\$'000	\$'000		
Advertising and marketing expenses	186	39	147	376.9%
Final Award under arbitration proceeding	-	580	n/m	n/m

n/m: not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at		As at	
	30-Sep-18	31-Mar-18	30-Sep-18	31-Mar-18
	Unaudited	Audited	Unaudited	Audited
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Non-Current Assets				
Property, plant and equipment	869	658	-	-
Investments in subsidiaries	-	-	265	265
Other assets	401	645	-	-
	1,270	1,303	265	265
Current Assets				
Inventories	692	443	-	-
Trade and other receivables	210	193	18,992	25,224
Other assets	600	507	9	8
Cash and bank balances	7,660	740	5,879	3
	9,162	1,883	24,880	25,235
Assets held for sale	-	59,915	-	-
	9,162	61,798	24,880	25,235
Total Assets	10,432	63,101	25,145	25,500
EQUITIES AND LIABILITIES				
Capital and Reserves				
Share capital	4,818	4,818	4,818	4,818
Reserves	(6,353)	(5,946)	9,508	9,699
Attributable to equity holders of the Company	(1,535)	(1,128)	14,326	14,517
Non-controlling interests	1,521	(1,083)	-	-
Total Equity	(14)	(2,211)	14,326	14,517
Non-Current Liabilities				
Borrowings	144	154	-	-
Other payables	3,339	3,370	-	-
Provision	186	274	-	-
	3,669	3,798	-	-
Current Liabilities				
Trade and other payables	6,396	32,120	10,819	10,952
Borrowings	31	29,048	-	31
Provision	218	150	-	-
Current tax liabilities	132	196	-	-
	6,777	61,514	10,819	10,983
Total Liabilities	10,446	65,312	10,819	10,983
Total Equity and Liabilities	10,432	63,101	25,145	25,500

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	Unaudited		Audited	
	As at 30-Sep-18		As at 31-Mar-18	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less, or on demand	31	-	29,048	-
Amount repayable after one year	144	-	154	-
	175	-	29,202	-

Details of any collateral:

- a. Bank borrowings is nil as at 30 September 2018 (31 March 2018: S\$28.9 million). As at 31 March 2018, bank borrowings comprised of term loans, an amalgamated term loan and revolving working capital loans. Term loans were secured by the Group's investment/ leasehold properties ("**Properties**"). The amalgamated term loan was secured by the Properties, fixed and floating charges on personal properties associated with the Properties, existing deed of proportionate guarantee from a non-controlling interest of a subsidiary, and a corporate guarantee from the Company. Revolving working capital loans were secured by the Properties, joint and several personal guarantees provided by the Company's CEO Ms Ho Yow Ping (He YouPing) ("**CEO**") and Ms Mary Chia Ah Tow ("**Ms Mary Chia**")¹.
- b. Finance lease liabilities amounting to S\$175,000 as at 30 September 2018 (31 March 2018: S\$207,000) are secured over the leased equipment, motor vehicles and furniture and fittings, as the respective legal title is retained by the lessor and will be transferred to the Group upon full settlement of the finance lease liabilities. It is also secured by personal guarantee provided by the CEO and a corporate guarantee from the Company. The carrying amounts of these plant and equipment held under finance leases amounted to S\$138,000 as at 30 September 2018 (31 March 2018: S\$169,000).
- c. Bank overdrafts is nil as at 30 September 2018 (31 March 2018: S\$51,000). As at 31 March 2018, the bank overdrafts were secured by joint and several personal guarantees provided by the CEO and Ms Mary Chia¹, a corporate guarantee from the Company and a negative pledge over all assets of a subsidiary.

Note 1

Under the sales and purchase agreement dated 24 August 2017 entered into between Suki Sushi Pte Ltd ("**Suki Sushi**") and Ms Mary Chia on Suki Sushi's acquisition of 60.98% of shares of the Company from Ms Mary Chia, Suki Sushi has undertaken to use its best efforts to procure the release of all the personal guarantees that Ms Mary Chia has provided in favour of financial institutions and other relevant third parties to secure facilities taken up by the Group. As at the date of this announcement, Suki Sushi is in the process of procuring the release of the personal guarantees of Ms Mary Chia.

