ANNUAL REPORT 2024

MARY CHIA HOLDINGS LIMITED

ANNUAL REPORT
FINANCIAL YEAR 2022/2023

MARY CHIA

OUR PROFILE

As a leading lifestyle and wellness service provider in Singapore, Mary Chia Holdings Limited ("**MCH**"), together with its subsidiaries (the "**Group**"), continues to be one of the industry's leading beauty and wellness service providers. The Group, listed on Singapore Exchange Securities Trading Limited Catalist on 11 August 2009, has grown from strength to strength with wellness centres operating under the following brand names: "Mary Chia", "Urban Homme", "Masego", "Organica", "Scinn Medical Centre", and "Minutiae".

By delivering gold-standard non-invasive face augmentation, cutting-edge laser therapies, solution-based medical spa treatments, top-notch hair couture services, and solution-based medical spa treatments under the Group's umbrella, the Group serves strategic market segments of all genders, including individuals, families, tourists and PMEB. Services provided by the Group can be broad-based and categorised into beauty and facial treatments, slimming treatments, spa and wellness therapies, medical aesthetic treatments, wellness products and, skincare products.

"MU", the Group's skincare arm, distributes consumable and topical skin care and wellness developed with some of the latest breakthroughs in scientific research products for all wellness and lifestyle centres under its umbrella. "Organica", a direct-selling company, distributes premium nutrition and skincare products created for Asians through its extensive direct-selling network.

The Company has prepared this annual report, and the Company's Sponsor, Evolve Capital Advisory Private Limited (the **"Sponsor"**), has reviewed its contents for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the **"SGX-ST"**).

This annual report has not been examined or approved by the SGX-ST, and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The details of the contact person for the Sponsor are:

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Navigating a Transformative Year

We are pleased to present the Annual Report for Mary Chia Holdings Limited for the fiscal year ending 31 March 2024. This year has been a transformative one for our company as we have navigated through dynamic market conditions and unprecedented global challenges to achieve significant milestones. Our commitment to innovation, sustainability, and customer satisfaction has driven us to excel in an ever-evolving beauty industry.

1 New Challenges and Business Direction

As we usher in a new financial year, we find ourselves navigating a landscape marked by fresh challenges and a pivotal shift in our business direction. Despite these hurdles, we have remained steadfast in our commitment to growth and innovation and have successfully identified opportunities that promise to propel us forward.

2 Turning Challenges into Opportunities

From the challenges we faced, we successfully identified and capitalised on new opportunities. This resilience and adaptability has been key to our progress.

3 Welcoming New Team Members

This year, we are thrilled to welcome several new team members from Singapore and Malaysia, who have joined our family and contributed outstanding ideas to our **"Revolutionary Projects"**. We take great pride in announcing especially the addition of Mr. Martin Su, Executive Director and Group CFO of Mary Chia Holdings Limited, who has been working closely with our Group CEO, Ms. Wendy Ho. Their combined expertise and vision have been instrumental in driving our business forward.

4 Dynamic Year of Activities

The past year has been a whirlwind of activity, marked by vigorous product development, sustainability initiatives, dynamic business exchanges, and relentless efforts to promote our brand across various countries. Our explorations have taken us to Vietnam, China, Hong Kong, Taiwan, Indonesia, Laos, and Thailand, where we have successfully expanded our reach and established meaningful connections.

5

Efforts Leading to Future Success

We firmly believe that the dedication and hard work we have invested over the past 12 months will yield positive results in the near future. Our collective efforts are paving the way for sustained success and growth.

6

Confidence Realises Dreams

At **Mary Chia Holdings Limited**, we hold the conviction that confidence is the cornerstone of realising our dreams. With this belief, we look forward to continuing our journey, confident in our ability to achieve great things together.

7

Looking Ahead

As we move forward, we are committed to maintaining our growth trajectory and further strengthening our brand. We will continue to invest in innovation, sustainability, and digital initiatives to meet the evolving needs of our customers. Our strategic priorities for the coming year include expanding our global footprint, enhancing our product offerings, and deepening our engagement with our community of beauty enthusiasts.

8

Expressing Gratitude

We would like to express our gratitude to our shareholders, customers, employees, and partners for their unwavering support and trust in **Mary Chia Holdings Limited**. It is your commitment that drives us to strive for excellence and achieve our goals.

We are excited about the future and confident in our ability to continue delivering value to all our stakeholders. Together, we will continue to redefine beauty standards and inspire confidence in every individual we touch.

Thank you for being a part of our journey.

Mary Chia Holdings Limited

Corporate Initiatives

August 2023, Business Cultural Exchange - China

In August 2023, **Mary Chia Holdings Limited** embarked on a transformative journey through a cultural exchange with esteemed business leaders from China. This exchange served as a pivotal platform for us to showcase the essence of **Mary Chia Holdings Limited** to a diverse audience, transcending geographical boundaries and fostering meaningful connections.

During this exchange, we engaged in enriching dialogue with leaders representing various industries, meticulously weaving the narrative of Mary Chia's rich history, distinctive business ethos, and unwavering commitment to product excellence. Through insightful discussions and collaborative exchanges of global business ideas, we not only showcased our brand but also established a profound presence in the hearts and minds of our Chinese counterparts.

This exchange marked a significant milestone for **Mary Chia Holdings Limited** as we ventured into the international arena, laying the groundwork for expanded horizons and promising opportunities. It provided us with invaluable exposure, reinforcing our position as a global player poised for growth and success.

As we reflect on this momentous occasion, we are filled with gratitude for the opportunity to extend the reach of Mary Chia's brand and values to a wider audience. We are confident that the seeds sown during this exchange will blossom into fruitful partnerships and ventures in the years to come, driving our company towards greater heights of achievement and excellence.

Mary Chia Holdings Limited

Corporate Initiatives

March 2024, International Women's Day

In March 2024, on the occasion of International Women's Day, we had the privilege of partaking in an event that celebrated the commendable achievements of women globally, in collaboration with the PAP Women's Wing. We extend our sincere appreciation to Ms. Nadia Ahmad Samdin for graciously inviting us, which enabled us to deliver an inspiring leadership talk. It was a great honour as we reflected on the journey of our Group CEO, Ms. Wendy, and endeavoured to inspire the next generation of women leaders.

At the event, Ms. Sim Ann and Ms. Nadia shared poignant insights emphasising the significance of self-care, underscoring its role in personal well-being, and advocating for the creation of nurturing spaces that go beyond safety, providing breath and space for growth. These messages resonated profoundly with us, reinforcing our commitment to empowering women within the Mary Chia Group.

With a workforce predominantly consisting of 90% exceptional female talents, we at Mary Chia Group are dedicated to fostering an environment that uplifts and empowers women. Our ethos revolves around creating a supportive setting where individuals, regardless of gender, can thrive and realise their full potential.

Central to our organisational philosophy is encouraging our employees' aspirations and providing guidance to navigate life's challenges. We firmly believe that cultivating a nurturing ecosystem unlocks the boundless potential inherent in each individual, propelling their personal and professional growth. Together, we strive to inspire and co-create a brighter future alongside our diverse community of customers.

Today, and every day, let us collectively celebrate the resilience, strength, and phenomenal achievements of women worldwide. Let us stand together in solidarity, uplifting, and supporting one another, as we work towards a more equitable and promising future for all.






MARY CHIA

Rebranding Milestone at Mary Chia Mid Valley Flagship Malaysia

In May 2023 was a significant month for our Mary Chia Mid Valley Flagship in Malaysia, as we announced the first rebranding initiative following our new brand concept. A soft launch party held within the centre brought together our loyal customers to celebrate this milestone, reflecting our commitment to evolving and enhancing our brand presence.

A New Chapter for Mary Chia NEX Flagship Singapore

In October 2023, we proudly unveiled the relocated Mary Chia NEX Flagship at Serangoon, aligned with our new branding direction. This upgraded and sophisticated version of our flagship store was celebrated with a grand launch party. Group CEO Ms. Wendy Ho, along side our invited VIP customers, marked the occasion with festivities that highlighted the enhanced experience and services we now offer.


Mid-Valley Mary Chia

Serangoon Central Mary Chia


Serangoon Central Mary Chia

Introducing the HA Intensifier: A Landmark Product Launch

In October 2023, the Mary Chia Team in Malaysia proudly introduced the HA Intensifier, our first-ever in-house branded product under the Mary Chia name. This new product represents a significant achievement in our history, showcasing our dedication to innovation and excellence in skincare solutions.

The Next Generation of Deep Hydration Power HA Intensifier Utilising

Utilising pure and highly concentrated hyaluronic acid and a natural high-molecular-weight polymer (yPGA) with a patented Japanese technology, skin's moisturising factor can absorb up to 1000 times its own volume of water and create a dual hydration mechanism of hydration replenishment and locking.

Honouring Customer Loyalty with Our Annual Spa Party

In December 2023 marked the second year that Mary Chia Singapore hosted our annual spa party, a cherished event designed to express our sincere appreciation for our customers' unwavering support and loyalty. This gathering not only celebrated our valued customers but also reinforced the strong relationships we have built over the years.

Welcoming the New Year with Hyalu-Rain Intense Therapy

In December 2023, amidst the festive cheer of New Year and Chinese New Year celebrations for 2023/2024, we unveiled our exclusive Limited Edition Treatment, the Hyalu-Rain Intense Therapy. This pioneering facial treatment, jointly introduced by our Singapore and Malaysia teams, sparked immense enthusiasm among our patrons. Setting a new benchmark in customer satisfaction, this treatment exceeded expectations by delivering exceptional results that surpassed conventional facial therapies.

In Retrospect

As we reflect on the past year, we are proud of the strides we have made in enhancing our brand, expanding our product offerings, and deepening our customer relationships. The successes of FY2024 are a testament to our relentless pursuit of excellence and innovation. We look forward to continuing this journey and achieving new milestones in the coming year.

歐佳麗卡國際
ORGANICA INTERNATIONAL

Over the past six months, Organica International has engaged in a transformative reengineering project, dedicating efforts towards revitalising its brand and broadening its market footprint. Under the astute leadership of our visionary Group CEO, Ms. Wendy Ho, and esteemed expert, Dr. William Soh, our journey has been one of reinvention and forward-looking innovation. This report encompasses the pivotal milestones and triumphs attained during fiscal year 2024.

Revitalising Through Re-Engineering

The re-engineering project undertaken by Organica International has been a testament to our commitment to growth and evolution. Over several months of meticulous planning, team building, and product development, we have successfully launched a new product and scheme in Taiwan, marking a significant milestone in our journey.

Online Product Sharing for Networking in Taiwan

Under the leadership of Ms. Wendy Ho and Dr. William, Organica International hosted its first-ever online product sharing event for networking in Taiwan in March 2024. This event served as a platform to introduce our innovative products to a wider audience and establish valuable connections within the industry.

Resounding Success of the Soft Launch in Singapore

Following the comprehensive re-engineering plan, Organica International conducted its first soft launch in Singapore. The event was met with overwhelming enthusiasm, garnering positive feedback from attendees and resulting in a successful first batch of enrollments. This initial success serves as a testament to the effectiveness of our strategic initiatives.

Market Expansion and Acclaim in Taiwan

Since the launch of our new product and scheme in Taiwan, Organica International has witnessed significant growth and expansion in the market. Particularly, our flagship product "Juve," the biomimetic Stem Cell Activator, has exceeded expectations and garnered widespread acclaim for its efficacy and innovation.

Introducing JUVE
Biomimetic Stem Cell Activator

More Than Instant Facelift.

Potently formulated to eliminate the signs of ageing in 30 days.

JUVE Biomimetic Stem Cell Activator is enhanced with BoNTLIF^{300}, a powerful anti-ageing formula that enables instant facelift. The advanced concentrate is curated with high levels of peptides that firm and repair damaged skin, promoting a youthful appearance. JUVE Biomimetic Stem Cell Activator also enhances collagen synthesis, reducing the appearance of fine lines and wrinkles by inhibiting the release of neurotransmitters. With its deeply hydrating properties, Juve leaves the skin feeling soft and supple.

Propelling Towards a Radiant Future

As we reflect on the achievements of the past fiscal year, it is evident that Organica International is poised for continued success and growth. The re-engineering project has laid a solid foundation for our future endeavours, and we remain committed to pushing the boundaries of innovation in the beauty industry. We extend our sincere gratitude to our team members, partners, and customers for their unwavering support and dedication. With confidence and determination, we look forward to embracing the opportunities that lie ahead and achieving new heights of excellence.

Mu LUCENT

This year has been marked by innovation, growth, and remarkable achievements, driven by our unwavering commitment to excellence in skincare.

Re-Engineering Project

In FY2024, Lucent unveiled two groundbreaking products that have revolutionised the skincare industry.

LuminoCrystal Glow Daily Protector

Launched in November 2023, this upgraded version of our Luminocrystal daily skin protector represents a significant milestone in skincare innovation. Formulated with BCircadin®, based on Nobel Prize-winning discoveries on circadian rhythm, this product rejuvenates tired complexions while providing protection against blue light-induced oxidative stress and damage from UVA and UVB rays.

Supercharged Miracle Drop

In December 2023 saw the launch of Supercharged Miracle Drop, a game-changer in skincare hydration. Powered by multi-molecular weight sodium hyaluronate, this innovative formula delivers continuous hydration from the inside out. Quickly absorbed into the skin, it locks in moisture and hydrates skin cells at the molecular level, leaving the skin rejuvenated and radiant.

E-commerce expansion

Strategic collaborations and partnerships forged with Singapore Krisflyer (KrisShop), Robinsons, and Tangs to facilitate the launch of the exclusive Lucent and MU skincare product lines across diverse channels. These collaborative efforts have broadened our market presence and enhanced product accessibility to a wider audience, marking a significant expansion into the digital marketplace. As we navigate the evolving e-commerce landscape, these strategic alliances serve as a testament to our dedication to excellence and customer-centric innovation. We are excited about the opportunities they present for continued expansion and look forward to further collaborations that will shape the future of our e-commerce presence and elevate the skincare experience for our valued customers.

Remarkable Success

The response to both products has been overwhelmingly positive with sales soaring immediately after launch. This unprecedented success exceeded our expectations, and we take great pride in these achievements.

Acknowledgements

Credit for this remarkable achievement goes to our dedicated product development team, led by our Group CEO Ms. Wendy Ho, whose passion for research and development drive innovation at Lucent. Additionally, our sales and operations team deserves recognition for their tireless efforts in promoting these products and delivering outstanding performance.

spa menu

A Subsidiary of Mary Chia Holdings Limited

At SPA MENU Academy, a division of Mary Chia Holdings Limited, we take great pride in our expertise in the beauty and wellness industry. Our commitment to lifelong learning is at the core of our mission, as we believe in empowering individuals through the mastery of both theoretical knowledge and practical skills. As an Authorised Training Organisation, we are dedicated to providing accredited courses led by a team of seasoned professionals, ensuring that learners receive the highest quality of training.

Over the past 6-9 months, we have embarked on an ambitious journey to elevate our courses to an international level, starting with Vietnam as our first destination. Through strategic initiatives, we have successfully launched two Business Cultural Exchange events aimed at Vietnamese beauty business owners. These events served as platforms to not only showcase our local beauty culture but also to introduce the Mary Chia brand and our array of SPA Menu Beauty Courses.

The response to both events has been overwhelmingly positive, with over 250 Vietnamese beauty professionals participating and subsequently enrolling in our courses. This enthusiastic reception reaffirms the demand for our offerings and underscores the effectiveness of our outreach efforts.

Looking ahead, we are excited to announce our plans to further expand our international presence by focusing on offering Beauty Diplomas for international student exchange programs. This strategic direction aligns with our vision of becoming a global leader in beauty education and underscores our commitment to providing accessible and comprehensive training opportunities to aspiring beauty professionals worldwide.

As we reflect on the achievements of the past year and look forward to the opportunities that lie ahead, we extend our heartfelt gratitude to all our students and team members for their unwavering support and dedication. Together, we will continue to set new benchmarks in beauty education and empower individuals to pursue their passion for excellence in the ever-evolving beauty and wellness industry.

CEO MESSAGE

Dear Shareholders,

On behalf of our Board of Directors, I am pleased to present the Annual Report highlighting the business transformation progress of Mary Chia Holdings Limited ("**Mary Chia**") for the financial year ended 31 March 2024 ("**FY24**").

In Appreciation

First and foremost, I would like to express my sincere gratitude to our esteemed shareholders, business partners, and regulators for their continuous support. In addition, to key management and dedicated staff members for their unwavering commitment throughout this FY24 period.

To our frontline colleagues, I applaud your resilience and determination, which were instrumental in navigating through unprecedented circumstances and ensuring the continued provision of top-of-the-class services and care to our customers.

I would like to take this opportunity to welcome Mr. Foo Say Tun who have come aboard and also thank Ms. Gn Jong Yuh Gwendolyn who have retired.

On 29 Febuary 2024, we welcome Mr. Foo Say Tun ("**Mr. Foo**") to the Board as the new Independent Director. Mr. Foo, was a lawyer practicing civil litigation, arbitration and corporate law. Given his rich corporate experience in listed companies, the appointment of Mr. Foo to the Board adds skills and knowledge relevant to Mary Chia's current business transformation.

On the same note, Ms. Gn Jong Yuh Gwendolyn ("**Ms. Gn**") retired as Independent Director of the Board on 29 Febuary 2024. Mary Chia has benefitted from Ms. Gn's insightful counsel and guidance over the years. On behalf of the Board and management, we thank Ms. Gn and wish her the best.

Last but not least, I would like to thank our stakeholders, customers, business partners, regulators and Sponsors for their confidence and trust in our ability to navigate ahead in these challenging times and capitalise on upcoming opportunities. The Group will emerge from these challenging times stronger and more resilient.

"MY CUSTOMERS MY TEAM AND MY PASSION!"

Wendy Ho

Performance review

The global economic recovery from the pandemic has been slow and uneven. This is further weighed down by challenges such as geopolitical tensions in the Middle East and Europe, banking crisis in the US with Silicon Valley Bank and in Europe with Credit Suisse, as well as high interest rates.

Nevertheless, the management and frontline colleagues responded to the situation in a timely manner by adjusting operational strategies and introducing operating cost control plans to alleviate the impact of the pandemic/endemic and preventive measures on the Group's business, enabling it to adapt to the new normal amid the transition and business transformation.

