

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

**MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL RESULTS ANNOUNCEMENT AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

The Board of Directors (the "**Board**") of Mary Chia Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the unaudited full-year results announcement for the financial year ended 31 March 2023 ("**FY2023**") released on 29 May 2023 (the "**Unaudited Results**").

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Board wishes to highlight that there are material variances between the Unaudited Results and the audited financial statements for FY2023 ("**Audited Results**").

A comparison of the Audited Results and the Unaudited Results with the relevant explanatory notes is set out as follows:

**Consolidated Statement of Profit or Loss and Other Comprehensive Income for FY2023**

<u>Group</u>	<u>Audited</u>	<u>Unaudited</u>	<u>Variance</u>	<u>Variance</u>	<u>Notes</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	
Revenue	8,717	8,717	-	-	
Other operating income	1,079	1,869	(790)	(42)	1
Purchases and related costs	(654)	(654)	-	-	
Depreciation of plant and equipment	(283)	(502)	(219)	(44)	2
Depreciation of right-of-use assets	(2,062)	(1,564)	498	32	3
Impairment losses on trade receivables	(9)	-	9	100	4
Staff costs	(5,907)	(5,597)	310	6	5
Operating lease expenses	(431)	(431)	-	-	
Other operating expenses	(1,574)	(2,961)	(1,387)	(47)	6
Finance costs	(441)	(441)	-	-	
Share of results of joint ventures, net of tax	524	38	486	>100	7
Income tax expense	-	-	-	-	
Non-controlling interests	(53)	(237)	(184)	(78)	8

**Notes:**

- Other operating income decreased mainly due to the reclassification of other income, which should have been net off against the corresponding expenses.
- Depreciation of plant and equipment decreased due to revision in fixed asset schedule.
- Depreciation of right-of-use assets increased due to a revision in the right-of-use assets schedule.
- Impairment losses on trade receivables increased due to additional allowance made for impairment loss.
- Staff costs increased mainly due to the recalculations of staff's payroll and commission.
- Other operating expenses decreased mainly due to the correction of gain or loss on disposal of Monsoon entities.
- Share of results of joint ventures increased due to the revision in the joint ventures' results.
- Non-controlling interests decreased mainly due to the disposal of 50% of equity interest in the Monsoon entities, namely Hatsuga Enterprise Pte. Ltd., M Nature Pte. Ltd., M Plus Hair Pte. Ltd. and Monsoon Hair House Pte. Ltd.

## **Consolidated Statement of Financial Position as at 31 March 2023**

<b>Group</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Variance</b>	<b>Variance</b>	<b>Notes</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	
Plant and equipment	714	699	15	2	9
Right-of-use assets	1,510	1,984	(474)	(24)	10
Intangible assets	5	-	5	100	11
Investments in associates	-	908	(908)	(100)	12
Investments in joint ventures	1,394	-	1,394	100	12
Inventories	100	106	(6)	(6)	13
Trade and other receivables	1,287	528	759	144	14
Deferred consideration receivable	-	200	(200)	(100)	15
Prepayments	22	954	(932)	(98)	16
Cash and cash equivalents	1,673	1,667	6	*	17
Lease liabilities (Non-Current)	710	1,905	(1,195)	(63)	18
Lease liabilities (Current)	1,695	1,259	436	35	18
Provision (Non-Current)	95	149	(54)	(36)	19
Provision (Current)	165	182	(17)	(9)	19
Trade and other payables	5,516	6,572	(1,056)	(16)	20
Borrowings (Current)	1,756	1,546	210	14	21
Contract liabilities	2,205	2,142	63	3	22
Current tax liabilities	102	102	-	-	

\* less than 1%

### **Notes:**

9. Plant and equipment increased mainly due to the revision in the fixed asset schedule.
10. Right-of-use assets decreased mainly due to the revision in the right-of-use assets schedule.
11. Intangible assets increased due to the reclassification of software from plant and equipment.
12. Investments in associates were reclassified to investments in joint ventures following a reassessment in accordance with SFRS(I) 1-28 *Investments in Associates and Joint Ventures*, with an additional increase of approximately S\$486,000 due to a higher share of profit from joint ventures.
13. Inventories decreased due to adjustments in inventory movement.
14. Trade and other receivables increased due to the reclassification from deferred consideration receivables and prepayments.
15. Deferred consideration receivable decreased due to the reclassification to trade and other receivables.
16. Prepayments (previously categorised under other assets in the Unaudited Results) decreased mainly due to the reclassification of deposits to trade and other receivables.
17. Cash and cash equivalents increased mainly arising from a reclassification of receipts into the appropriate accounting period.
18. Lease liabilities (Non-Current) decreased as a result of the revision in the lease liabilities schedule and the reclassification between the current and non-current categories.
19. Provision decreased mainly due to the reassessment of provision for reinstatement.
20. Trade and other payables decreased mainly due to reclassifications to trade and other receivables and the derecognition of certain unknown payables.
21. Borrowings increased due to previously unrecorded amounts based on audit confirmation responses received.
22. Contract liabilities increased due to the reclassification of services rendered.

### Consolidated Statement of Cash Flows for FY2023

<u>Group</u>	<u>Audited</u>	<u>Unaudited</u>	<u>Variance</u>	<u>Variance</u>	<u>Notes</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	
Net cash generated from operating activities	2,264	2,566	(302)	(12)	23
Net cash (used in)/generated from investing activities	(192)	394	(586)	(149)	24
Net cash used in financing activities	(1,632)	(2,526)	894	(35)	25

**Notes:**

23. Net cash generated from operating activities decreased as a result of the abovementioned adjustments to the various accounts and items 24 and 25 below.
24. Net cash used in investing activities increased mainly due to the reclassification of payments of consideration payable.
25. Net cash used in financing activities decreased mainly due to the reclassification of advances from related parties.

**BY ORDER OF THE BOARD**

Wendy Ho

Chief Executive Officer  
13 July 2023

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This announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory 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.

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