1(c)(i) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	For the 6 months period ended	
	30-Sep-18	30-Sep-17
	Unaudited	Unaudited
	\$'000	\$'000
Cash Flows from Operating Activities		
Profit (Loss) before taxation	2,415	(2,609)
Adjustments for:		
Depreciation of property, plant and equipment	167	227
Finance costs	51	509
Gain from disposal of Property	(4,885)	-
Operating loss before working capital changes	(2,252)	(1,873)
Change in inventories	(249)	(42)
Change in trade and other receivables	(43)	49
Change in trade and other payables	(2,879)	1,568
Cash used in operations	(5,423)	(298)
Income tax paid	(64)	(104)
Net cash used in operating activities	(5,487)	(402)
Cash Flows from Investing Activities		
Dividends paid to non-controlling interest	(20,580)	-
Acquisition of property, plant and equipment	(369)	(173)
Proceeds from sale of Property	64,800	-
Net cash generated from (used in) investing activities	43,851	(173)
Cash Flows from Financing Activities		
Proceeds from bank borrowings	-	1,480
Repayment of bank borrowings	(28,944)	(855)
Interest paid	(4)	(386)
Repayment of finance lease liabilities	(34)	(27)
Repayment of cash advance to a former director	(2,200)	-
(Decrease) Increase in amount due to a director	(210)	186
Net cash (used in) generated from financing activities	(31,392)	398
Net changes in cash and cash equivalents	6,972	(177)
Cash and cash equivalents at beginning of the financial period	127	105
Effects of foreign exchange on cash and cash equivalents	(1)	(1)
Cash and cash equivalents at end of the financial period	7,098	(73)

1(c)(ii) Cash and cash equivalents

	Group	
	As at	
	30-Sep-18	30-Sep-17
	Unaudited	Unaudited
	\$'000	\$'000
Cash and bank balances as per statement of financial position	7,660	585
Bank overdraft	-	(96)
Cash under restriction of use in a subsidiary to be liquidated	(502)	(502)
Bank deposits pledged under rental agreement	(60)	(60)
Cash and cash equivalents as per statement of cash flows	<u>7,098</u>	<u>(73)</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital	Merger reserve	Foreign currency translation reserve	Retained earnings	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 April 2018	4,818	(927)	7	(5,026)	(1,128)	(1,083)	(2,211)
Profit for the period	-	-	-	28	28	2,387	2,415
Acquisition of shares of a subsidiary without a change of control	-	-	-	(399)	(399)	219	(180)
Exchange differences on translation of foreign operations	-	-	21	-	21	-	21
Total comprehensive income for the period	-	-	21	(371)	(350)	2,606	2,256
Fair value of interest-free loans from shareholders	-	-	-	(59)	(59)	-	(59)
Total transactions with owners, recognised directly in equity	-	-	-	(59)	(59)	-	(59)
Balance as at 30 September 2018	4,818	(927)	28	(5,456)	(1,537)	1,523	(14)
Balance as at 1 April 2017	4,818	(927)	122	470	4,483	19,209	23,692
Loss for the period	-	-	-	(2,895)	(2,895)	232	(2,663)
Exchange differences on translation of foreign operations	-	-	(57)	-	(57)	-	(57)
Total comprehensive loss for the period	-	-	(57)	(2,895)	(2,952)	232	(2,720)
Fair value of interest-free loans from shareholders	-	-	-	126	126	-	126
Total transactions with owners, recognised directly in equity	-	-	-	126	126	-	126
Balance as at 30 September 2017	4,818	(927)	65	(2,299)	1,657	19,441	21,098
Company	Share capital	Retained earnings	Total equity				
	\$'000	\$'000	\$'000				
Balance as at 1 April 2018	4,818	9,699	14,517				
Total comprehensive loss for the period	-	(191)	(191)				
Balance as at 30 September 2018	4,818	9,508	14,326				
Balance as at 1 April 2017	4,818	(9,988)	(5,170)				
Total comprehensive loss for the period	-	(310)	(310)				
Balance as at 30 September 2017	4,818	(10,298)	(5,480)				

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	<u>No of shares</u>	<u>Share Capital</u> S\$
Issued and paid-up capital as at 30 September 2018 and 31 March 2018	163,495,140	4,817,859

There was no change in the Company's share capital from 31 March 2018 up to 30 September 2018.