Although the operating environment was relatively difficult and uncertain over the past year externally and internally, we still managed to seize opportunities and generate stable revenue of S$6.3 million from our core business in the Beauty, slimming and spa treatment segment notwithstanding that there were relocation of an outlet and also a lease termination due to higher rental lease offer that the company did not accept.

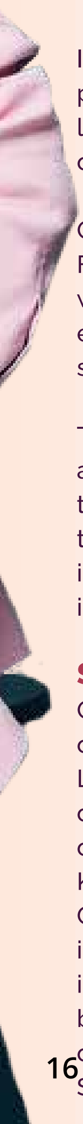
In relation to the hairdressing segment, the group have placed the joint venture companies into creditors' voluntary liquidation and subsequently on 5 April, the Court granted an order for the winding up applications.

Overall, the Group registered a net loss of S$ 5.6 million for FY24 compared to a net loss of S$ 1.0 million for FY23. This was mainly due to increased staff costs, increased operating expenses, and the loss of sales from the hairdressing segment.

To this end, we will review the Group's operational strategies and models regularly and continuously during this business transformation period while capitalising on opportunities in the industry under the new normal of higher cost of living, inflationary pressures and more stringent consumer spending habits.

Strategic Alliance

On 2 April 2024, the Group entered into a non-binding memorandum of understanding with Hong Choi International Limited (**"HCI"**) to establish a basis of cooperation and collaboration in the sales and marketing of selling energy capsules and medical beauty products in Singapore, Hong Kong and Southeast Asia. Subsequently, on 19 April 2024, the Group and/or its nominated/designated subsidiary entered into a binding term sheet with HCI to incorporate a company in Hong Kong for the strategic collaboration to carry out the business in the sales and marketing of selling energy capsules and medical/nonmedical beauty products in Singapore, Hong Kong and Macau.



Strategy and prospects

Concurrently, the Group have also launched its new Anti-Aging Skin Care Product, JUVE, by Organica International Holdings Pte Ltd (a wholly-owned subsidiary **"Organica"**) in Singapore, Taiwan and Malaysia from March 2024 as a Direct Selling venue. In May 2024, Organica management successfully attained the Taiwan direct selling licence and collaborated with the Taiwan direct selling team to start generating sales for the Group.

As the Group re-emphasises its core beauty and wellness business for scale and complexity growth, there is an anticipation of increased frontline hiring, leading to higher staff costs. This, combined with elevated expenses such as marketing fees, brand awareness fees, and costs related to new openings, relocations, or refurbishments of outlets, is expected to result in higher administrative expenses in the upcoming periods.

While the Group expects the next 12 months to be challenging, it remains optimistic about the long-term prospects and sustainability of the business environment despite the macroeconomic headwinds and global uncertainty on inflation and recession concerns that could have dampened end-consumer sentiment and weakened spending.

The Group continues to be (i) prudent with its cash flow planning and will take active measures to trim laggard cash-generating units to focus on higher margin and higher value services, pivoting on the tried and tested and what the Group does best amid high rentals and payroll costs (ii) implement staff incentive schemes (which may include the Performance Share Plan) for staff retention in the tight labour market environment (iii) digital transformation to drive revenue with lower upfront costs, and (iv) potential corporate fund-raising exercises.

In conclusion, I am confident that Mary Chia Holding is well-positioned to navigate the ever-changing business landscape and to continue delivering value to our stakeholders. We remain committed to our mission of empowering individuals to look and feel their best, and I am excited about the transformation and the opportunities that lie ahead.

FINANCIAL REVIEW

Statement of Profit or Loss and Other Comprehensive Income

Revenue recorded by the Group for the financial year ended 31 March 2024 ("FY24") amounted to $6.3 million, a decrease of approximately $2.4 million as compared to $8.7 million for the financial year ended 31 March 2023 ("FY23"). This was mainly due to the following:

(i) Disposal of shareholding in four subsidiaries under the Monsoon Hairdressing Group of Companies ("Monsoon"), which resulted in no revenue being recorded from the Hairdressing segment in FY24, compared to FY23, where revenue from the Hairdressing segment was $2.4 million; and
(ii) Notwithstanding the relocation of an outlet in Singapore, which led to a temporary hiatus of business at the outlet, and the lease termination of another outlet due to a higher rental lease offer that the Company did not accept, revenue from the Beauty, Slimming, and Spa Treatment services remained relatively consistent at approximately $6.2 million in FY24 and $6.1 million in FY23.

Other operating income decreased by $0.7 million from $1.1 million in FY23 to $0.4 million in FY24. The decrease was mainly due to the various Government support measures.

Purchases and related costs (including changes in inventories) decreased by $0.1 million from $0.7 million in FY23 to $0.6 million in FY24, primarily due to write-off of inventories.

Depreciation of plant and equipment increased by $0.1 million in FY24 .

Depreciation of right-of-use assets and operating lease expenses on a combined basis decreased by $1.0 million in FY24, mainly attributable to the lease termination of an outlet.

Staff costs decreased by $1.5 million in FY24, mainly due to headcount attrition and lower commission payouts on lower revenue.

Other operating expenses increased by $3.1 million in FY24, mainly due to the impairment loss of joint venture.

As a result of the above factors, the Group reported a net loss of $5.6 million in FY24, compared to a net loss of $1.0 million in FY23.

b. Statement of Financial Position

Current and non-current assets

The Group's non-current assets decreased by approximately $1.8 million, mainly due to:

(i) Decrease in right-of-use assets of $0.5 million in FY24; and
(ii) Decrease in joint ventures of $1.4 million in FY24 due to impairment losses recorded on the joint ventures.

The Group's current assets decreased by approximately $2.0 million mainly due to:

(i) A decrease in inventories of $0.1 million in FY24 mainly due to the writing off of inventories;
(ii) A decrease in trade and other receivables of $0.4 million in FY24 mainly due to the liquidation of Monsoon entities, namely Hatsuga Enterprise Pte Ltd, M Nature Pte Ltd, M Plus Pte Ltd and Monsoon Hair House Pte Ltd; and
(iii) Decrease in cash and cash equivalents of $1.6 million in FY24, as explained under the statement of cash flows in paragraph (c) below.

Current and non-current liabilities

The net increase in the Group's current and non-current liabilities by approximately $1.6 million was mainly due to the following:

(i) An increase in borrowings of $1.6 million in FY24 mainly due to the reclassification;
(ii) A decrease in lease liabilities of $1.0 million due to the revision in the lease liabilities schedule and the reclassification between the current and non-current categories; and
(iii) An increase in trade and other payables of $0.9 million arising from the reclassification of loans from directors to non-current borrowings and write-off outstanding balances between related parties following receipt of confirmations of balances from the related parties.

Equity

The Group recorded a negative working capital of $10.2 million and a negative equity of $10.9 million as at 31 March 2024.

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 be (i) prudent with its cash flow planning and to take active measures to streamline its business and reduce costs, (ii) focus on new sales initiative via social media platforms to drive revenue with lower upfront costs, (iii) continued financial support from its controlling shareholder Suki Sushi Pte Ltd, and (iv) potential corporate fundraising exercises.

FINANCIAL REVIEW

c. Statement of Cash Flows Statement

The Group's net cash generated from operating activities for the financial year ended 31 March 2024 of $0.9 million comprised mainly of the following:

(i) Operating loss and consideration receivable written off amounting to $5.5 million and $0.2 million respectively;
(ii) Depreciation of right-of-use assets and plant and equipment of $1.0 million and $0.4 million, respectively;
(iii) Impairment loss on joint ventures amounting to $1.2 million;
(iv) Interest expense and share of results of joint ventures of $0.3 million and $0.3 million, respectively;
(v) Increase in change in inventories of $0.1 million;
(vi) Decrease in change in trade and other receivables of $0.1 million arising from receivables collections;
(vii) Increase in change in trade and other payables of $2.8 million arising from other accruals; and
(viii) Increase in change in contract liabilities of $0.1 million.

The Group's net cash used in investing activities for the financial year ended 31 March 2024 of $0.8 million mainly due to the following:

(i) Purchase of plant and equipment of $0.4 million, which was mainly related to the renovation of a new outlet;
(ii) Deconsolidation of a subsidiary, net of cash disposed of $0.5 million, mainly attributed to MSB Beauty Pte Ltd being placed under liquidation;
(iii) Investments in joint ventures amounting to $0.1 million; and
(iv) Advances repaid from related companies of $0.1 million.

The Group's net cash used in financing activities for the financial year ended 31 March 2024 of about $1.1 million was mainly due to:

(i) Proceeds from borrowings of $1.2 million, which was offset by a repayment of borrowings of $1 million;
(ii) Repayment of lease liabilities and interest of $1.8 million; and
(iii) Advances from directors of $0.5 million, which was offset by advances repaid to related companies of $0.7 million.

As a result of the above, the total decrease in cash and cash equivalents amounts to approximately $1.1 million in FY24. As at FY24, the total cash and cash equivalent amount to approximately $0.1 million.

BOARD OF DIRECTORS

WENDY HO

Chief Executive Officer and Chairman

First appointment : 30 April 2009
Last re-election : 30 July 2019

Ms Ho Yow Ping (**"Wendy Ho"**) is the Chief Executive Officer (**"CEO"**) and Executive Chairman of the Group. She has been the CEO of Mary Chia Beauty & Slimming Specialists Pte Ltd ("MCBSS") since August 2003 and an executive director of MCBSS since its incorporation in 1994. She is responsible for the daily management and operations of the Group and directs the Group's overall strategy and growth. She has more than 20 years of experience in the lifestyle and wellness industry and was awarded the Entrepreneur of the Year Awards organised by Rotary-ASME in 2004. She was also nominated and attained the Outstanding Asia Pacific Enterprise Award 2019.

Ms Wendy Ho was conferred an Advanced Certificate in Training and Assessment (Facilitated Training), professionally accredited by Singapore Workforce Development Agency in August 2015. She holds a Diploma in Aesthetic Treatments from The Confederation of International Beauty Therapy and Cosmetology (**"CIBTAC"**) and a Certificate from Singtrain Academy in Infant & Child massage/tuina which is accredited by CIBTAC. She attended several courses which included the "Comprehensive Course incorporating Medical Beauty, Face Lifting and Cosmetic Acupuncture" organised by the International Medical Beauty Research Association and the "Beauty (Theories & Techniques) Course" organised by the S.E. Asia.

Chay Yiowmin PBM

Lead Independent Director

First appointment : 8 August 2022

Mr Yiowmin currently holds the positions of Chief Executive Officer of Chay Corporate Advisory Pte. Ltd.; lead independent and non-executive director of UMS Holdings Ltd. and Raffles Infrastructure Holdings Limited; lead independent director and non-executive chairman of Watches.com Ltd. and Metech International Limited; and non-executive director of 8I Holdings Limited. Yiowmin holds a Bachelor of Accountancy (Hons) and a Master of Business from Nanyang Technological University, and a Master of Business Administration from the University of Birmingham. Yiowmin is also a Fellow Chartered Accountant (**"FCA Singapore"**) of the Institute of Singapore Chartered Accountants (**"ISCA"**), and a Chartered Valuer and Appraiser (**"CVA"**) of the Institute of Valuers and Appraisers of Singapore (**"IVAS"**).

Additionally, Yiowmin is currently a member of the Singapore steering committee of the Professional Risk Managers' International Association (PRMIA), and a programme instructor at the Standards and Technical Committee of IVAS. He is also an associate lecturer for financial statements analysis and valuation at the Singapore University of Social Sciences (**"SUSS"**)

He gives back as an active Grassroots Leader by tapping into his wealth of knowledge accumulated from decades of experience in public accounting with reputable international accounting firms like PricewaterhouseCoopers LLP. He primarily serves as the Assistant Treasurer and Auditor with the Fernvale and Kebun Baru Citizen Consultative Committees respectively. He was awarded the Pingat Bakti Masyarakat (Public Service Medal) (**"PBM"**) by the President of the Republic of Singapore on 9 August 2016.

BOARD OF DIRECTORS

SIM ENG HUAT

Independent Director

First appointment : 1 February 2019
Last re-election: 30 September 2021

Mr Sim Eng Huat was appointed as an Independent Director of the Company on 1 February 2019 and was last re-elected on 30 July 2019. He is Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees.

Mr Sim started his career in 1977 with the Singapore Civil Service where he spent a total of 18 years, during which he served six years in Hong Kong and three years in Bangkok as a diplomat. In 1994, he entered the private sector by joining Suntec Investment Group of Companies (**"SIPL"**) where he stayed for another seventeen years.

While in SIPL, Mr Sim managed the business strategy and operations for three subsidiary companies, covering M&E and janitor services, food court operations and Olio Dome chain of cafes. In addition to fulfilling the role of Chief Operating Officer of SIPL, Mr Sim was the Managing Director of Chesterton Suntec International Property Consultants from 1997 to 2013. He had been an Honorary Advisor to the Real Estate Developers Association of Singapore from 2005 to 2013 and a member of the Singapore Institute of Directors since its founding in January 2000.

Upon leaving the private sector in 2013, he started his own company, dealing in Real Estate Consultancy, Business Advisory as well as Recruitment Services. Mr Sim is currently an Independent Director and Chairman of the Nominating Committee of Metech International Limited.

Su Jun Ming

Executive Director

First appointment : 1 August 2023

Mr Su Jun Ming was appointed as the Group Chief Financial Officer on 1 December 2022.

Mr Su has over 15 years of professional experience and has held key appointments in a number of chartered accountancy firms specialising in insolvency and restructuring services, corporate finance and transaction services. His vast experience includes corporate finance advisory services in IPOs, RTOs, M&As, valuations, fairness opinions, and capital raising exercises in Asia covering a range of industries and in multinational companies.

Mr Su is currently the audit committee chairman / lead independent director of a listed company in the Catalist Board SGX. He was formerly the Financial Controller of a company listed on the SGX-ST. Additionally, Mr Su is a Chartered Valuer and Appraiser (**"CVA"**) and a Chartered Financial Analyst (**"CFA"**).

BOARD OF DIRECTORS

Foo Say Tun

Independent
Non-Executive Director

First appointment : 29 February 2024

Mr Foo Say Tun is CEO at ZWEEC. He has been the Independent Chairman/Director of various listed companies including Jubilee Industries Holdings Ltd., MoneyMax Financial Services Ltd, Sino Techfibre Ltd., Qingmei Group Holdings Limited and Fu Yu Corporation Limited. He was a member of the Disciplinary Committee under the Legal Profession Act and has been an instructor with the Board of Legal Education.

He was appointed as Chairman of the Remuneration Committee and a member of Audit and Nominating Committees. Mr Foo Say Tun was a partner of Messrs Wee, Tay & Lim, where he practiced primarily in civil and commercial litigation. He had previously practiced litigation with David Lim & Partners LLP, and Messrs Lim Seong Chun & Co. Mr Foo Say Tun graduated from the University of East Anglia in England with an LLB (Honours) degree. He was admitted to the Bar of England & Wales as a Barrister-at-law, gained admission as an Advocate & Solicitor of the High Court of Malaya and was admitted to the Singapore bar in 1995.

ORGANICA TAIWAN KEY MANAGEMENT TEAM

SOH YAM PEOW

Managing Director

Dr. William is a distinguished member of the esteemed British Entrepreneur Academy and serves as the President of the Singapore operations centre for Hong Kong Profitech Securities Limited. His expertise lies in guiding students towards acquiring wealth through comprehensive programs. His students acquire a profound understanding of business and finance. Dr. William's programme transcend the boundaries of a conventional business programme; they represent a life-altering opportunity that paves the way towards success.

Foo Shiang Shyan

Operation Director

Mr. Foo has an extensive background in brand strategy and marketing, with over 23 years of experience. Alongside his remarkable academic achievement of graduating with First-class honours in Mass Communication from renowned British University, he has also acquired a certificate in Psychology from TSPP Singapore. Since starting his career as a corporate trainer in 2009, Mr. Foo has delivered more than 300 workshops. His deep understanding and practical expertise have earned him a respected reputation as a professional consultant in the industry.

The Board of Directors (the "**Board**") of Mary Chia Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is committed to maintaining high standards of corporate governance. Good corporate governance provides the framework for an ethical, transparent and accountable corporate environment, which will protect the interests of the Company's shareholders and promote investors' confidence. This report outlines the Company's corporate governance practices and structures for the financial year ended 31 March 2024 ("**FY2024**"), with specific reference made to each of the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**") and the accompanying practice guidance by the Singapore Exchange Trading Limited (the "**SGX-ST**") pursuant to Rule 710 of the Listing Manual Section B: Rules of Catalist of the SGX-ST ("**Catalist Rules**").

The Company has generally adhered to the framework and complied with all principles outlined in the Code for FY2024. Where there were deviations from the provisions of the Code, appropriate explanations have been provided in the relevant sections. The Company will also continue to enhance its corporate practices appropriate to the conduct and growth of its business and to review such practices from time to time and ensure compliance with the Catalist Rules.

BOARD MATTERS

1. The Board's Conduct of Affairs

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provision 1.1 — Principal functions of the Board
Provision 1.3 — Matters requiring Board approval

The Board is involved in the supervision of the management of the Group's operations, providing entrepreneurial leadership, setting strategic objectives and ensuring sufficient resources are in place to meet the said objectives, monitoring the performance of the management, reviewing the financial performance of the Group, and ensuring the adequacy of the Group's internal controls and the establishment and maintenance of a sound risk management framework, review corporate governance practices and sustainability practices, instilling the corporate values and standards (including ethical standards and code of conduct) and ensuring accountability, financial reporting, compliance and transparency. All directors shall discharge their fiduciary duties and responsibilities at all times in the interests of the Group. Matters which specifically require the Board's decision or approval include:

(a) corporate strategies, business plan and direction of the Group;

(b) major funding and investment proposals;

(c) nomination and appointment of directors to the Board and Board committees and appointment of key personnel;

(d) interested person transactions;

(e) quarterly, interim and full year financial results announcement, the annual report and reporting accounts;

(f) declaration of interim dividends and proposal of final dividends;

(g) material acquisition and disposal of assets; and

(h) all other matters of strategic importance relating to the Group.

The Board adopted a set of ethical values and standards which establishes the fundamental principles of professional and ethical conduct expected of the Directors in the performance of their duties. Each Director is required to promptly disclose any conflicts or potential conflicts of interest, whether direct or indirect, in relation to any transaction or matter discussed and contemplated by the Group. Where a potential conflict of interest arises, the Director concerned will recuse himself from discussions and decisions involving the issue of conflict and refrains from exercising any influence over other members of the Board in respect of the issue.

Provision 1.2— Directors' orientation and training

The Nominating Committee, in accordance with Rule 406(3)(a) of the Catalist Rules, ensures that any new director appointed by the Board, who has no prior experience as a director of a public listed company on the SGX-ST, must attend the mandatory training courses organized by the Singapore Institute of Directors ("**SID**") on his roles and responsibilities as prescribed by the SGX-ST.

Newly-appointed directors will be given an orientation program with materials provided to familiarise themselves with the business and organisational structure of the Group. Directors are also given an opportunity to visit the Group's business units and meet with management staff to get a better understanding of the Group's operations. Upon appointment of each director, the Company will also provide a formal letter to each director which sets out their duties and obligations.

The Company is responsible for arranging and funding the training of directors. All Board members are provided with regular updates on the changes in the relevant laws and regulations and financial reporting standards to enable them to make well-informed decisions and to ensure they are competent in carrying out their expected roles and responsibilities. Where appropriate, the Company will arrange for directors to attend seminars and receive training such as those organised by the SID, Accounting and Corporate Regulatory Authority ("**ACRA**") and/or the SGX-ST, to improve themselves in discharging their duties as directors. The Company also works closely with professionals as and when appropriate to provide its directors with updates on changes to relevant laws, regulations and accounting standards.

Mr Su Jun Ming was appointed as an Executive Director of the Company on 01 August 2023. Mr Foo Say Tun was appointed as an Independent Director of the Company on 29 February 2024, as Ms Gn Jong Yuh Gwendolyn resigned as an Independent Director of the Company on 29 February 2024.

Directors and key executives undergo relevant training to enhance their skills and knowledge, particularly on new laws, regulations and changing risks affecting the Group's operations. Other forms of training include governance practices and training in accounting, legal and industry-specific knowledge. All directors are updated regularly concerning any changes in company policies, risk management, accounting standards, relevant new laws, regulations and changing commercial risks. Directors are encouraged to attend, at the Group's expense, relevant and useful training or seminars conducted by external organisations.

In FY2024, the Company's external auditors, Foo Kon Tan LLP, updated the Board on the changes in accounting standards.

News releases issued by the SGX-ST and ACRA which are relevant to the directors are circulated to the Board. The Board was given updates at each meeting on business and strategic development pertaining to the Group's business. The Chief Executive Officer ("**CEO**") also updated the directors on the trends and developments in the beauty and wellness industry, including regulatory changes and its impact on the Group.

Provision 1.4— Delegation by the Board

The Board has delegated specific responsibilities to three Board committees, namely the Audit Committee, Remuneration Committee and Nominating Committee ("**Board Committees**"). These Board Committees' function within clearly defined terms of references and operating procedures, which are reviewed on a regular basis. The Chairman of the respective Board Committees will report to the Board and minutes of the Board meetings are made available to all Board members.

More details on each of the Board Committees, including the names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions and a summary of their activities, are set out in the further sections of this report.

Provision 1.5 — Board meetings, attendance and multiple commitments

The Board meets at least four times in each financial year to coincide with the announcements of the Group's quarterly, half year and full year financial results. Additional meetings are held where circumstances require to address any specific or significant matters that may arise. The Constitution of the Company allows for Board meetings to be conducted by way of tele-conference and video conference.

The number of meetings held and attended by each director for the financial year under review is set out below:

Directors	**Board**		**Audit Committee**		**Nominating Committee**		**Remuneration Committee**	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
HoYow Ping (He YouPing)[1]	5	5	5	5	1	1	1	1
Su Jun Ming[2]	5	5	5	5	1	1	1	1
Chay Yiowmin[3]	5	5	5	5	1	1	1	1
Sim Eng Huat[4]	5	5	5	5	1	1	1	1
Foo Say Tun[5]	–	–	–	–	–	–	–	–
Gn Jong Yuh Gwendolyn (Yin Zhongyu Gwendolyn)[6]	5	5	5	5	1	1	1	1

Notes:

1. Ms Ho Yow Ping (He YouPing) ("**Wendy Ho**") attended the Audit Committee meeting, Nominating Committee meeting and Remuneration Committee meeting as invitee.
2. Mr Su Jun Ming, was appointed as an Executive Director of the Company on 01 August 2023, and attended the Audit Committee meeting, Nominating Committee meeting and Remuneration Committee meeting and in his capacity as Group CFO for meetings held prior to his appointment as invitee.
3. Mr Chay Yiowmin, an Independent Director of the Company, is the Lead Independent Director and Chairman of the Audit Committee and member of the Nominating and Remuneration Committees.
4. Mr Sim Eng Huat an Independent Director, is Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees.
5. Mr Foo Say Tun, an Independent Director, was appointed as the Remuneration Committee and a member of the Audit and Nominating Committees on 29 February 2024.
6. Ms Gn Jong Yuh Gwendolyn (Yin Zhongyu Gwendolyn), an Independent Director of the Company, was appointed as an Independent, Non-Executive Director and Chairman of the Remuneration Committee and member of the Audit and Nominating Committees on 28 November 2022. She resigned on 29 February 2024.

Please refer to principle 4 for more information relating to the directors' multiple board representations.

Provision 1.6 - Access to information
Provision 1.7 - Access to Management, Company Secretary and External Advisers

The Management provides the Board with complete, adequate and timely information prior to Board meetings and on an on-going basis. Where a decision has to be made, the necessary information is provided to the directors in a timely manner to enable them to make informed decisions.

All directors are from time to time furnished with information concerning the Group to enable them to be fully cognizant of the decisions and decisions of the Group's executive management. The Board has unrestricted access to the Company's records and information. In order to ensure that the Board is able to fulfil its responsibilities, Management provides the Board members with regular management accounts and all relevant information for assessment of the Group's performance. In addition, all relevant information on material events and transactions are circulated to directors as and when they arise. Whenever necessary, senior management staff will be invited to attend the Board meetings and AC meetings to answer queries and provide detailed insights into their areas of operations. Quarterly discussions of the Group's activities are conducted at the quarterly board meetings.

The Board, either individually or as a group, has separate and independent access to the Management and the Company Secretary at all times. The Company Secretary or her representative should be present at all Board meetings to ensure that Board's procedures are followed, and the relevant rules and regulations are complied with. The minutes of the Board and Board Committee's meetings are circulated to the Board.

The Company Secretary's key role is to ensure that board procedures are followed and regularly reviewed.The function of the Company Secretary is to handle all the corporate paperwork and procedural matters of a company such as to:

(a) Monitor and ensure compliance with the relevant legal requirements, review developments in corporate governance and advise the directors of their duties and responsibilities;

(b) Ensure that the statutory registers required to be kept are established and properly maintained, in particular, the register of director's and substantial shareholder's holding in shares in the Company;

(c) Ensure safe custody and proper use of the common seal;

(d) Ensure that the directors' disclosure of interests are brought up at board meetings and minuted;

(e) Organise and attend directors' and shareholders' meetings such as sending out notices, preparing agendas, taking down minutes of meetings, give advice at meetings on questions relating to procedure (for example, quorum requirements, voting procedures, proxy provisions), statutory requirements and ensure the correct procedures are followed;

(f) Ensure that the annual return and financial statements and any other filing required by ACRA are filed within the timeframe; and

(g) Disseminate information to the public via the SGXNET.

The appointment and removal of the Company Secretary are subjected to the Board's approval.

Management deals with requests for information from the Board promptly and consults the Board members regularly whenever necessary and appropriate.

Should the directors, whether individually or as a group, require independent advice on any specific issues, they may engage independent professionals at the Company's expense to enable them to discharge their duties with adequate knowledge on the matters being deliberated.

2. Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1 - Board Independence
Provision 2.2 - Majority Independent Directors where Chairman is not independent
Provision 2.3 - Majority non-executive Directors in a Board
Provision 2.4 - Board composition and diversity
Provision 2.5 - Meeting of non-executive Directors without Management

As at the date of this report, the Board consisted of the following directors, who bring a wide range of business and financial experience relevant to the Group:

Wendy Ho	Board Chairman and Chief Executive Officer
Su Jun Ming	Executive Director and Group Chief Financial Officer
Chay Yiowmin	Lead Independent Director
Sim Eng Huat	Independent Director
Foo Say Tun	Independent Director

The Company endeavors to maintain a strong and independent element on the Board. There were three Independent Directors on the Board during the financial year under review which made up more than half of the Board. The three Independent Directors made up a majority of the Board thereby meeting the requirement of the Code which stipulates that where the Chairman is not an independent director, independent directors should make up majority of the Board. The composition of the Board also complies with the provision that Non-Executive Directors make up a majority of the Board. This enables the Board to exercise independent judgement on corporate affairs and provide Management with a diverse and objective perspective on issues.

As set out under the Code, an independent director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company. The Nominating Committee ("**NC**") assess and reviews annually the independence of a director bearing in mind the salient factors as set out under the Code, the Catalist Rules as well as all other relevant circumstances and facts.

Each Independent Director is required to complete a director's independence checklist annually to confirm his independence based on the Code. The Independent Directors must also confirm whether they consider themselves independent despite not having any relationship identified in the Code and shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of the Company. The NC and the Board have reviewed and ascertained that all Independent Directors are independent according to the 2018 Code, its Practice Guidance and Rules 406(3)(d)(i) and 406(3)(d)(ii) of the Catalist Rules and noted that:

(a) The Independent Directors: (i) are not employed by the Company or any of its related corporations for the current or any of the past 3 financial years; and (ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past 3 financial years, and whose remuneration is determined by the Remuneration Committee.

(b) None of the Independent Directors and their immediate family member had in the current or immediate past financial year (i) provided or received significant payments or material services aggregated over any financial year in excess of S$50,000 for services other than compensation for board service; or (ii) was a substantial shareholder, partner, executive officer or a director of any organization which provided or received significant payments or material services aggregated over any financial year in excess of S$200,000 for services rendered.

(c) None of the Independent Directors are directly associated with a substantial shareholder of the Company.

(d) None of the Independent Directors have been on the Board for an aggregate period of more than 9 years.

In accordance with the code, the Company has formalised a Board Diversity Policy. The Company recognizes the benefits of having an effective and diverse Board, and views diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. In reviewing the Board composition and succession planning, the NC will consider the benefits of all aspects of diversity, including functional and domain skills, knowledge, experience, cultural and educational background, gender, age, tenure and other relevant aspects of diversity of perspectives appropriate to its business, so as to avoid group think, foster constructive debate, and enable the Board to make decisions in the best interests of the Company. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. All Board appointments will be based on merit, in the context of the skills, knowledge, experience and independence which the Board as a whole requires to be effective, having due regard for the benefits of diversity on the Board.

The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:

Balance and Diversity of the Board as at date of this report		
Core Competencies	Number of Directors	Proportion of Board
Accounting or finance	3	60%
Business management	3	60%
Legal or corporate governance	3	60%
Relevant industry knowledge or experience	2	40%
Strategic planning experience	4	80%
Customer based experience or knowledge	3	60%

The Board has taken the following steps to maintain or enhance its balance and diversity:

(a) by assessing the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and

(b) evaluation by the directors of the skill sets the other directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.

The Board members comprise seasoned professionals with management, financial, accounting, legal, compliance and relevant industry backgrounds. Its composition enables the Management to benefit from a diverse and objective external perspective on issues raised before the Board. The Board considers that its directors possess the necessary competencies to lead and govern the Company effectively.

The NC is responsible for reviewing the independence of the Independent Directors on an annual basis. A member of the NC should not participate in the deliberation in respect of his independence as an independent director. The NC had reviewed and determined that all the Independent Directors are independent based on the results of the annual assessment.

The profile of the directors is set out in the section, “Board of Directors” of the Annual Report.

The Independent Directors provide, among other things, strategic guidance to the Company based on their professional knowledge, in particular, assisting, constructively challenging and developing strategic proposals.

The Board is of the opinion that, given the scope and nature of the Group’s operations, the present size of the Board, with appropriate balance and mix of skills, knowledge, experience, gender and age, is appropriate in facilitating effective decision making.

The Independent Directors will constructively challenge and assist in the development of proposals on strategy, and assist the Board in reviewing the performance of the Management in meeting agreed goals and objectives, and monitor the reporting of performance. When necessary, the Independent Directors will hold discussions amongst themselves without the presence of Management and Executive Directors to facilitate a more effective check on Management and/or Executive Directors.

3. Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 - Separation of the role of the Chairman and the CEO
Provision 3.2 - Role of the Chairman and the CEO
Provision 3.3 - Lead Independent Director

Taking into account the size, scope and the nature of the operations of the Group and given the current cashflow situation of the Company, Ms Wendy Ho has assumed the role of both Board Chairman and CEO of the Company. Any risk is mitigated by the presence of having majority Independent and Non-executive Directors on the Board as well as the appointment of a Lead Independent Director. In addition, Ms Wendy Ho's performance and appointment to the Board is reviewed periodically by the NC and her remuneration package is reviewed periodically by the Remuneration Committee. With the existence of Board Committees imbued with the power and authority to perform key functions, the Board believes that there are sufficient strong and independent elements and adequate safeguards in place against an uneven concentration of power and authority in any single individual.

As the Chairman of the Board, Ms Wendy Ho leads the Board discussions and deliberation and also ensures that the Board meetings are held when necessary. She sets the meeting agenda and ensures that the directors are provided with complete, adequate and timely information. The Chairman also assists in ensuring compliance with the Group's guidelines on corporate governance.

As the CEO, Ms Wendy Ho is responsible for the day-to-day management of the business. She has the executive responsibilities in the business directions and operational efficiency of the Group. She also oversees the execution of the Group's corporate and business strategy set out by the Board and ensures that the directors are kept updated and informed of the Group's business.

In view of the Chairman and CEO roles being held by a single individual, the Board is mindful of the need to appoint a lead independent director to provide focal leadership in situations where the Chairman is conflicted. In this regard, Mr Chay Yiowmin is appointed as Lead Independent Director of the Company. The Lead Independent Director co-ordinates and leads the Independent Directors to provide a non-executive perspective and contribute to a balance of viewpoints on the Board. He is the principal liaison on board issues between the IDs and the CEO.

Shareholders with concerns may contact the current Lead Independent Non-Executive Director - Mr Chay Yiowmin (at email: auditcommittee@marychia.com) directly, when contact through the normal channels via the CEO or the Chief Financial officer has failed to provide a satisfactory resolution or when such contact is inappropriate.

During the financial year, the IDs had a discussion amongst themselves without the presence of key management personnel and Executive Directors, to discuss matters and provide relevant feedback.

4. Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 - The formation, role and duties of an NC
Provision 4.2 - Composition of the NC
Provision 4.4 - Independence review of Directors
Provision 4.5 - Duties and obligations of Directors

As at the date of this report, the NC comprised Mr Sim Eng Huat, Mr Chay Yiowmin, Mr Foo Say Tun (appointed on 29 February 2024) all of whom, including the Chairman of the NC, are Independent Directors.

The Chairman of the NC is Mr Sim Eng Huat. He is not directly associated to a substantial shareholder of the Company.

The NC meets at least once a year.

The NC has adopted specific terms of reference and is responsible for, inter alia:

(a) Appointment of new directors with the appropriate profile in regards to their expertise, experiences, industry background, track record and competencies;

(b) Re-nomination of the directors having regard to the director's contribution and performance;

(c) Review the composition and progressive renewal of the Board;

(d) Review the training and professional development programs for the Board;

(e) Determining on an annual basis whether or not a director is independent;

(f) Reviewing the composition of the Board and make recommendations on the performance criteria and appraisal process to be used in the evaluation of individual directors; and

(g) Assessing the effectiveness of the Board as a whole and deciding whether or not a director is able to and has been adequately carrying out his/her duties as a director.

Where a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new director with particular skills or experience, the NC, in consultation with the Board, determines the selection criteria and selects the candidate with the appropriate expertise and experience for the position. The search and nomination process for new directors, if any, will be through contacts and recommendations provided by the Management. The NC will review, assess and meet with the candidates before making recommendations to the Board. In recommending new directors to the Board, the NC takes into consideration the skills and experience required to support the Group's business activities and strategies, the current composition and size of the Board, and strive to ensure that the Board has an appropriate balance of independent directors as well as directors with the right profile, expertise, skills, attributes and ability. Upon confirmation, the new directors will be appointed by way of board resolution. Such new directors will submit themselves for re-election at the next annual general meeting of the Company in accordance with the Company's Constitution.

The NC reviews the succession plans for Directors, CEO and key management personnel and where appropriate, review contingency arrangements for any unexpected and sudden and unforeseen changes relating to the key management team in charge of the business operations.

Provision 4.3 - Board renewal
Provision 4.4 - Independence review of Directors
Provision 4.5 - Duties and obligations of Directors

In considering re-electing a director, the NC would assess the performance of the director in accordance with the performance criteria set by the Board including, inter alia, the director's competencies, commitment, contribution and performance; and the NC would also consider the current needs of the Board. When re-appointing a director, the NC after its satisfactory assessment would then recommend the proposed re-appointment of the director to the Board for its consideration and approval.

The NC has established a formal appraisal process to assess the performance and effectiveness of the Board as a whole as well as to assess the Board Committees and the individual directors for their contribution and their commitment to their role. The appraisal process focuses on a set of performance criteria which includes the evaluation of the Board's composition and size, the Board's processes, the Board's effectiveness and training, the provision of information to the Board, the Board's standards of conduct and financial performance indicators. Such performance criteria are approved by the Board and they address how the Board has enhanced long term Shareholders' value.

Pursuant to Rule 720(4) of the Catalist Rules and the provisions of Regulation 98 of the Company's Constitution, all directors are subject to re-nomination and re-election at regular intervals of at least once every three years. At each annual general meeting, at least one third of the directors are required to retire from office and submit themselves for re-election.

The NC recommended to the Board that Mr Su Jun Ming and Mr Foo Say Tun be nominated for re-election at the forthcoming annual general meeting of the Company ("**AGM**") pursuant to the Company's Article 102, having reviewed and being satisfied with the overall contributions and performance of Mr Su Jun Ming and Mr Foo Say Tun. The Board has accepted the recommendations of the NC. Upon re-election, Mr Su Jun Ming will remain as Executive Director while Mr Foo Say Tun will remain as Independent Director of the Company, Chairman of the Remuneration Committee and member of the Nominating and Audit Committees. The additional information as set out in Appendix 7F of the Catalist Rules relating to the retiring Directors who are submitting themselves for re-election is disclosed in Section 21 on the Corporate Governance Report. Mr Sim Eng Huat who retires by rotation pursuant to Article 98 of the Company's Constitution will not be seeking re-election at the forthcoming AGM.