There were no outstanding convertibles, treasury shares and subsidiary holdings as at 30 September 2018 and 30 September 2017.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	<u>30-Sep-18</u>	<u>31-Mar-18</u>
Total number of issued shares	163,495,140	163,495,140

There were no treasury shares as at 30 September 2018 and 31 March 2018.

1(d)(iv) A statement showing all sales, transfer, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfer, cancellation and/or use of subsidiary holding as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

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

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable. The figures have not been audited or reviewed by the Company's auditors.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.

The Company and the Group had applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period reporting on as in the latest audited financial statements for the financial year ended 31 March 2018, including the first-time adoption of Singapore Financial Reporting Standards (International) ("SFRS(I)"), effective from 1 January 2018 for Singapore incorporated companies listed on the Singapore Exchange. Except as disclosed under Note 5 below, the adoption of new SFRS(I) and Interpretation of SFRS(I) ("INT SFRS(I)") which have become effective for the financial year ending 31 March 2019 have had no material impact on the financial information for the current period ended 30 September 2018 and its comparative balances.

5. If there were any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of new and revised SFRS(I) and INT SFRS(I) effective from 1 January 2018, mainly SFRS(I) 9 Financial Instruments and SFRS(I) 15 Revenue from Contracts with Customers is not expected to result in any significant changes to the Group's accounting policies and methods of computation for 1H2019.

6. Earnings (Loss) per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	For the 6 months period ended	
	30-Sep-18	30-Sep-17
	Unaudited	Unaudited
Earnings (Loss) per share attributable to equity holders of the Company		
- Basic earnings (loss) per share (Cents)	0.02	(1.77)
- Diluted earnings (loss) per share (Cents)	0.02	(1.77)

Notes

a. Basic earnings (loss) per ordinary share had been calculated by dividing the profit (loss) for the respective financial period attributable to the equity holders of the Company, by the weighted average number of ordinary shares in issue during the respective financial period under review of 163,495,140 shares.

b. Fully diluted earnings (loss) per ordinary share is the same as basic earnings (loss) per ordinary share as there was no potentially dilutive instrument as at 30 September 2018 and 30 September 2017 respectively.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares (excluding treasury shares) of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	As at		As at	
	30-Sep-18 Unaudited	31-Mar-18 Audited	30-Sep-18 Unaudited	31-Mar-18 Audited
Net asset value per ordinary share based on issued share capital as at the end of the financial period/ year reported on (Cents)	(0.94)	(0.69)	8.76	8.88

Note

Net asset value per ordinary share of the Group and Company is calculated by dividing net asset value of the Group and Company respectively by the number of issued ordinary shares of 163,495,140 as at 30 September 2018 (31 March 2018: 163,495,140).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

a. Income Statement

The Group recorded revenue of S\$4.0 million for the 6 months financial period ended 30 September 2018 ("**1H2019**"), a decrease of S\$0.5 million or 12.5% from S\$4.5 million for the corresponding prior year period ("**1H2018**"). The decrease in revenue was mainly from the loss of revenue of S\$0.9 million of rental income on the 48, 49 and 50 Mosque Street (the "**Property**") arising from the sale of the Property in March 2018. The decrease was also due to lower revenue in the segments of beauty, slimming and spa treatment for men and women attributed from the closure of retail outlets in Singapore. As at 30 September 2018, the Group has a total of 14 retail outlets in Singapore and Malaysia, as compared to 17 outlets as at 30 September 2017. The decreases in revenue was partially offset by an increase of S\$0.5 million from the direct selling of JUVE Daily Essence and Cordyzymes Supreme Essence, house brands of Organica International Holdings Pte. Ltd. ("**Organica**"), a fully owned subsidiary of the Company.

Other income increased by S\$4.9 million from S\$40,000 in 1H2018 to S\$5.0 million in 1H2019 mainly due to the recognition of the one-time gain of S\$4.9 million on the disposal of the Property. As announced on 1 March 2018, Hotel Culture Pte. Ltd., a 51% owned subsidiary of the Company, entered into sales and purchase agreement to dispose the Property at a sales price of S\$64.8 million to JL Asia Resources Pte. Ltd.. As at 31 March 2018, the Property previously recognized as investment property (of amounts approximately S\$57.0 million) and leasehold property (of amounts approximately S\$2.9 million) were reclassified as assets held for sale as per financial accounting standards and stated at S\$59.9 million. Following the transfer of property title with the Singapore Land Authority on 7 May 2018, at a sales price of S\$64.8 million, the Group recognized a gain on disposal of the Property of approximately S\$4.9 million in 1H2019.