Mr Foo Say Tun, being a member of the NC, abstained from voting on the resolution in respect of his re-nomination and re-election as a director.

Key information on Directors

As at the date of this report, the year of initial appointment and date of last re-election of each director as well as their present and past directorships in other listed companies and principal commitments are set out below: -

Director	**Date of initial appointment**	**Date of last re-election**	**Current directorships in listed companies**	**Past directorships in listed companies (preceding five years)**	**Principal commitment***
Ho Yow Ping (He YouPing)	30 April 2009	28 July 2023	Nil	Nil	Nil
Su Jun Ming	01 August 2023	N.A.	Annica Holdings Limited	Nil	Nil
Chay Yiowmin	8 August 2022	28 November 2022	8I Holdings Limited Ntegrator Holdings Limited	Libra Group Limited (In Liquidation – Compulsory Winding Up) (Insolvency) Metech International Limited (Resigned on 17 July 2020) Raffles Infrastructure Holdings Limited (Resigned on 27 October 2023) UMS Holdings Limited (Retired at the AGM held on 25 April 2024)	Chay Corporate Advisory Pte Ltd, Chief Executive Officer

Director	Date of initial appointment	Date of last re-election	Current directorships in listed companies	Past directorships in listed companies (preceding five years)	Principal commitment*
Sim Eng Huat	1 February 2019	30 September 2021	Nil	Lafe Corporation Limited (Delisted on 31 August 2020) SK Jewellery Group Limited (Delisted on 2 December 2020) Metech International Limited (Did not seek re-election at the AGM held on 21 October 2022)	RS Advisory & Consultancy Pte Ltd, Executive Director SunChest Property Consultancy Pte Ltd, Managing Director Talent Chest Consulting Pte Ltd, Chief Executive Officer
Foo Say Tun	29 February 2024	N.A.	MoneyMax Financial Services Limited EuroSports Global Limited	Fu Yu Corporation Limited QingMei Group Holdings Limited Sino Techfibre Limited	

Note I: "Principal Commitments" as defined in the Code include all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

Multiple board representation

The NC has considered and is of the view that it will not set a limit on the number of directorships that a director may hold because each director has different capabilities, and the nature of the organizations in which they hold appointments and the kind of committees on which they serve are of different complexities. The NC will continue to monitor and assess the demands of each director's competing directorships and obligations to ensure each director has given sufficient time and attention to the affairs of the Company and has adequately discharge his duties to the Company. Based on its assessment, the NC will then determine, if required, the maximum number of directorships each director can hold.

The considerations in assessing the capacity of directors include the following:

- Expected and/or competing time commitments of directors;
- Geographical location of directors;
- Size and composition of the Board; and
- Nature and scope of the Group's operations and size

The Company currently does not have any alternate directors.

The NC had reviewed and is satisfied that Mr Chay Yiowmin and Mr Foo Say Tun who holds multiple board representations, have been able to devote adequate time and attention to the affairs of the Company to fulfill their duties as directors of the Company.

5. Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2 - Board Evaluation Process

The NC evaluates the performance of the Board as a whole, Board Committees and individual directors based on performance criteria set by the Board. The criteria for assessing the Board's and Board Committees' performance include the Board's composition and size, processes, accountability, standard of conduct and performance of its principal functions and fiduciary duties, and guidance to and communication with the Management. The level of contribution to Board meetings and other deliberations are also considered. The performance criteria are not subject to changes from year to year. Nonetheless, where circumstances deem it necessary for any of the criteria to be changed, the Board will justify such changes.

During FY2024, directors were requested to complete a self-assessment checklist based on the above areas of assessment to assess the overall effectiveness of the Board and Board Committees. The results of these checklists were considered by the NC which made recommendations on the re-nomination of directors to the Board to help the Board in discharging its duties more effectively. No external facilitator was engaged in the evaluation process in FY2024.

6. Remuneration Procedures and Policies

Principle 6: The Board has a formal and transparent procedure for developing policy on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration

Provision 6.1 and 6.2 — Composition of the Remuneration Committee
Provision 6.3 — Remuneration Framework
Provision 6.4 — Remuneration Consultant

Remuneration Committee

As at the date of this report, the Remuneration Committee ("**RC**") comprised Mr Foo Say Tun (appointed on 29 February 2024), Mr Chay Yiowmin and Mr Sim Eng Huat, all of whom, including the Chairman of the RC, are Independent Directors.

The Chairman of the RC is Mr Foo Say Tun.

The key terms of reference of the RC, inter alia, are as follows:

(a) to review and recommend to the Board the terms of service agreement renewal for the Chairman and CEO and key management personnel of the Group;

(b) to consider the various disclosure requirements for directors' remuneration, particularly those required by regulatory bodies such as SGX and to ensure that there is adequate disclosure in the financial statements to ensure and enhance transparency between the Company and relevant interested parties;

(c) to make recommendations to the Board on the Company's framework of remuneration, the specific remuneration packages for directors, CEO (or equivalent), key management personnel and employees related to directors or substantial shareholders of the Group;

(d) to engage such professional consultancy firm as the RC may deem necessary to enable it to discharge its duties hereunder satisfactorily;

(e) to carry out such other duties as may be agreed to by the RC and the Board; and

(f) to perform an annual review of the remuneration, bonuses, increases and/or promotions of employees related to our directors and/or substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scope and level of responsibilities.

The RC recommends to the Board a framework of remuneration for the directors and key management personnel, and determines specific remuneration packages for the Executive Chairman and CEO. The RC submits its recommendations to the Board for endorsement. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options, benefits-in-kind and termination terms are covered by the RC. Each member of the RC shall abstain from voting on any resolutions and making recommendations or participating in any deliberations in respect of his remuneration package.

The RC has access to expert advice regarding executive compensation matters, if required, and shall ensure that any relationship between the appointed consultant and any of its director or the Company will not affect the independence and objectivity of the remuneration consultant. The Board did not engage any external remuneration consultant to advise on remuneration matters for FY2024.

7. Level and mix of remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provisions 7.1, 7.2 and 7.3 – Remuneration of executive and non-executive directors and key management personnel

The RC performs an annual review and ensures that the remuneration packages are comparable within the industry and with similar companies and will also take into consideration the Group's relative performance and the contributions and responsibilities of the individual directors. The Company sets remuneration packages to ensure it is competitive and sufficient to attract, retain and motivate directors and key management personnel commensurate with the Company's and their performance.

The service agreement of Ms Wendy Ho Yow Ping, in relation to her appointment as CEO was renewed on 5 September 2021 for a period of 3 years. The IDs are compensated based on fixed directors' fees taking into considerations their contribution, responsibilities and time spent. The IDs shall not be over-compensated to the extent that their independence may be compromised. Their fees are recommended to shareholders for approval at the annual general meeting of the Company.

The compensation for immediate termination is the amount of remuneration in relation to the notice period unless termination is due to misconduct, where no compensation will be granted.

Currently, contractual provisions are not used that would allow the Company to reclaim incentive components of remuneration from the CEO and key management personnel. In exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company and the Group, the Company believes that there are alternative legal avenues that will enable the Company to recover financial losses arising from such exceptional events from the CEO and key management personnel. The RC would review such contractual provisions as and when necessary. The RC aims to be fair and avoid rewarding poor performance.

The Company had, on 8 June 2022 adopted a Performance Share Plan ("**Mary Chia Performance Share Plan**"). No share awards has been granted pursuant to the Mary Chia Performance Share Plan to date. The Company currently does not have any employee share option scheme and long-term incentive schemes. The RC will consider recommending the implementation of such schemes for the Directors as well as key management personnel as and when it consider appropriate.

8. Disclosure on remuneration

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provisions 8.1 and 8.3 - Disclosure of remuneration and details of employee share schemes

The Company adopts a policy of rewarding its Executive Director(s), key executives and managers by way of a basic salary and a variable component comprising variable bonus which is based on individual performance as well as the performance of the Group as a whole. The level and structure of the remuneration are aligned with the market practice to ensure competitive compensation for our Executive Director(s), key executives and managers.

The remuneration received by the Executive Director(s) and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group for FY2024. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary and fixed allowance. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

The performance conditions used to determine the entitlement of the Executive Directors and key management personnel comprise of both qualitative and quantitative conditions.

Certain quantitative conditions taken into consideration are target revenue, target profit, sales growth and years of service, while qualitative conditions comprise of on-the-job performance, leadership, teamwork, etc. the performance conditions are set by the RC. In view of the challenging operating conditions, the performance conditions were referred to but not factored in the determination of the remuneration received by the Executive Directors and the key management personnel for FY2024. The inclusion of the performance conditions in the service agreement of the Executive Directors and key management personnel is done in a review conducted prior to the renewal of the service agreement of the Executive Directors and performance evaluation for key executives.

The breakdown of the remuneration of the directors for FY2024 is as follows:

Director	Salary %	Bonus %	Fees %	Others Benefits %	Total %
$250,000 to $500,000					
Ho Yow Ping	100	–	–	–	100
Below $250,000					
Su Jun Ming[1]	100	–	–	–	100
Chay Yiowmin	–	–	100	–	100
Sim Eng Huat	–	–	100	–	100
Foo Say Tun[2]	–	–	100	–	100
Gn Jong Yuh Gwendolyn[3]	–	–	100	–	100

Notes:

1. Mr Su Jun Ming, an Executive Director of the Company, was appointed on 1 August 2023.
2. Mr Foo Say Tun, an Independent Director of the Company, was appointed as an Independent, Non-Executive Director and Chairman of the Remuneration Committee and member of the Audit and Nominating Committees on 29 February 2024.
3. Ms Gn Jong Yuh Gwendolyn (Yin Zhongyu Gwendolyn), an Independent Director of the Company, was appointed as an Independent, Non-Executive Director and Chairman of the Remuneration Committee and member of the Audit and Nominating Committees on 28 November 2022. She resigned on 29 February 2024.

The Company only had two key management personnel other than a director during FY2024. Due to confidentiality and competitive pressures in the industry and talent market and to prevent poaching of key management personnel, the Company shall not fully disclose the remuneration of individual directors and the top key management personnel on a named basis. Instead, the remuneration paid to each director and the top two key management personnel for the financial year shall be presented in bands of SS$250,000.

Key Management Personnel	Salary[1] %	Bonus %	Fees %	Others Benefits %	Total %
Below $250,000					
Su Jun Ming[1 & 2]	100	–	–	–	100

Notes:

1. Salary includes contractual payments for staff retention purposes that are based on completion of every 6 months of employment.
2. Mr Su Jun Ming was appointed as the Group Chief Financial Officer on 1 December 2022 and Executive Director on 1 August 2023.

Save for Ms Wendy Ho, none of the directors or key management personnel are substantial shareholders of the Company. There is no employee of the Company or its subsidiaries who is an immediate family member of the directors, CEO or a substantial shareholder of the Company, and whose remuneration exceeded S$100,000 during FY2024.

The aggregate of the total remuneration paid to the top key management personnel (who were not directors or CEO) was approximately $112,000.

There were no termination or retirement benefits, as well as post-employment benefits that are granted to the directors, CEO and key management personnel.

ACCOUNTABILITY AND AUDIT

9. Risk management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1 - Nature and extent of risks
Provision 9.2 - Assurance from the CEO, CFO and key management personnel

The Company does not have a specific Risk Management Committee. However, the Management regularly reviews the Company's businesses and operational activities to identify areas of significant business risks and takes appropriate measures to minimise these risks. The Management reviews all significant control policies and procedures and highlights all significant matters to the directors and the AC. The Management and directors have also considered the various financial risks, details of which are disclosed in the notes to the accompanying audited financial statements.

The AC will ensure that a review of the effectiveness of the Group's material internal controls, including financial, operational, compliance controls and risk management is conducted annually by the Management, external and internal auditors. The AC will review the audit plans, and the findings of the external auditors and internal auditors, and will ensure that the Group follows up on the external and internal auditors' recommendations raised, if any, during the audit process.

In FY2024, the Board had received assurance from the CEO and the CFO that:

(a) the financial records have been properly maintained and the financial statements for FY2024 give a true and fair view of the Company's operations and finances; and

(b) the Company's risk management and internal control systems are effective.

At present, the Board relies on the assurance provided by Management, internal audit reports prepared by the internal auditors, external audit report and management letter prepared by the external auditors on any material non-compliance or internal control weaknesses.

The Board notes that the system of internal controls provide reasonable, but not absolute assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud and other irregularities.

10. Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provisions 10.1, 10.2, and 10.3 — Duties and Composition of the AC

As at the date of this report, the Audit Committee ("**AC**") comprised Mr Chay Yiowmin, Mr Sim Eng Huat and Mr Foo Say Tun (appointed on 29 February 2024), all of whom including the Chairman of the AC are Independent Directors. The Chairman of the AC is Mr Chay Yiowmin.

None of the AC members were previous partners or directors of the Company's external audit firm within the last two years and none of the AC members hold any financial interest in the external audit firm.

The Board is of the view that the members of the AC have sufficient accounting and financial management expertise and experience to discharge the AC's functions. The AC carried out its functions in accordance with the Companies Act, Catalist Rules, the Code, and its terms of reference.

The AC assists the Board in discharging its responsibility to safeguard the Group's assets, maintain adequate accounting records, and develop and maintain effective system of internal controls, with the overall objective of ensuring that the Management creates and maintains an effective control environment in the Group. The AC provides a channel of communication between the Board, the Management and external auditors on matters relating to audit.

The AC meets at least four times a year to discuss and review the following, where applicable:

(a) Review with the external auditors the audit plan, their evaluation of the system of internal accounting controls, their letter to Management and the Management's response;

(b) Review the financial statements before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Catalist Rules and any other relevant statutory or regulatory requirements;

(c) Review the internal controls procedures and ensure co-ordination between the external auditors and the Management, review the assistance given by the Management to the external auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the Management, where necessary);

(d) Review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the Management's response;

(e) Consider the independence, appointment or re-appointment of the external auditors and matters relating to the resignation or dismissal of auditors;

(f) Review interested person transactions (if any) and potential conflicts of interest (if any) falling within the scope of Chapter 9 of the Catalist Rules;

(g) Undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(h) Generally undertake such other functions and duties as may be required by the statute or the Catalist Rules, or by such amendments as may be made thereto from time to time; and

(i) Review the key financial risk areas, with a view to provide independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual report or, where the findings are material, announced immediately via SGXNET.

In addition, all transactions with interested persons shall comply with the requirements of the Catalist Rules. In the event that a member of the AC is interested in any matter being considered by the AC, he/she shall abstain from reviewing and deliberating on that particular transaction or voting on that particular transaction.

Apart from the duties listed above, the AC shall commission and review the findings of internal investigations into matters where there is suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results or financial position or both.

The AC also has the power to investigate any matter brought to its attention, within its terms of reference, with the power to obtain professional advice at the Company's expense. The AC has full access to and the co-operation of the Management, as well as full discretion to invite any director or Executive Officer to attend the meetings and has been given reasonable resources to enable it to discharge its functions properly.

In the selection of suitable audit firms, the AC takes into account several considerations such as the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements and quality of work, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the audit. The selected auditing firm based in Singapore is engaged as auditors for the Company as well as Singapore-incorporated subsidiary corporations of the Company. Messrs Foo Kon Tan LLP had been approved by the shareholders and appointed as the external auditor of the Company and the Company's Singapore-incorporated subsidiaries and significant associated companies on 3 February 2023 by way of an Extraordinary General Meeting. Mr Jack Cheong is the current audit engagement partner in charge of the audit of the Company. Accordingly, Rules 712 and 715 of the Catalist Rules are complied with.

The fees paid by the Company to the external auditors in FY2024 for audit and non-audit services amounted to S$170,000 and S$21,500, respectively, the non-audit services being taxation services. The AC, having undertaken a review of all non-audit services (including mainly the agreed upon procedures services) provided by the external auditors, is of the opinion that such services would not affect the independence of the external auditors.

The AC is satisfied with the independence and objectivity of the Company's external auditors, Messrs Foo Kon Tan LLP, and has recommended to the board that Messrs Foo Kon Tan LLP be nominated for re-appointment as external auditors at the forthcoming Annual General Meeting. Messrs Foo Kon Tan LLP has also expressed its intention to continue and be nominated for re-appointment as external auditors at the forthcoming AGM.

The AC is also satisfied with the level of co-operation rendered by the Management to the external auditors and the adequacy of the scope and quality of their audits.

The Company had instituted a whistle-blowing policy to provide a channel for employees of the Group to report in good faith and in confidence, without fear of reprisals, concern about possible improprieties in financial reporting and other matters. The objective of the policy will ensure that there is independent investigation of such matters and that appropriate follow up actions will be taken. The AC exercises the overseeing function over the administration of the policy. Staff is given direct access to the AC via email auditcommittee@marychia.com. Once a complaint is lodged, the AC will establish an independent committee to investigate the report and review any findings as well as ensure that necessary follow up actions are taken. The Whistle-Blowing Policy serves to encourage and provide a channel to employees to report in good faith and in confidence, without fear of reprisals, concerns about possible improprieties in financial reporting or other matters to the AC Chairman. Details of the whistle-blowing policies and arrangements have been made available to all employees and provides assurance that employees will be protected from reprisal within the limits of the law. As at the date of this report, there were no reports received through the whistle-blowing mechanism during FY2024.

The AC had recommended that the Company's whistle-blowing policy to be disseminated to each new employee.

The AC members are kept abreast of the changes to accounting standards and issues which have a direct impact on financial statements through the external auditors during the AC meetings.

Provision 10.4 — Internal Audit

The AC is aware of the need to establish a system of internal controls within the Group to safeguard the shareholders' interests and the Group's assets, and to manage risk. The size of the operations of the Group does not warrant the Group to have an in-house internal audit function. The Company outsources the internal audit function to the internal auditors to perform the review and test of controls of the Group's processes. The AC approves the appointment, removal, evaluation and compensation of the internal auditors. The internal auditors report directly to the AC Chairman and has unfettered access to the Company's documents, records, properties and personnel, including access to the AC. The internal auditor assists the AC in ensuring that the Company maintains a sound system of internal controls through regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the AC, and conducting regular audits of high-risk areas.

The Company has outsourced its internal audit function to BDO Advisory Pte Ltd ("**BDO**"), which is an established international auditing firm. BDO conducts their internal audits based on the BDO Global Internal Audit Methodology which is consistent with the International Professional Practices Framework established by the Institute of Internal Auditors.

The BDO engagement team comprises 3 members. The BDO Engagement Partner has more than 20 years of audit and advisory experience and is a Chartered Accountant (Singapore), Certified Internal Auditor and Certified Information System Auditor. BDO performs outsourced internal audits of several other listed companies, government bodies and regulated entities. Members of the internal audit team also have relevant academic qualifications, professional certifications and internal audit experience. The AC is hence satisfied that the outsourced internal audit function is adequately staffed by suitably qualified and experienced professionals based on the internal audits conducted for FY2024.

Provision 10.5 - AC activities during the year

Annually, the AC meets with the internal and external auditors without the presence of Management as and when necessary to review the adequacy of audit arrangement with emphasis on the scope and quality of their audit independence, objectivity and observations.

SHAREHOLDER RIGHTS AND ENGAGEMENT

11. Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects

Provisions 11.1 and 11.2 - Conduct of general meetings
Provision 11.3 - Director and External Auditors' attendance in AGMs
Provision 11.4 – Company's Constitution allow for absentia voting at general meetings of shareholders

The Company recognizes and accepts the principle that all shareholders are treated fairly and equitably and that they have been accorded certain rights under the Singapore Companies Act and the Company's Constitution. Information to all shareholders is disclosed in a timely and transparent manner and in compliance with SGX disclosure requirements.

Shareholders are given ample opportunity to attend, participate and vote at the Company's general meetings and the Board strongly encourages shareholders to communicate their views and direct questions to Directors or Management regarding the Company and the Group as well as to participate and vote at general meetings.

All shareholders of the Company will receive the notice of annual general meeting and/or extraordinary general meeting and such notice will also be published on the SGX website at the URL https://www.sgx.com/securities/company-announcements. The directors attend the annual general meetings and are available to answer questions from the shareholders. The Chairman of the Board, AC, NC and RC and the external auditors will also be present to assist the directors in addressing any relevant queries from shareholders. The Company held its last annual general meeting on 28 July 2023 where all board members were present. The Board considers the annual general meeting as the main forum where dialogue with shareholders can be effectively conducted. The Company will consider the use of other forum set out in the Code as and when such needs arise.

Notice of the general meeting is despatched to shareholders, together with explanatory notes or a circular on items of special business (if necessary), at least 14 working days before the meeting. If and where questions are presented by the shareholders (in a general meeting or otherwise), the Company will communicate with its shareholders and attend to such questions. The Company meets with shareholders at least once a year at the AGM of the Company.

Printed copies of the Notice of AGM and the accompanying proxy form will be sent by post to members. These documents will also be published on the Company's corporate website at the URL https://www.mary chia.com and the SGX website at the URL https://www.sgx.com/securities/company-announcements.

Resolutions are passed through a process of voting and shareholders are entitled to vote in accordance with established voting rules and procedures. The Company appoints an independent external party as scrutineer ("**Scrutineer**") for the poll voting process at the general meetings of the Company. The Scrutineer will explain the poll voting procedures to Shareholders at the general meetings of the Company before the resolutions are put to vote. The Company also ensures that there are separate resolutions at general meetings on each distinct issue. Where the resolutions are "bundled", the Company will set out clearly the reasons and material implications pertaining to the resolutions in the relevant circular or notice of general meeting.

The Company will put all resolutions to vote by poll and announce the detailed results, including the number of votes cast for and against each resolution and the respective percentages, after the conclusion of the general meeting.

Provision 11.4 - Absentia voting

To facilitate participation by shareholders, the Constitution of the Company allows shareholders to attend and vote at general meetings of the Company by proxies. A shareholder who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak, and vote at the general meetings while a member who is relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the general meetings through proxy forms deposited 48 hours before the meeting.

The Company has not amended its Constitution to provide for absentia voting methods. Voting in absentia and by electronic mail may only be possible following careful study to ensure that integrity of the information and authentication of shareholders' identities through the web are not compromised. The Company will employ electronic polling if necessary.

Provision 11.5 - Minutes of general meeting

Minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management will be prepared and shall be made available to shareholders upon their request.

The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting and responses from the Board and Management.

The Company will publish the minutes of the AGM on the SGX website within one month after the date of the AGM.

Provision 11.6 - Dividend Policy

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends would depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business condition, development plans and other factors as the directors may deem appropriate that are beneficial to the Company. Notwithstanding the above, any declaration of dividends is clearly communicated to the shareholders via SGXNET. The Company did not declare any dividend in FY2024 in view of the Group's financial position as at 31 March 2024 and financial results for FY2024, as well as taking into account the operational and financial requirements of the Group.

12. Engagement with shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provision 12.1, 12.2, 12.3 - Shareholder engagement, Investor relation policy and shareholder queries

The Board is mindful of its obligation to provide timely and fair disclosure of material information to shareholders. Shareholders are kept abreast of financial results and other material information concerning the Group through regular and timely dissemination of information through:

(a) The annual report that is dispatched to all shareholders or published on SGXNet within the mandatory period;

(b) announcements on the SGXNET at www.sgx.com; and

(c) the Company's website at www.marychia.com through which shareholders can access information on the Group.

The Company currently does not have an investor relations policy. The Group has entrusted an investor relations team comprising the CEO and the CFO with the responsibility of facilitating communications with shareholders and analysts and attending to their queries or concerns. Accordingly, the Board is of the view that the current communication channels are sufficient and cost-effective. The Company also considers advice from its professionals on appropriate disclosure requirements before announcing material information to shareholders. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arise.

Managing stakeholders relationships

13. Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provision 13.1 - Material stakeholder engagement
Provision 13.2 - Strategy and key areas of focus in managing stakeholders
Provision 13.3 - Corporate website

The Group has arrangements in place to identify and engage with its material shareholder groups and to manage its relationships with such groups. It undertakes formal and informal stakeholder engagement exercise, such as announcements, press releases, publications, surveys and customer feedback with material stakeholder groups which include shareholders, suppliers, customers, regulators, employees, media and public relations, and the local communities. The Group has identified the environmental, social and governance factors that are important to these stakeholders. These factors form the materiality matrix upon which targets, metrics, programmes and progress are reviewed by and approved by the Board, before they are published annually in our sustainability report. Further information in relation to details of the stakeholders engaged by the Group, areas of focus, approaches to stakeholder, including frequency of engagement by type and by stakeholder group and key feedback or issues that have been raised though stakeholder engagement can be found in the sustainability report for FY2024 which will be released in July 2024. Contact details of our investor relations function will also be listed on our corporate website to facilitate dialogue and queries from stakeholders.

14. Dealing in Company's Securities

In line with Rule 1204(19) of the Catalist Rules, the Group has adopted an internal code of conduct to provide guidance to its directors and officers with regard to dealings in the Company's securities. The Company, directors and officers of the Company should not deal in the Company's securities on short term considerations and during the period of two (2) weeks prior to the announcement of the Company's each of the three first quarters of its financial results and one (1) month prior to the announcement of the full year financial results and ending on the date of the announcement of the relevant financial results, Directors and officers are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. The directors and officers are also required to adhere to the provisions of the Companies Act, and any other relevant regulations with regard to their securities transactions.

15. Interested Person Transactions ("IPTs")

The Company has established procedures to ensure that all transactions with interested persons are reported to the AC which are reviewed, at least twice a year, to ensure that they are carried out at arm's length and in accordance with the established procedures.

The Group does not have a general mandate for IPTs.

The IPTs transacted in FY2024 by the Group were as follows:

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)
Suki Sushi Pte Ltd[1] (Operating Lease expenses)	Mr Lee holds a 78.55% interest in Suki Sushi, while Ms Ho holds 21.45%. Accordingly, Mr Lee is deemed interested in 110,466,839 shares representing 47.58% of the Company's capital by virtue of his 78.55% shareholding 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% of the Company by virtue of her 21.45% shareholding interest in Suki Sushi.	0.162	–
Suki Sushi Pte Ltd[2] (Other operating income)		0.030	–

Notes:

(1) For more details, kindly refer to the Company's announcement dated 29 January 2021.

(2) The Company has received a service fee from Suki Sushi Pte Ltd ("Suki") in consideration of processing a payment on behalf of Suki.

16. Material Contracts

Pursuant to Rule 1204(8) of the Catalist Rules, the Company confirms that except for the services agreement between the Company and the CEO, there were no material contracts entered into by the Company or any of its subsidiaries, involving the interests of the CEO or any other director or controlling shareholder, which are either still subsisting at the end of FY2024 or if not then subsisting, entered into since the end of the previous financial year.

17. Non-Sponsor Fees

For FY2024, the Company did not pay its sponsor, Evolve Capital Advisory Private Limited any non-sponsor fee.

18. Non-Audit Fee

The audit and non-audit services that were rendered by the Company's external auditors, Messrs Foo Kon Tan LLP, to the Group and their related fees in FY2024 were as follows, the non-audit fees being for taxation services rendered:

	$
Audit Fees	170,000
Non-Audit Fees	21,500
Total	191,500

19. Corporate Social Responsibilities

We believe that environmentally-friendly practices complement business efficiency. Our staff are encouraged to reduce, recycle and reuse and we advocate corporate social responsibility towards the environment by incorporating these processes in our daily operations. We encourage the use of recycled paper in the office and other activities to reduce the pollution to earth and water.

The Group is gradually placing emphasis on sustainability and would implement appropriate policies and programs when the opportunities arise.

20. ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION – APPENDIX 7F TO THE CATALIST RULES

Pursuant to Rule 720(5) of the Catalist Rules, the Company shall provide the information relating to the directors who are standing for re-election at the forthcoming annual general meeting as set out in Appendix 7F to the Catalist Rules.

Mr Su Jun Ming and Mr Foo Say Tun are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 29 July 2024 under Ordinary Resolutions 3 and 4 respectively set out in the notice of annual general meeting dated 12 July 2024 (collectively, the **"Retiring Directors"** and each a **"Retiring Director"**).

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to each Retiring Director as set out in Appendix 7F to the Catalist Rules is set out below:

Name of Directors	Su Jun Ming	Foo Say Tun
Date of initial appointment	1 August 2023	29 February 2024
Date of last re-Appointment (if applicable)	N.A.	N.A.
Age	44	58
Country of principal residence	Singapore	Singapore
The Board's comments on re- appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Su Jun Ming as Executive Director of the Company was recommended by the NC and the Board accepted the recommendation taking into consideration Mr Su Jun Ming's qualifications, past experience and overall contributions since he was appointed as Director of the Company.	The re-election of Mr Foo Say Tun as Independent Director of the Company was recommended by the NC and the Board accepted the recommendation taking into consideration Mr Foo Say Tun's qualifications, past experience and overall contributions since he was appointed as Independent Director of the Company.
Whether the appointment is executive, and if so, the area of responsibility	The appointment is executive. Mr Su Jun Ming will be responsible for overseeing the overall financial and accounting functions of the Group.	No. Non-Executive and Independent.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Group Chief Financial Officer	Independent Non-Executive Director, Chairman of Remuneration Committee and a member of the Audit and Nominating Committees.
Professional qualifications	1. Chartered Valuer and Appraiser of Singapore (CVA), Singapore ISCA 2. Chartered Financial Analyst (CFA), CFA Institute 3. Bachelor of Accountancy, University of Central Queensland, Australia	1. Bachelor of Laws Degree, University of East Anglia, England 2. Barrister-at-law, Middle Temple, England 3. Postgraduate Practical Law Course, Singapore

Name of Directors	Su Jun Ming	Foo Say Tun
Working experience and occupation(s) during the past 10 years	Mr Su Jun Ming has more than 15 years of experience holding leadership position in professional chartered accountant firms that specialises mainly in insolvency and restructuring/transactional services, as well as in a multinational auditing firm providing corporate finance advisory services in respect of M&A, independent valuations, fairness opinions, and capital raising exercises in Asia covering a range of industries. Mr Su Jun Ming was also formerly a Financial Controller of a company listed on the SGX-ST and is currently the audit committee chairman/ lead independent director of a listed company in the Catalist Board SGX	Zweec Analytics Pte. Ltd. (January 2020 to March 2022), Chief Executive Officer
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive director, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments including Directorships		
Past (for the last 5 years)	Nil	Listed Company 1. Fu Yu Corporation Limited 2. QingMei Group Holdings Limited 3. Sino Techbre Limited Non-Listed Company 1. Ioni water Pte. Ltd. 2. Zweec Analytics Pte. Ltd. 3. Dynagen Power Systems Pte. Ltd.
Present	Listed Company 1. Annica Holdings Limited Non-Listed Company 1. Odeon Cuisines Holdings Pte. Ltd. 2. Gratus Capital Pte. Ltd.	Listed Company 1. Moneymax Financial Services Ltd. 2. EuroSports Global Limited Non-Listed Company 1. Aquapro Solutions Pte. Ltd. 2. Business Foundation Pte. Ltd. 3. M Grade Services Pte. Ltd.

Name of Directors	Su Jun Ming	Foo Say Tun
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "Yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgement against him?	No	No

Name of Directors	Su Jun Ming	Foo Say Tun
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

Name of Directors	Su Jun Ming	Foo Say Tun
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

Name of Directors	Su Jun Ming	Foo Say Tun
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:— (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere: or (iii) (any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	Yes Mr Foo Say Tun was an Independent Director and a member of the Audit Committee of Sino Techfibre Limited ("**STFL**") in 2011, a company listed on the main board of SGX-ST. KPMG Services Pte Ltd was appointed to conduct a special audit on STFL in May 2011. For avoidance of doubt, Mr Foo Say Tun was not a subject of the special audit.
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only.		

Name of Directors	Su Jun Ming	Foo Say Tun
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience.	Yes. Annica Holdings Limited as Chairman of Audit Committee and Lead Independent Director.	Yes Present Directorship: 1. MoneyMax Financial Services Ltd. 2. EuroSports Global Limited Past Directorship: 1. Fu Yu Corporation Limited 2. QingMei Group Holdings Limited 3. Sino Techfibre Limited 4. Jubilee Industries Holdings Limited 5. Adventus Holdings Limited (formerly known as SNF Corporation Ltd.)

We submit this annual report to the members together with the audited consolidated financial statements of Mary Chia Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**") and statement of financial position of the Company for the financial year ended 31 March 2024.

In our opinion,

(a) the accompanying statements of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows, together with the notes thereon, are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and of the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, as disclosed in Note 2(a) to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Names of directors

The directors of the Company in office at the date of this statement are:

Ho Yow Ping (Executive Chairman, Executive Director and Chief Executive Officer)
Su Jun Ming (Executive Director and Group Chief Financial Officer) (Appointed on 1 August 2023)
Chay Yiowmin (Lead Independent Non-Executive Director)
Sim Eng Huat (Independent Non-Executive Director)
Foo Say Tun (Independent Non-Executive Director) (Appointed on 29 February 2024)

Arrangements to acquire shares or debentures

During and at the end of the financial year, neither the Company nor any of its subsidiaries was a party to any arrangement of which the object was to enable the directors to acquire benefits through the acquisition of shares or debentures of the Company or any other corporate body, other than as disclosed in this statement.

Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act 1967, none of the directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in the name of director		Holdings in which director is deemed to have an interest	
	As at 1.4.2023	**As at 31.3.2024 and 21.4.2024 #**	As at 1.4.2023	**As at 31.3.2024 and 21.4.2024 #**
The Company - Mary Chia Holdings Limited	Number of ordinary shares			
Ho Yow Ping	42,433,333	**42,433,333**	110,466,839 *	**110,466,839 ***

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2024.

* Ms Ho Yow Ping is deemed to have an interest in the 110,466,839 shares held by Suki Sushi Pte. Ltd. in the Company. The spouse of Ms Ho Yow Ping holds 78.55% and Ms Ho Yow Ping holds 21.45% of the shareholdings of Suki Sushi Pte. Ltd.

Ms Ho Yow Ping, by virtue of the provisions of Section 7 of the Companies Act 1967, is deemed to have an interest in all shares of the wholly-owned subsidiaries of the Company and in the shares held by the Company in the following subsidiaries that are not wholly-owned by the Company:

	As at 1.4.2023	**As at 31.3.2024 and 21.4.2024 &**
	Number of ordinary shares	
Hotel Culture Pte. Ltd.	245,000	**245,000**
Starting Line Trading Pte. Ltd.	8,000	**8,000**

& There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2024.

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

Audit Committee

The Audit Committee at the date of this statement comprises the following members who are the three independent and non-executive directors of the Company:

Chay Yiowmin (Chairman)
Sim Eng Huat
Foo Say Tun

The Audit Committee performs the functions set out in Section 201B(5) of the Companies Act 1967, the Listing Manual - Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the Code of Corporate Governance. In performing those functions, the Audit Committee performed the following:

(i) reviewed the audit plan and results of the external audit, the independence and objectivity of the external auditor, including, where applicable, the review of the nature and extent of non-audit services provided by the external auditor to the Group;

(ii) reviewed the audit plans of the internal auditors of the Group and their evaluation of the adequacy of the Group's system of internal accounting controls;

(iii) reviewed the Group's annual financial statements and the external auditor's report on the annual financial statements of the Group and of the Company before their submission to the Board of Directors;

(iv) reviewed the half-yearly and annual announcements on the results of the Group and financial position of the Group and of the Company;

(v) reviewed and assessed the adequacy of the Group's risk management processes;

(vi) reviewed and checked the Group's compliance with legal requirements and regulations, including the related compliance policies and programmes and reports received from regulators, if any;

(vii) reviewed interested person transactions in accordance with the Catalist Rules;

(viii) reviewed the nomination of external auditor and gave approval of their compensation; and

(ix) submitted reports of actions and minutes of the Audit Committee to the Board of Directors with any recommendations as the Audit Committee deems appropriate.

The Audit Committee has full access to and has the cooperation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director or executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

....
HO YOW PING
Executive Chairman, Executive Director and Chief Executive Officer

....
CHAY YIOWMIN
Lead Independent Non-Executive Director

Dated: 12 July 2024

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Mary Chia Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

We do not express an opinion on the accompanying consolidated financial statements of the Group and the statement of financial position of the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

<u>Opening balances and comparative information</u>

We had issued a disclaimer of opinion on the financial statements for the financial year ended 31 March 2023 ("**FY2023**") on 13 July 2023 in respect of opening balances and comparative information; impairment of non-financial assets; subsidiaries; joint ventures; inventories and purchases; consideration receivable; bank deposits; other payables; revenue and contract liabilities; staff costs; related party balances and transactions; income taxes; and going concern.