Purchases and related cost and changes in inventories in totality increased by S\$0.4 million from S\$0.2 million in 1H2018 to S\$0.6 million in 1H2019 arising mainly from increases in purchases relating to Organica products in tandem with the increases in sales of Organica products.

Depreciation decreased by S\$60,000 or 26.4% from S\$227,000 in 1H2018 to S\$167,000 in 1H2019 mainly due to the disposal of the Property and certain plant and equipment being fully depreciated or impaired as at 31 March 2018.

Staff and staff related costs increased by S\$0.1 million or 3.4% from S\$2.9 million in 1H2018 to S\$3.0 million in 1H2019, mainly due to increases in hiring in HQ staff.

Operating lease expenses decreased by S\$0.2 million or 11.6% from S\$1.7 million in 1H2018 to S\$1.5 million in 1H2019, mainly due to the closure of outlets in Singapore.

Other operating expenses decreased by S\$0.5 million or 26.5% from S\$1.7 million in 1H2018 to S\$1.2 million in 1H2019, due to the absence of S\$0.6 million relating to the final award arising from the arbitration proceedings between Mary Chia Beauty & Slimming Specialist Pte Ltd and Slim Beauty House Co., Ltd in relation to their joint venture, MSB Beauty Pte. Ltd. The decrease is offset by an increase in advertising marketing expenses of S\$0.1 million.

The Group's finance costs reduced from S\$0.5 million in 1H2018 to S\$51,000 in 1H2019 mainly due to the repayment of bank borrowings of S\$28.9 million related to the Property.

As a result of the above factors, the Group reported a net profit of S\$2.5 million in 1H2019, as compared to a net loss of S\$2.7 million in 1H2018.

b. Statement of Financial Position

Property, plant and equipment increased by S\$0.2 million from S\$0.7 million as at 31 March 2018 to S\$0.9 million as at 30 September 2018 mainly due to renovations and purchases of equipment.

Other assets (current and non-current) decreased by S\$0.2 million from S\$1.2 million as at 31 March 2018 to S\$1.0 million as at 30 September 2018 mainly due to decrease in prepayments of S\$180,000 relating to the acquisition of shareholdings in a subsidiary SCINN Pte. Ltd. ("**SCINN**"). As announced on 21 November 2016, the Group acquired the remaining 30% balance of shareholdings of SCINN via instalments of cash consideration totaling S\$180,000. The acquisition was completed with the share transfer on 1 April 2018. The Group derecognized the carrying amount of the non-controlling interest of negative S\$219,000 as at the date of the share transfer, and the prepayment of S\$180,000, and recorded a decrease in equity attributable to shareholders of the Company of S\$398,000.

Trade and other receivables remained relatively stable at S\$0.2 million as at 30 September 2018 and 31 March 2018.

Inventories increased by S\$0.3 million from S\$0.4 million as at 31 March 2018 to S\$0.7 million as at 30 September 2018, due to increase in stock relating to Organica products in support of the surge in Organica sales.

Assets held for sale decreased by S\$59.9 million from S\$59.9 million as at 31 March 2018 to nil as at 30 September 2018 due to the completion of the sale of the Property in May 2018.

Total borrowings (current and non-current) decreased to S\$175,000 as at 30 September 2018 from S\$29.2 million as at 31 March 2018 mainly due to the repayment of bank borrowings of S\$28.9 million relating to the Property.

Trade and other payables decreased by S\$25.7 million from S\$32.1 million as at 31 March 2018 to S\$6.4 million as at 30 September 2018 mainly due to the payment of S\$20.6 million of dividends to a non-controlling interest, repayment of S\$2.2 million of cash advance to a former director and repayment of creditors.