In view of the matters above, we are unable to determine whether the opening balances of assets and liabilities of the Group and the Company as at 1 April 2023 are appropriately stated. Accordingly, any adjustments found to be necessary may significantly affect the Group's financial performance, changes in equity and cash flows for the financial year ended 31 March 2024 ("**FY2024**"), the closing balances of assets and liabilities of the Group and the Company as at 31 March 2024, and the related disclosures in the notes to the financial statements for FY2024. In addition, there is a possible effect of these matters on the comparability of the current year's figures and the corresponding figures.

<u>Impairment of non-financial assets</u>

In view of the losses incurred by the Group for FY2024, management has assessed that there are indications of impairment of the Group's plant and equipment and right-of-use assets. Accordingly, the assets are tested for impairment. As at 31 March 2024, the Group's non-financial assets, other than inventories, comprise plant and equipment and right-of-use assets with carrying amounts of S$733,000 and S$1,071,000, respectively. We have been unable to obtain (i) sufficient supporting documents and information relating to the judgements, assumptions and estimates used by management in estimating the value in use, to assess the appropriateness of the basis for the judgements, assumptions and estimates; or (ii) valuation reports from independent professional valuers to assess the fair value less costs of disposal in determining the recoverable amounts of these assets or cash-generating units for which indications of impairment have been identified.

Consequently, we are unable to ascertain whether there are any impairment losses on the Group's plant and equipment and right-of-use assets to be recognised in the Group's profit or loss for FY2024, and to satisfy ourselves as to the appropriateness of the carrying amounts of the Group's plant and equipment and right-of-use assets as at 31 March 2024.

Basis for Disclaimer of Opinion (Cont'd)

Joint ventures

Under Singapore Financial Reporting Standard (International) ("**SFRS(I)**") 1-28 *Investments in Associates and Joint Ventures*, a joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Under the equity method, the investment in a joint venture is recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognised in the investor's profit or loss. An entity shall discontinue the use of the equity method from the date when its investment ceases to be a joint venture.

As disclosed in Note 7 to the financial statements, the Group's joint ventures accounted for under the equity method are in the process of winding-up. Notwithstanding that the joint ventures have been fully impaired by management as at 31 March 2024, the equity method ceases when the Group no longer retains joint control of the entities. We have also been unable to gain access to the accounting records or obtain the relevant supporting documents and information to ascertain the underlying assets and liabilities and transactions of the joint ventures during FY2024 and up to the date of loss of joint control. Consequently, we are unable to satisfy ourselves as to the appropriateness of the share of results of the joint ventures and impairment losses on the joint ventures and the related disclosures in the notes to the financial statements for FY2024. In addition, we have also been unable to ascertain the appropriateness of presentation and disclosures relating to discontinued operations.

Inventories and purchases

Inventories as at 31 March 2024 as disclosed in Note 8 to the financial statements amounted to S$37,000. We have been unable to obtain the listing of inventories by quantities and amounts and reconciliation workings which agree to the general ledger as at 31 March 2024. We have also been unable to obtain the relevant supporting documents, such as supplier invoices, to ascertain the accuracy of the cost of inventories, and sales invoices for the sale of inventories or rendering of services, to ascertain the net realisable value of inventories as at 31 March 2024. In addition, we have been unable to obtain the listing of purchases subsequent to the end of the reporting period and the relevant supporting documents, such as delivery orders, to ascertain that purchases of inventories have been recorded in the correct reporting period. Under SFRS(I) 1-2 *Inventories*, inventories shall be measured at the lower of cost and net realisable value. Consequently, we are unable to satisfy ourselves as to the appropriateness of the carrying amount of the Group's inventories as at 31 March 2024. In the absence of sufficient appropriate audit evidence, we are also unable to ascertain the appropriateness of purchases and write-offs recognised in profit or loss and any further write-down on inventories to be recognised in profit or loss for FY2024.

Trade receivables

Included in trade and other receivables as at 31 March 2024 as disclosed in Note 9 to the financial statements are trade receivables of S$501,000, less allowance for impairment losses of S$60,000. We have been unable to obtain the listing of trade receivables by customers and reconciliation workings which agree to the general ledger as at 31 March 2024. We have also been unable to obtain the relevant supporting documents, such as sales invoices and delivery orders, to ascertain the existence, completeness and accuracy of trade receivables as at 31 March 2024. In addition, we have been unable to obtain sufficient appropriate audit evidence, such as details of subsequent collections and historical loss rates adjusted with forward-looking information, to ascertain the recoverability of and expected credit losses on trade receivables. Consequently, we are unable to satisfy ourselves as to the appropriateness of the carrying amount of the Group's trade receivables as at 31 March 2024 and the related disclosures in the notes to the financial statements for FY2024.

Bank balances and borrowings

Included in cash and bank balances as at 31 March 2024 as disclosed in Note 10 to the financial statements are bank balances of S$88,000 held by certain subsidiaries of the Company, while included in borrowings as at 31 March 2024 as disclosed in Note 14 to the financial statements are loans from financial institutions of S$1,557,000 obtained by the Company and a subsidiary. We have been unable to obtain confirmation replies from the banks or financial institutions in respect of these bank balances and borrowings. Consequently, we are unable to satisfy ourselves as to the appropriateness of the carrying amounts of these bank balances and borrowings, whether there exists any restrictions on bank balances or assets held as security, guarantees, commitments and contingencies, and the completeness of bank accounts, loans and other banking facilities held by the Group as at 31 March 2024.

Basis for Disclaimer of Opinion (Cont'd)

Trade and other payables

Included in trade and other payables of the Group as at 31 March 2024 as disclosed in Note 16 to the financial statements are trade payables, accrued expenses and other payables of S$1,143,000, S$2,956,000 and S$1,188,000, respectively. We have been unable to obtain the listing of trade payables by suppliers and reconciliation workings which agree to the general ledger as at 31 March 2024. We have also been unable to obtain the relevant supporting documents, such as supplier invoices and delivery orders, to ascertain the existence, completeness and accuracy of trade payables as at 31 March 2024. In addition, we have been unable to obtain the breakdown of items and balances of accrued expenses and other payables, and the relevant supporting documents, such as confirmations, contractual agreements and invoices, to ascertain the existence, completeness and accuracy of accrued expenses and other payables as at 31 March 2024. Consequently, we are unable to satisfy ourselves as to the appropriateness of the carrying amount of the Group's trade and other payables as at 31 March 2024 and the related disclosures in the notes to the financial statements for FY2024.

Revenue and contract liabilities

Revenue in the consolidated statement of profit or loss and other comprehensive income for FY2024 is S$6,250,000. Contract liabilities as at 31 March 2024 as disclosed in Note 17 to the financial statements amounted to S$2,243,000. As disclosed in Note 18 to the financial statements, the Group's revenue from the sale of beauty and wellness products amounted to S$1,203,000 for FY2024. We have been unable to obtain the relevant supporting documents and information, such as sales invoices which agree to the amounts recognised and are acknowledged by customers upon receipt and acceptance of products, to ascertain the appropriateness of the revenue and its cut-off for FY2024. In respect of the Group's revenue from the rendering of beauty, slimming and spa services amounting to S$5,047,000 for FY2024, we have been unable to obtain the relevant supporting documents and information, including the listings and reconciliation workings of revenue and contract liabilities by customers.

In view of the above, we are unable to satisfy ourselves as to the appropriateness of the Group's revenue for FY2024 and the carrying amount of the Group's contract liabilities as at 31 March 2024, and the related disclosures in the notes to the financial statements for FY2024.

Staff costs and other operating expenses

Included in staff costs in the consolidated statement of profit or loss and other comprehensive income for FY2024 as disclosed in Note 20 to the financial statements are commission expenses of S$962,000. Other operating expenses for FY2024 as disclosed in Note 21 to the financial statements amounted to S$4,789,000. We have been unable to obtain sufficient appropriate audit evidence, including the breakdown of sales commissions by employees and amounts which agree to the general ledger and the supporting computational workings and records, to ascertain the occurrence, completeness, accuracy and classification of commission expenses. In addition, we have been unable to obtain the breakdown of items and amounts of other operating expenses which agree to the general ledger, and the relevant supporting documents, such as contractual agreements and invoices, to ascertain the occurrence, completeness, accuracy and classification of other operating expenses. Consequently, we are unable to satisfy ourselves in respect of the appropriateness of staff costs and other operating expenses and the related disclosures in the notes to the financial statements for FY2024.

Basis for Disclaimer of Opinion (Cont'd)

Related party balances and transactions

Included in trade and other receivables as at 31 March 2024 as disclosed in Note 9 to the financial statements are the Company's non-trade amounts due from subsidiaries of S$37,406,000, less allowance for impairment losses of S$25,515,000, and the Group's non-trade amounts due from related companies of S$7,000. Included in trade and other payables as at 31 March 2024 as disclosed in Note 16 to the financial statements are the Company's non-trade amounts due to subsidiaries of S$15,528,000, and the Group's non-trade amounts due to related companies of S$568,000.

We have been unable to obtain the listing of balances and transactions which reconcile to the accounts of the respective group entities and related companies. In addition, we have been unable to obtain sufficient information to assess the impairment of the Company's non-trade amounts due from subsidiaries and the Group's non-trade amounts due from related companies. Consequently, we are unable to satisfy ourselves as to the appropriateness of the carrying amounts of the Company's non-trade amounts due from subsidiaries, the Group's non-trade amounts due from related companies, the Company's non-trade amounts due to subsidiaries and the Group's non-trade amounts due to related companies as at 31 March 2024. We are also unable to determine if there are any adjustments or disclosures required in respect of the financial statements of the Group and the Company for FY2024.

Income taxes

Certain matters described in the preceding paragraphs have tax implications which have not been assessed by management. Should any adjustments be found necessary, the Group's income taxes may have to be adjusted accordingly.

Going concern

As at 31 March 2024, the Group had net current liabilities and net liabilities of S$10,179,000 and S$10,933,000, respectively, while the Company had net current liabilities and net liabilities of S$5,601,000. In addition, the Group incurred a net loss of S$5,558,000 for FY2024. These conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's and the Company's ability to continue as going concern. As disclosed in Note 2(a) to the financial statements, notwithstanding the aforementioned, the directors are of the view that it is appropriate for the financial statements of the Group and the Company to be prepared on a going concern basis.

The ability of the Group and the Company to continue as going concern is dependent on their ability to generate sufficient cash flows and have sufficient working capital and financial resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of the financial statements. Based on the information available to us, we have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves whether the use of the going concern assumption in preparing the financial statements is appropriate.

If the Group and the Company were unable to continue in operational existence, the Group and the Company may be unable to discharge their liabilities in the normal course of business, and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may need to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. No such adjustments have been made to the financial statements.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act 1967 (the "**Act**") and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Report on Other Legal and Regulatory Requirements

In our opinion, in the view of the significance of the matters referred to in the *Basis for Disclaimer of Opinion* section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditor have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Cheong Wenjie.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants
Singapore

Dated: 12 July 2024

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2024

		The Group		The Company	
		2024	2023	**2024**	2023
	Note	**S$'000**	S$'000	**S$'000**	S$'000
ASSETS					
Non-Current Assets					
Plant and equipment	3	**733**	714	**–**	–
Right-of-use assets	4	**1,071**	1,510	**–**	–
Intangible assets	5	**4**	5	**–**	–
Subsidiaries	6	**–**	–	**–**	2,507
Joint ventures	7	**–**	1,394	**–**	–
		1,808	3,623	**–**	2,507
Current Assets					
Inventories	8	**37**	100	**–**	–
Trade and other receivables	9	**913**	1,287	**11,923**	9,222
Prepayments		**24**	22	**9**	13
Cash and bank balances	10	**118**	1,673	**10**	1,018
		1,092	3,082	**11,942**	10,253
Total assets		**2,900**	6,705	**11,942**	12,760
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	11	**11,944**	11,944	**11,944**	11,944
Reserves	12	**(23,937)**	(18,553)	**(17,545)**	(14,027)
Equity attributable to owners of the Company		**(11,993)**	(6,609)	**(5,601)**	(2,083)
Non-controlling interests		**1,060**	1,070	**–**	–
Total equity		**(10,933)**	(5,539)	**(5,601)**	(2,083)
Non-Current Liabilities					
Lease liabilities	13	**713**	710	**–**	–
Borrowings	14	**1,817**	–	**–**	–
Provision	15	**32**	95	**–**	–
		2,562	805	**–**	–
Current Liabilities					
Lease liabilities	13	**723**	1,695	**–**	–
Borrowings	14	**1,557**	1,756	**1,125**	1,000
Provision	15	**206**	165	**–**	–
Trade and other payables	16	**6,422**	5,516	**16,418**	13,843
Contract liabilities	17	**2,243**	2,205	**–**	–
Current tax payable		**120**	102	**–**	–
		11,271	11,439	**17,543**	14,843
Total liabilities		**13,833**	12,244	**17,543**	14,843
Total equity and liabilities		**2,900**	6,705	**11,942**	12,760

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	**2024** **S$'000**	2023 S$'000
Revenue	18	**6,250**	8,717
Other operating income	19	**351**	1,079
Purchases and related costs		**(570)**	(654)
Depreciation of plant and equipment	3	**(390)**	(283)
Depreciation of right-of-use assets	4	**(1,042)**	(2,062)
Impairment losses on trade receivables	9	**(8)**	(9)
Staff costs	20	**(4,450)**	(5,907)
Operating lease expense	13	**(427)**	(431)
Other operating expenses	21	**(4,668)**	(1,574)
Finance costs	22	**(330)**	(441)
Share of results of joint ventures	7	**(265)**	524
Loss before taxation		**(5,549)**	(1,041)
Taxation	23	**(9)**	–
Loss for the year		**(5,558)**	(1,041)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Currency translation differences on consolidation of foreign operations		**111**	248
Other comprehensive income for the year, net of tax of nil		**111**	248
Total comprehensive loss for the year		**(5,447)**	(793)
Loss attributable to:			
Owners of the Company		**(5,542)**	(988)
Non-controlling interests		**(16)**	(53)
		(5,558)	(1,041)
Total comprehensive loss attributable to:			
Owners of the Company		**(5,431)**	(740)
Non-controlling interests		**(16)**	(53)
		(5,447)	(793)
Loss per share attributable to owners of the Company (Singapore cent)			
- Basic and diluted	24	**(2.39)**	(0.43)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Share capital S$'000	Merger reserve S$'000	Capital reserve S$'000	Foreign currency translation reserve S$'000	Accumulated losses S$'000	Total attributable to owners of the Company S$'000	Non-controlling interests S$'000	Total equity S$'000
Balance at 1 April 2022	11,944	(927)	(184)	(218)	(16,484)	(5,869)	336	(5,533)
Loss for the year	–	–	–	–	(988)	(988)	(53)	(1,041)
Other comprehensive income for the year	–	–	–	248	–	248	–	248
Total comprehensive income/ (loss) for the year	–	–	–	248	(988)	(740)	(53)	(793)
Changes in ownership interests in subsidiaries								
Disposal of subsidiaries	–	–	–	–	–	–	787	787
Transactions with owners in their capacity as owners	–	–	–	–	–	–	787	787
Balance at 31 March 2023	11,944	(927)	(184)	30	(17,472)	(6,609)	1,070	(5,539)
Balance at 1 April 2023	11,944	(927)	(184)	30	(17,472)	(6,609)	1,070	(5,539)
Loss for the year	**–**	**–**	**–**	**–**	**(5,542)**	**(5,542)**	**(16)**	**(5,558)**
Other comprehensive income for the year	**–**	**–**	**–**	**111**	**–**	**111**	**–**	**111**
Total comprehensive income/ (loss) for the year	**–**	**–**	**–**	**111**	**(5,542)**	**(5,431)**	**(16)**	**(5,447)**
Changes in ownership interests in subsidiaries								
Acquisition of non-controlling interest in a subsidiary without a change in control	**–**	**–**	**47**	**–**	**–**	**47**	**(47)**	**–**
Deconsolidation of a subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**53**	**53**
Transactions with owners in their capacity as owners	**–**	**–**	**47**	**–**	**–**	**47**	**6**	**53**
Balance at 31 March 2024	**11,944**	**(927)**	**(137)**	**141**	**(23,014)**	**(11,993)**	**1,060**	**(10,933)**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024 S$'000	2023 S$'000
Cash Flows from Operating Activities			
Loss before taxation		**(5,549)**	(1,041)
Adjustments for:			
Amortisation of intangible assets	5	**1**	1
Consideration receivable written off	21	**200**	–
Depreciation of plant and equipment	3	**390**	283
Depreciation of right-of-use assets	4	**1,042**	2,062
Gain on disposal of subsidiaries	19	**–**	(402)
Gain on deconsolidation of a subsidiary	19	**(56)**	–
Impairment losses on joint ventures	7	**1,179**	–
Impairment losses on trade receivables	9	**8**	9
Interest expense	22	**330**	441
Inventories written off	8	**84**	24
Plant and equipment written off	21	**5**	–
Provision reversed	15	**(22)**	(98)
Reversal of consideration payable	19	**–**	(200)
Share of results of joint ventures	7	**265**	(524)
Operating (loss)/profit before working capital changes		**(2,123)**	555
Changes in inventories		**(25)**	265
Changes in trade and other receivables		**54**	803
Changes in prepayments		**(2)**	47
Changes in trade and other payables		**2,880**	(103)
Changes in contract liabilities		**68**	687
Cash generated from operations		**852**	2,254
Income taxes refunded		**9**	10
Net cash generated from operating activities		**861**	2,264
Cash Flows from Investing Activities			
Additions to intangible assets	5	**–**	(6)
Advances repaid from/(made to) related companies		**123**	(94)
Consideration paid in respect of acquisition of subsidiaries in prior years		**–**	(467)
Disposal of subsidiaries, net of cash disposed of	A	**–**	595
Investments in joint ventures	7	**(50)**	–
Deconsolidation of a subsidiary, net of cash disposed of	B	**(502)**	–
Purchase of plant and equipment	3	**(417)**	(220)
Net cash used in investing activities		**(846)**	(192)
Cash Flows from Financing Activities			
Advances from directors		**553**	680
Advances (repaid to)/from related companies		**(656)**	760
Fixed deposits pledged		**–**	120
Interest paid		**(205)**	(441)
Payment of lease liabilities		**(1,572)**	(3,595)
Proceeds from borrowings		**1,234**	1,950
Repayment of borrowings		**(924)**	(1,106)
Restricted cash		**502**	–
Net cash used in financing activities	C	**(1,068)**	(1,632)
Net (decrease)/increase in cash and cash equivalents		**(1,053)**	440
Cash and cash equivalents at beginning of the year		**1,171**	731
Cash and cash equivalents at end of the year	10	**118**	1,171

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Note A

Disposal of subsidiaries

On 6 February 2023, the Company's wholly-owned subsidiary, M2 Group Pte. Ltd., had completed the disposal of 50% equity interest in each of Hatsuga Enterpise Pte. Ltd., M Nature Pte. Ltd., M Plus Hair Pte. Ltd. and Monsoon Hair House Pte. Ltd. for a cash consideration of S$800,000. The effects of the disposal on the cash flows of the Group were as follows:

	2023 S$'000
Plant and equipment	564
Right-of-use assets	799
Intangible assets	90
Derivative financial instruments	320
Goodwill	2,586
Deferred tax assets	351
Inventories	161
Trade and other receivables	417
Prepayments	116
Cash and bank balances	5
Deferred tax liabilities	(299)
Lease liabilities	(876)
Borrowings	(280)
Provision	(140)
Trade and other payables	(2,565)
Contract liabilities	(722)
Current tax payable	(46)
Net assets	481
30% retained interests (Note 7)	(870)
Non-controlling interest	787
Gain on disposal of subsidiaries	402
Total consideration, to be satisfied in cash	800
Less: Cash and bank balances disposed of	(5)
Less: Consideration receivable (Note 9)	(200)
Net cash inflow arising from disposal	595

Note B

Deconsolidation of a subsidiary

During the financial year ended 31 March 2024, a 51%-owned subsidiary, MSB Beauty Pte. Ltd., was deconsolidated from the Group as it had been placed under liquidation. The effects of the deconsolidation on the cash flows of the Group are as follows:

	2024 **S$'000**
Inventories	**4**
Trade and other receivables	**1**
Cash and bank balances	**502**
Trade and other payables	**(616)**
Net liabilities	**(109)**
Non-controlling interest	**53**
Gain on deconsolidation	**56**
Less: Cash and bank balances disposed of	**(502)**
Net cash outflow arising from deconsolidation	**(502)**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Note C

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Lease liabilities (Note 13) S$'000	Borrowings (Note 14) S$'000	Provision (Note 15) S$'000	Amounts due to directors (non-trade) (Note 16) S$'000	Amounts due to related companies (non-trade) (Note 16) S$'000	Total S$'000
Balance at 1 April 2022	5,459	1,192	498	379	464	7,992
Changes from financing cash flows						
- Advances from directors	–	–	–	680	–	680
- Advances from related companies	–	–	–	–	760	760
- Interest paid	(203)	(238)	–	–	–	(441)
- Payment of lease liabilities	(3,595)	–	–	–	–	(3,595)
- Proceeds from borrowings	–	1,950	–	–	–	1,950
- Repayment of borrowings	–	(1,106)	–	–	–	(1,106)
Total changes from financing cash flows	(3,798)	606	–	680	760	(1,752)
Other changes						
- Interest expense	203	238	–	–	–	441
- Disposal of subsidiaries	(876)	(280)	(140)	–	–	(1,296)
- Lease termination	(44)	–	–	–	–	(44)
- New leases	1,461	–	–	–	–	1,461
- Provision reversed	–	–	(98)	–	–	(98)
Total liability-related other changes	744	(42)	(238)	–	–	464
Balance at 31 March 2023	2,405	1,756	260	1,059	1,224	6,704
Balance at 1 April 2023	2,405	1,756	260	1,059	1,224	6,704
Changes from financing cash flows						
- Advances from directors	**–**	**–**	**–**	**553**	**–**	**553**
- Advances repaid to related companies	**–**	**–**	**–**	**–**	**(656)**	**(656)**
- Interest paid	**(88)**	**(117)**	**–**	**–**	**–**	**(205)**
- Payment of lease liabilities	**(1,572)**	**–**	**–**	**–**	**–**	**(1,572)**
- Proceeds from borrowings	**–**	**1,234**	**–**	**–**	**–**	**1,234**
- Repayment of borrowings	**–**	**(924)**	**–**	**–**	**–**	**(924)**
Total changes from financing cash flows	**(1,660)**	**193**	**–**	**553**	**(656)**	**(1,570)**
Other changes						
- Interest expense	**88**	**242**	**–**	**–**	**–**	**330**
- Lease modification	**18**	**–**	**–**	**–**	**–**	**18**
- New leases	**585**	**–**	**–**	**–**	**–**	**585**
- Provision reversed	**–**	**–**	**(22)**	**–**	**–**	**(22)**
- Transfers	**–**	**1,183**	**–**	**(1,183)**	**–**	**–**
Total liability-related other changes	**691**	**1,425**	**(22)**	**(1,183)**	**–**	**911**
Balance at 31 March 2024	**1,436**	**3,374**	**238**	**429**	**568**	**6,045**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

1 General information

The financial statements of Mary Chia Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**") for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is incorporated as a limited liability company and domiciled in the Republic of Singapore. The Company is listed on the Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The registered office is located at 183 Thomson Road, Goldhill Shopping Centre, Singapore 307628. The principal place of business of the Company is located at 151 Lorong Chuan, #06-07A New Tech Park, Singapore 556741.

The principal activities of the Company are those of provision of management and office administration services and investment holding. The principal activities of the subsidiaries and joint ventures are disclosed in Note 6 and Note 7, respectively, to the financial statements.

The controlling shareholders of the Company are Suki Sushi Pte. Ltd., Ms Ho Yow Ping and the spouse of Ms Ho Yow Ping.

2(a) Basis of preparation

The financial statements are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**"). The financial statements have been prepared under the historical cost convention except as otherwise described in the notes below.

The financial statements are presented in Singapore dollar ("**S$**") which is the Company's functional currency. All financial information is presented in Singapore dollar and rounded to the nearest thousand, unless otherwise stated.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with SFRS(I)s 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 period. 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. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The significant accounting estimates and assumptions used and areas involving a high degree of judgement are described below.

2(a) Basis of preparation (cont'd)

Significant judgements in applying accounting policies

Going concern

The Group incurred a net loss of S$5,558,000 (2023: S$1,041,000) for the financial year ended 31 March 2024. In addition, the Group had net current liabilities and net liabilities of S$10,179,000 (2023: S$8,357,000) and S$10,933,000 (2023: S$5,539,000), respectively, as at 31 March 2024, while the Company had net current liabilities and net liabilities of S$5,601,000 (2023: S$4,590,000) and S$5,601,000 (2023: S$2,083,000), respectively, as at 31 March 2024.

Notwithstanding this, the Group generated net operating cash inflows of S$861,000 (2023: S$2,264,000) for the financial year ended 31 March 2024. The controlling shareholder of the Company, Suki Sushi Pte. Ltd., has given an undertaking to provide continuing financial support to the Group and the Company for the next 12 months after the date of the authorisation of the financial statements for the financial year ended 31 March 2024, and not demand immediate payments for amounts owing by the Group and the Company, to enable them to continue to operate as going concern.

Based on the above, the directors believe that the Group and the Company have sufficient working capital and financial resources to enable them to meet their liabilities as and when they fall due and continue as going concern for 12 months from the end of the reporting period. Accordingly, the directors are of the view that the going concern assumption is appropriate for the preparation of the financial statements, and there is no material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of reported asset amounts or the amounts and classification of liabilities that would be required if the going concern basis is found to be inappropriate.

Determination of functional currencies

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the respective entities in the Group, judgement is required to determine the currency that mainly influences sales prices of goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on the local management's assessment of the economic environment in which the entities operate and the respective entities' process of determining sales prices.

Income taxes

The Group has exposure to income taxes in various jurisdictions. Significant judgement and estimates are involved in determining 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 affect the current tax and deferred tax provisions in the period in which such determination is made. The Group's income taxes for the year are disclosed in Note 23 to the financial statements.

2(a) Basis of preparation (cont'd)

Significant accounting estimates and assumptions used in applying accounting policies

Depreciation of plant and equipment and right-of-use assets

The costs of plant and equipment and right-of-use assets are depreciated on a straight-line basis over the estimated economic useful lives of the assets or based on the shorter period of lease term and useful life of the right-of-use asset. Management estimates the useful lives of plant and equipment and right-of-use assets to be 2 to 12 years and 2 to 5 years, respectively. The carrying amounts of the Group's and the Company's plant and equipment and right-of-use assets at the end of the reporting period are disclosed in Note 3 and Note 4, respectively, to the financial statements. The estimation of useful lives is based on assumptions about wear and tear, ageing, changes in demand and the Group's historical experience with similar assets. The Group performs annual reviews on whether the assumptions made on useful lives continue to be valid. As changes in the expected level of usage, maintenance programmes and technological developments could affect the economic useful lives and the residual values of these assets, future depreciation charges could be revised. If depreciation on the Group's plant and equipment and right-of-use assets increases/decreases by 10% from management's estimates, the Group's results for the year will decrease/increase by S$39,000 (2023: S$28,000) and S$104,000 (2023: S$206,000), respectively.

Impairment of plant and equipment and right-of-use assets

Plant and equipment and right-of-use assets are assessed at the end of each reporting period whether there is any indication of impairment or that an impairment loss recognised in prior periods no longer exists or has decreased. If any such indication exists, the recoverable amounts of the assets are estimated to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Such impairment loss is recognised in profit or loss.

Significant judgement and estimates by management are required in the area of asset impairment, particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying amount of an asset can be supported by its market value based on comparable assets or the net present value of future cash flows which are estimated based on the continued use of the asset in the business; and (iii) the appropriate valuation techniques and inputs used in fair value measurement and the key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are extrapolated using a suitable growth rate and then discounted using an appropriate discount rate. Changing the assumptions selected by management to determine the level of impairment could materially affect the recoverable amount determined in the impairment test and as a result may potentially affect the Group's results. The carrying amounts of the Group's plant and equipment and right-of-use assets at the end of the reporting period are disclosed in Note 3 and Note 4, respectively, to the financial statements.

Impairment of investments in subsidiaries

The Company assesses at the end of each reporting period whether there is any indication that an investment in subsidiary is impaired or that an impairment loss recognised in prior periods no longer exists or has decreased. If any indication exists, the investment in subsidiary is tested for impairment. The determination of the recoverable amount requires an estimation of the fair value less costs of disposal of the underlying assets or the value in use of the cash-generating units. Estimating the fair value less costs of disposal requires the Company to make an estimate of the expected selling prices or realisable amounts of the underlying assets and the estimated cash outflows to settle the obligations in respect of the underlying liabilities. Estimating the value in use requires the Company to make an estimate of the expected future cash flows from the cash-generating units, a suitable growth rate to extrapolate the future cash flows, and an appropriate discount rate in order to calculate the present value of the future cash flows. The carrying amount of the Company's investments in subsidiaries at the end of the reporting period is disclosed in Note 6 to the financial statements. As at 31 March 2023, if the recoverable amount of the investments in subsidiaries decreased by 10% from management's estimates, the Company's allowance for impairment of investments in subsidiaries would increase by S$251,000.

2(a) Basis of preparation (cont'd)

Significant accounting estimates and assumptions used in applying accounting policies (cont'd)

Allowance for slow-moving and obsolete inventories

The Group measures inventories at the lower of cost and net realisable value. The Group records a write-down for inventories of components and products which have become obsolete or are in excess of anticipated demand or net realisable value. Management performs an assessment of inventories at the end of each reporting period to establish allowance for excess and obsolete inventories. Management's evaluation includes a review of, amongst other factors, the historical sale, current economic and technological trends, forecasted sales, demand requirements, product life cycle, quality issues and current inventory levels. The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 8 to the financial statements. A 10% decrease in the net realisable values of inventories will decrease the Group's results for the year by S$4,000 (2023: S$10,000).

Allowance for expected credit losses of trade and other receivables

The Group uses a provision matrix to calculate expected credit losses ("**ECLs**") for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar risk characteristics. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At the end of each reporting period, historical default rates are updated and changes in the forward-looking estimates are analysed.

The Group and the Company apply the 3-stage general approach to determine ECLs for other receivables. ECL is measured as an allowance equal to 12-month ECL for stage-1 assets, or lifetime ECL for stage-2 or stage-3 assets. An asset moves from stage-1 to stage-2 when its credit risk increases significantly and subsequently to stage-3 as it becomes credit-impaired. In assessing whether credit risk has significantly increased, the Group and the Company consider qualitative and quantitative reasonable and supportable forward-looking information. Lifetime ECL represents ECL that will result from all 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 12 months after the reporting date.

The assessment of the correlation between historical observed default rates, forecast of economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information relating to ECLs on the Group's and the Company's trade and other receivables is disclosed in Note 28.1. If the loss rates increase by 5% from management's estimates, the Group's and the Company's allowance for impairment of trade and other receivables will increase by S$43,000 (2023: S$47,000) and S$595,000 (2023: S$461,000), respectively.

Estimation of the incremental borrowing rate

For the purpose of calculating the right-of-use asset and lease liability, the Group applies the interest rate implicit in the lease ("**IRIIL**") and, if the IRIIL is not readily determinable, the Group uses its incremental borrowing rate ("**IBR**") applicable to the lease asset. The IBR is the rate of interest that the Group 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). The carrying amounts of the Group's right-of-use assets and lease liabilities are disclosed in Note 4 and Note 13, respectively, to the financial statements. An increase/decrease of 50 basis points in the estimated IBR will decrease/increase the Group's right-of-use assets and lease liabilities by S$5,000 (2023: S$8,000) and S$7,000 (2023: S$12,000), respectively.

2(b) Adoption of new or amended SFRS(I)s effective in 2024

On 1 April 2023, the Group adopted the following new or amended SFRS(I)s that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s.

Reference	Description
SFRS(I) 17	Insurance Contracts
Amendments to SFRS(I) 17	Insurance Contracts
Amendments to SFRS(I) 4	Extension of the Temporary Exemption from Applying SFRS(I) 9
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	Disclosure of Accounting Policies
Amendments to SFRS(I) 1-8	Definition of Accounting Estimates
Amendments to SFRS(I) 1-12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to SFRS(I) 17	Initial Application of SFRS(I) 17 and SFRS(I) 9 – Comparative Information
Amendments to SFRS(I) 1-12	International Tax Reform – Pillar Two Model Rules

The adoption of these new or amended SFRS(I)s did not result in substantial changes to the Group's accounting policies or have any significant impact on these financial statements.

Amendments to SFRS(I) 1-12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, a reporting entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

The amendments are effective for annual periods beginning on or after 1 January 2023. Early application is permitted. The amendments shall be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, deferred tax asset and deferred tax liability shall be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

There is no material financial impact on the financial statements on adoption of the amendments.

2(c) New or amended SFRS(I)s not yet adopted

The following are the new or amended SFRS(I)s issued that are not yet effective but may be early adopted for the current financial year. However, the Group has not early adopted the new or amended SFRS(I)s in preparing these financial statements:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-1	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be determined
Amendments to SFRS(I) 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-1	Non-current Liabilities with Covenants	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7	Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 1-21	Lack of Exchangeability	1 January 2025

Management does not anticipate that the adoption of the above new or amended SFRS(I)s in future periods will have a material impact on the financial statements of the Group and the Company in the period of their initial adoption.

2(c) New or amended SFRS(I)s not yet adopted (cont'd)

Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Non-current*

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on the rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise the right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets or services to the counterparty.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted.

Amendments to SFRS(I) 1-1 *Non-current Liabilities with Covenants*

The amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. The amendments clarify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification as current or non-current, even if the covenant is only assessed after the entity's reporting date.

The amendments introduce additional disclosure requirements. When an entity classifies a liability arising from a loan arrangement as non-current and that liability is subject to the covenants which an entity is required to comply with within 12 months of the reporting date, the entity shall disclose information in the notes that enables users of financial statements to understand the risk that the liability could become repayable within 12 months of the reporting period, including:

(a) the carrying amount of the liability;
(b) information about the covenants; and
(c) facts and circumstances, if any, that indicate the entity may have difficulty complying with the covenants. Such facts and circumstances could also include the fact that the entity would not have complied with the covenants based on its circumstances at the end of the reporting period.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted.

2(d) Material accounting policy information

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Losses and other comprehensive losses are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2(d) Material accounting policy information (cont'd)

Consolidation (cont'd)

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Group controls an investee if, and only if, the Group has all of the following:

(i) power over the investee;
(ii) exposure, or rights or variable returns from its involvement with the investee; and
(iii) the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by the applicable SFRS(I)s).

Plant and equipment

Plant and equipment are stated at cost or valuation, less accumulated depreciation and impairment losses, if any. Depreciation of plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives, as follows:

Beauty, slimming and spa treatment	4 to 12 years
Hairdressing equipment	3 to 5 years
Renovations	2 to 5 years
Furniture and office equipment	3 to 5 years

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Subsequent expenditure relating to plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before the expenditure was made will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the period in which it is incurred.

2(d) Material accounting policy information (cont'd)

Plant and equipment (cont'd)

For acquisitions and disposals during the period, depreciation is recognised in profit or loss from the month that the plant and equipment are installed and are available for use, and to the month of disposal, respectively. Fully depreciated plant and equipment are retained in the accounts until they are no longer in use.

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at the end of each reporting period as a change in estimates.

Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are recognised as an expense in the period in which the expenditure is incurred.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and amortisation method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite useful lives is recognised in profit or loss under research and development expenses, consistent with the function of the intangible assets. Intangible assets are written off where, in the opinion of the directors, no further future economic benefits are expected to arise. The Group does not have intangible assets with indefinite useful lives.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in profit or loss when the asset is derecognised.

Non-compete agreement

The costs of non-compete agreement, which was acquired in a business combination, are amortised in profit or loss using the straight-line method over 3 years from the date of acquisition, during which the benefits of the expenditure are expected to arise.

Software

The costs relating to software acquired, which are not an integral part of the related hardware, are capitalised and amortised on a straight-line basis over their estimated useful lives of 5 years.