The Group has a working capital of S\$2.4 million as at 30 September 2018 (31 March 2018: S\$0.3 million). Included in trade and other payables are billings in advance amounting to S\$2.8 million (31 March 2018: S\$2.5 million) for non-refundable treatment packages paid for by customers and will only be recognized as revenue after the services has been rendered as required by the financial accounting standards.

c. Statement of Cash Flows

Net cash outflow from operating activities in 1H2019 of S\$5.5 million was mainly due to the operating losses of S\$2.3 million, decreases in trade and other payables of S\$2.9 million and increases in inventories of S\$0.3 million.

The Group had a net cash inflow of S\$43.9 million from investing activities in 1H2019 due to sale proceeds of the Property of S\$64.8 million being offset by dividends paid of S\$20.6 million to a non-controlling interest.

The Group's net cash outflow from financing activities of S\$31.4 million in 1H2019 was mainly due to repayment of bank borrowings of S\$28.9 million and repayment of cash advance to a former director of S\$2.2 million.

9. 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.

10. 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 Group expects the operating environment in the segments of beauty, slimming and spa treatment for men and women to remain challenging amid weak consumer sentiments, rising operating costs and tight labour market. Despite the adverse environment, the Group will leverage on its 40-year-old brand name to increase its market presence through sourcing retail locations with good consumer traffic flow and affordable rentals to open new outlets.

As announced in October 2018, the Group has marked its entry into the Taiwan direct selling market through the establishment of the Organica Taiwan Branch. With an operating capital of TWD 15 million (approximately S\$675,000) and sales expected to commence before the end of March 2019, the Group expects Organica Taiwan Branch to be an area of growth.

Subsequent to the disposal of the Property in March 2018, the Company will continue to explore opportunities (as and when made available) to enhance its and/or the Group's financial position through discussions with strategic investors and/or partners.

11. Dividend

(a) *Current Financial Period Reported On*

For the six months ended 30 September 2018, the Board of Directors has declared an interim dividend of 0.3 cent per ordinary share (one tier tax-exempt).

(b) *Corresponding Period of the Immediately Preceding Financial Year*

None.

(c) *Date payable*

The interim dividend will be paid on 27 December 2018.

(d) *Books closure date*

The Transfer Book and Register of Members will be closed at 5.00 p.m. on Monday, 10 December 2018 for the purposes of determining the entitlements of the Company's shareholders to the interim dividend. Duly completed and stamped registrable transfers of ordinary shares in the capital of the Company received by the Company's Registrar will be registered to determine shareholders' entitlement to the dividend.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. Interested person transactions ("IPTs")

The Group does not have a general mandate for IPTs.

Name of Interested Person	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	0.3	-

Note 1

JL Asia Resources Pte Ltd ("**JL Asia**") is wholly-owned by Lee Boon Leng ("**Mr Lee**"), being the controlling shareholder of Suki Sushi Pte. Ltd. ("**Suki Sushi**"), is the ultimate controlling shareholder of the Company, and the spouse of the CEO. Mr Lee has a deemed interest of 67.57% in the shares of the Company ("**Shares**") by virtue of his 73.75% shareholdings interest in Suki Sushi, which holds 67.57% of the Shares. Spa Menu Pte. Ltd. ("**Spa Menu**") leases an area of 257.6 square meters within the premise of 48, 49 and 50 Mosque Street (the "**Premise**") to operate a spa under the brand name "Huang Ah Ma". As announced on 30 May 2018, the lease of the premises entered into between Spa Menu Pte. Ltd. and JL Asia (the "**First Lease**") was for a term of six months from 1 April 2018 to 30 September 2018 at a monthly rental of S\$19,000. As announced on 1 October 2018, Spa Menu entered into a lease of the Premise ("**Second Lease**") for a term of one year from 1 October

2018 to 30 September 2018, with an option to renew for an additional year under the terms as the First Lease. The entry of the Second Lease falls within the exception of Catalyst Rule 916 (1). The aggregate values of the First Lease and Second Lease will be approximately S\$114,000 and S\$228,000 respectively.

14. Negative Confirmation pursuant to Rule 705(5)

Ho Yow Ping (He YouPing) and David Yeung, being directors of Mary Chia Holdings Limited (the “**Company**”), hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements for the half year ended 30 September 2018 to be false or misleading in any material aspect.

15. 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)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

BY ORDER OF THE BOARD

Ho Yow Ping (He YouPing)
Chief Executive Officer
14 November 2018

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