Subsidiaries

In the Company's separate statement of financial position, subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

2(d) Material accounting policy information (cont'd)

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5.

Under the equity method, an investment in a joint venture is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

If there is objective evidence that the Group's net investment in a joint venture is impaired, the requirements of SFRS(I) 1-36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2(d) Material accounting policy information (cont'd)

Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes party to the contractual provisions of the instruments. Financial assets are classified at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income ("**FVOCI**"), and fair value through profit or loss ("**FVTPL**").

The classification of financial assets, at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of financial asset not at FVTPL, transaction costs. Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the trade receivables do not contain a significant financing component at initial recognition. Refer to the accounting policy on "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

The Group does not hold any financial assets at FVOCI or financial assets at FVTPL.

Financial assets at amortised cost (debt instruments)

Subsequent measurement of debt instruments depends on the Group's business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

2(d) Material accounting policy information (cont'd)

Financial assets (cont'd)

Subsequent measurement (cont'd)

Financial assets at amortised cost (debt instruments) (cont'd)

The Group's financial assets at amortised cost comprise trade and other receivables (excluding net input taxes) and cash and bank balances.

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Derecognition

A financial asset is derecognised when the contractual rights to receive cash flows from the asset expire. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ("**ECLs**") associated with its debt instrument financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (12-month ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECLs).

For trade receivables, the Group measures the loss allowance at an amount equal to lifetime ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each reporting period. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other receivables, loss allowance is measured at an amount equal to 12-month ECLs. The 12-month ECLs are estimated by reference to the track record of the counterparties and their businesses and financial conditions.

The Group considers a financial asset to be in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

At the end of each reporting period, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

2(d) Material accounting policy information (cont'd)

Financial assets (cont'd)

Impairment of financial assets (cont'd)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

The Group's financial liabilities comprise borrowings, lease liabilities and trade and other payables (excluding net output taxes).

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVTPL, such as interest-bearing borrowings, are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Borrowings

Borrowings which are due to be settled more than 12 months after the reporting period are included in current borrowings in the statement of financial position if the loan facility agreements include an overriding repayment on demand clause which gives the lender the right to demand repayment at any time at its sole discretion and irrespective of whether a default event has occurred, or when the Group has defaulted or breached a provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the borrowings become payable on demand, even if the lender agreed after the reporting period and before the authorisation of the financial statements for issue not to demand payment as a consequence of the breach. These borrowings are classified as current because, at the end of the reporting period, the Group does not have an unconditional right to defer its settlement for at least 12 months after that date.

2(d) Material accounting policy information (cont'd)

Financial liabilities (cont'd)

<u>Subsequent measurement (cont'd)</u>

Borrowings (cont'd)

However, those borrowings with breaches or defaults of loan agreement terms are classified as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the Group can rectify the breach and during which the lender cannot demand immediate repayment. Other borrowings due to be settled more than 12 months after the reporting period are included in non-current borrowings in the statement of financial position.

Borrowing costs are recognised in profit or loss using the effective interest method.

<u>Derecognition</u>

A financial liability is derecognised when the obligation under the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from a customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liability is recognised as revenue when the Group performs under the contract.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis, and includes all costs in bringing the inventories to their present location and condition.

Allowance is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at banks.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude restricted cash.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Present obligations arising from onerous contracts are recognised as provisions.

2(d) Material accounting policy information (cont'd)

Provisions (cont'd)

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

<u>Provision for restoration costs</u>

A provision for restoration is recognised when the Group is legally obligated to dismantle physical installations and to restore to its original state a property owned by external parties following decommissioning of the Group's operating facilities at the property. The costs of dismantling and restoration are capitalised as part of the Group's acquisition costs of the installations and are depreciated over their useful lives. The provision is initially recognised as the present value of the aggregate future costs. Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement and restoration costs are adjusted against the cost of the related installations, unless the decrease in the provision exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such a case, the excess of the decrease over the carrying amount of the asset, or the changes in the provision, is recognised in profit or loss immediately.

Leases

<u>The Group as a lessee</u>

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease (including extension option) unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee 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.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liabilities are presented as a separate line item in the consolidated statement of financial position.

2(d) Material accounting policy information (cont'd)

Leases (cont'd)

The Group as a lessee (cont'd)

Lease liability (cont'd)

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. It is subsequently measured at cost less accumulated depreciation and impairment loss.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Retail outlets	Lease term of 2 to 6 years
Motor vehicles	5 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the consolidated statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

2(d) Material accounting policy information (cont'd)

Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting or taxable profit or loss at the time of the transaction.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authorities on the same taxable entity, or on different tax entities, provided they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity.

Value-added taxes

Revenues, expenses and assets are recognised net of the amount of value-added tax ("**VAT**"), except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authorities, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and except that trade receivables and trade payables are recorded with the amount of VAT included. The net amount of VAT recoverable from or payable to the taxation authorities are included as part of other receivables or other payables in the statements of financial position.

2(d) Material accounting policy information (cont'd)

Employee benefits

Pension obligations

The Group participates in the defined contribution national pension schemes as provided by the laws of the countries in which it has operations. Pension contributions are provided at rates stipulated by the regulations and are contributed to pension funds managed by government agencies, which are responsible for administering these amounts for the subsidiaries' employees. The Company and its Singapore-incorporated subsidiaries make contributions to the Central Provident Fund, a defined contribution pension scheme regulated and managed by the Government of Singapore.

A defined contribution national pension scheme is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. The contributions to national pension schemes are charged to profit or loss in the period to which the contributions relate.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and the Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Group or the Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) both entities are joint ventures of the same third party.
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- (vi) the entity is controlled or jointly controlled by a person identified in (a).
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2(d) Material accounting policy information (cont'd)

Related parties (cont'd)

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. Directors and certain management executives are considered key management personnel.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use, based on an internal discounted cash flow evaluation. Impairment loss recognised for a cash-generating unit is charged pro rata to the assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist or may have decreased.

Any impairment loss is charged to profit or loss, unless it reverses a previous revaluation gain in which case it is charged to equity.

An impairment loss is reversed if there is an indication that the impairment loss previously recognised for an asset may no longer exist or may have decreased, and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that an asset's or cash-generating unit's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

A reversal of an impairment loss is recognised as income in profit or loss.

Revenue from contracts with customers

Revenue from the sale of goods and rendering of services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("**PO**") by transferring control of a promised good or service to the customer. The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

2(d) Material accounting policy information (cont'd)

Revenue from contracts with customers (cont'd)

Sale of beauty, wellness and hair products

Revenue from the sale of beauty, wellness and hair products is recognised at a point in time when the products are delivered to the customer, all criteria for acceptance have been satisfied, and the customer obtains control of the products, including the legal title to the goods and the significant risks and rewards of ownership of the products.

Rendering of beauty, slimming, spa and hairdressing services

Revenue from the rendering of beauty, slimming, spa and hairdressing services is recognised at a point in time when the services have been rendered. Amounts received for services which have not been rendered at the end of the reporting period are recognised as advance consideration and included in contract liabilities.

Government grants

Government grants are recognised as a receivable at their fair value where there is reasonable assurance that the grants will be received and all attaching conditions will be complied with.

Government grants received are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("**functional currency**"). The financial statements of the Group and the Company are presented in Singapore dollar, which is also the functional currency of the Company.

Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("**foreign currency**") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss.

Foreign currency gains and losses are reported on a net basis as either other income or other expenses depending on whether foreign currency movements are in a net gain or net loss position.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transactions. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2(d) Material accounting policy information (cont'd)

Conversion of foreign currencies (cont'd)

Group entities

The results and financial positions of all the entities (none of which has the currency of a hyperinflationary economy) within the Group that have a functional currency different from the presentation currency are translated into the presentation currency, as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the end of each reporting period;

(ii) Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) are translated at exchange rates at the dates of the transactions; and

(iii) All resulting currency translation differences are recognised as other comprehensive income in the foreign currency translation reserve in equity.

Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Executive Chairman, Executive Director and Chief Executive Officer, who is the Group's chief operating decision maker, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Additional disclosures on each of these segments are shown in Note 27 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

Segment results that are reported to the Group's chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the period, for the effects of any dilutive potential ordinary shares.

3 Plant and equipment

The Group	Beauty, slimming and spa equipment S$'000	Hairdressing equipment S$'000	Renovations S$'000	Furniture and office equipment S$'000	Total S$'000
Cost					
At 1 April 2022	1,804	557	4,007	1,023	7,391
Additions	–	–	211	9	220
Disposal of subsidiaries	–	(550)	(962)	(346)	(1,858)
Write-offs	–	(7)	(183)	–	(190)
Exchange difference on translation	(40)	–	(44)	(9)	(93)
At 31 March 2023	1,764	–	3,029	677	5,470
Additions	**9**	**–**	**287**	**121**	**417**
Write-offs	**(94)**	**–**	**(530)**	**(105)**	**(729)**
Exchange difference on translation	**(31)**	**–**	**(25)**	**(9)**	**(65)**
At 31 March 2024	**1,648**	**–**	**2,761**	**684**	**5,093**
Accumulated depreciation					
At 1 April 2022	1,693	171	3,360	820	6,044
Depreciation	44	–	129	110	283
Disposal of subsidiaries	–	(164)	(807)	(323)	(1,294)
Write-offs	–	(7)	(183)	–	(190)
Exchange difference on translation	(37)	–	(40)	(10)	(87)
At 31 March 2023	1,700	–	2,459	597	4,756
Depreciation	**42**	**–**	**225**	**123**	**390**
Write-offs	**(89)**	**–**	**(530)**	**(105)**	**(724)**
Exchange difference on translation	**(29)**	**–**	**(24)**	**(9)**	**(62)**
At 31 March 2024	**1,624**	**–**	**2,130**	**606**	**4,360**
Carrying amount					
At 31 March 2024	**24**	**–**	**631**	**78**	**733**
At 31 March 2023	64	–	570	80	714

The Company	Furniture and office equipment S$'000
Cost	
At 1 April 2022, 31 March 2023 and 31 March 2024	**7**
Accumulated depreciation	
At 1 April 2022	5
Depreciation	2
At 31 March 2023 and 31 March 2024	**7**
Carrying amount	
At 31 March 2024	**–**
At 31 March 2023	–

3 Plant and equipment (cont'd)

Impairment testing of plant and equipment and right-of-use assets

In view of the losses incurred by the Group for the financial years ended 31 March 2024 and 31 March 2023, management has assessed that there are indications of impairment of the Group's plant and equipment and right-of-use assets. Accordingly, the assets are tested for impairment.

The recoverable amounts of the plant and equipment and right-of-use assets are based on the higher of value in use and fair value less costs of disposal. Management has assessed the recoverable amounts of the plant and equipment and right-of-use assets based on value in use calculations. Management has prepared the discounted cash flows based on the weighted average useful life of the plant and equipment and right-of-use assets. A pre-tax discount rate of 9.47% (2023: 9.47%) is applied on cash flow projections for each identifiable cash-generating unit.

Based on the above, the Group has determined that the recoverable amounts of the assets exceed their carrying amounts as at 31 March 2024 and 31 March 2023 and no impairment losses are required for the financial years ended 31 March 2024 and 31 March 2023.

4 Right-of-use assets

The Group	**Retail outlets S$'000**	**Motor vehicles S$'000**	**Total S$'000**
Cost			
At 1 April 2022	8,878	236	9,114
Additions	1,338	123	1,461
Lease termination	(636)	–	(636)
Disposal of subsidiaries	(1,514)	(87)	(1,601)
Exchange difference on translation	(16)	–	(16)
At 31 March 2023	8,050	272	8,322
Additions	**585**	**–**	**585**
Derecognition	**(3,752)**	**–**	**(3,752)**
Lease modification	**18**	**–**	**18**
At 31 March 2024	**4,901**	**272**	**5,173**
Accumulated depreciation			
At 1 April 2022	5,959	192	6,151
Depreciation	2,034	28	2,062
Lease termination	(592)	–	(592)
Disposal of subsidiaries	(715)	(87)	(802)
Exchange difference on translation	(7)	–	(7)
At 31 March 2023	6,679	133	6,812
Depreciation	**1,005**	**37**	**1,042**
Derecognition	**(3,752)**	**–**	**(3,752)**
At 31 March 2024	**3,932**	**170**	**4,102**
Carrying amount			
At 31 March 2024	**969**	**102**	**1,071**
At 31 March 2023	1,371	139	1,510

Details of the impairment testing performed in respect of the Group's right-of-use assets are disclosed in Note 3 to the financial statements.

5 Intangible assets

The Group	Non-compete agreement S$'000	Software S$'000	Total S$'000
Cost			
At 1 April 2022	138	–	138
Additions	–	6	6
Disposal of subsidiaries	(138)	–	(138)
At 31 March 2023 and 31 March 2024	**–**	**6**	**6**
Accumulated amortisation			
At 1 April 2022	48	–	48
Amortisation (Note 21)	–	1	1
Disposal of subsidiaries	(48)	–	(48)
At 31 March 2023	–	1	1
Amortisation (Note 21)	**–**	**1**	**1**
At 31 March 2024	**–**	**2**	**2**
Carrying amount			
At 31 March 2024	**–**	**4**	**4**
At 31 March 2023	–	5	5

Intangible assets, comprising non-compete agreement and software, have finite useful lives over which they are amortised. Non-compete agreement and software have an amortisation period of three years and five years, respectively.

6 Subsidiaries

The Company	2024 S$'000	2023 S$'000
Unquoted equity investments, at cost		
At beginning and end of year	**4,258**	4,258
Deemed investment		
At beginning and end of year	**2,507**	2,507
Less: Allowance for impairment losses		
At beginning of year	**(4,258)**	(4,258)
Allowance made	**(2,507)**	–
At end of year	**(6,765)**	(4,258)
Carrying amount	**–**	2,507

Deemed investment relates to the non-trade amount due from a subsidiary which represent an extension of the Company's net investment in the subsidiary. The amount is unsecured and interest-free, and settlement is neither planned nor likely to occur in the foreseeable future. As the amount is, in substance, a part of the Company's net investment in the subsidiary it is stated at cost less accumulated impairment losses. The subsidiary has no contractual obligation to repay the funding to the Company and the eventual return of capital contribution is at the discretion and ability of the subsidiary. The investment is fully impaired during the financial year ended 31 March 2024 as the subsidiary continues to incur losses and has net liabilities.

6 Subsidiaries (cont'd)

On 6 February 2023, the Group, through the Company's wholly-owned subsidiary, M2 Group Pte. Ltd. ("**M2**"), had completed the disposal of 50% equity interest in each of Hatsuga Enterpise Pte. Ltd., M Nature Pte. Ltd., M Plus Hair Pte. Ltd. and Monsoon Hair House Pte. Ltd. for a cash consideration of S$800,000. The Group had accounted for the remaining 30% equity interest in the respective entities as investments in joint ventures (Note 7).

On 20 June 2023, the Group, through M2, acquired an additional 20% equity interest in Starting Line Trading Pte. Ltd., thereby increasing its equity interest from 80% to 100%.

The allowance for impairment losses relates to those loss-making, inactive or dormant subsidiaries which had been fully impaired. As there are no indications of reversal of impairment, the impairment losses previously recognised are not reversed.

Details of the subsidiaries are as follows:

Name	**Country of incorporation/ Principal place of business**	**Percentage of equity interest**		**Principal activities**
		2024	2023	
		%	%	
Held by the Company				
Mary Chia Beauty & Slimming Specialist Pte Ltd (i)	Singapore	**100**	100	Provision of lifestyle and wellness treatment services
Masego Pte. Ltd. (i)	Singapore	**100**	100	Provision of lifestyle and wellness treatment services
Urban Homme Face and Body Studio For Men Pte. Ltd. (i)	Singapore	**100**	100	Provision of lifestyle and wellness treatment services for men
Spa Menu Pte. Ltd. (i)	Singapore	**100**	100	Provision of lifestyle and wellness treatment services and retailing of lifestyle and wellness products for men
Organica International Holdings Pte. Ltd. (i)	Singapore	**100**	100	Direct selling of skincare and health supplements
Hotel Culture Pte. Ltd. (i)	Singapore	**51**	51	Investment holding
MCU Trading Pte. Ltd. (i)	Singapore	**100**	100	General wholesale trading
MCU Holdings Sdn. Bhd. (ii)	Malaysia	**100**	100	Provision of lifestyle and wellness treatment services
M2 Group Pte. Ltd. (i)	Singapore	**100**	100	Investment holding
PT Mary Chia Sindo (iv)	Indonesia	**98**	98	Dormant

6 Subsidiaries (cont'd)

Name	**Country of incorporation/ Principal place of business**	**Percentage of equity interest 2024 %**	**2023 %**	**Principal activities**
Held by Mary Chia Beauty & Slimming Specialist Pte Ltd				
Scinn Pte. Ltd. (i)	Singapore	**100**	100	Provision of clinic and other general medical services
MSB Beauty Pte. Ltd. (iv)	Singapore	**51**	51	Provision of lifestyle and wellness treatment services (under liquidation)
Held by Organica International Holdings Pte. Ltd.				
Organica International (M) Sdn. Bhd. (ii)	Malaysia	**100**	100	Direct selling of skincare and health supplements
Organica Taiwan Branch (iii)	Republic of China	**100**	100	Direct selling of skincare and health supplements
Held by MCU Trading Pte. Ltd.				
Yue You International Trading (Shanghai) Co Ltd. (iv)	People's Republic of China	**100**	100	Dormant
Held by MCU Holdings Sdn. Bhd.				
MCU Beautitudes Sdn. Bhd. (ii)	Malaysia	**100**	100	Provision of lifestyle and wellness treatment services
Held by M2 Group Pte. Ltd.				
Starting Line Trading Pte. Ltd. (i)	Singapore	**100**	80	Wholesale trade of cosmetics and toiletries

(i) Audited by Foo Kon Tan LLP, Singapore
(ii) Audited by HLB Ler Lum, Malaysia, member firm of HLB International
(iii) Audited by HLB Candor Taiwan CPAs, Republic of China, member firm of HLB International
(iv) Not required to be audited

6 Subsidiaries (cont'd)

Non-controlling interests

The Group has the following subsidiary which has a non-controlling interest that is material to the Group:

	Country of incorporation/ Principal place of business	Non-controlling interest: Proportion of ownership interests and voting rights held by non-controlling interests		(Loss)/Profit allocated		Accumulated profits/ (losses) allocated	
		2024	2023	**2024**	2023	**2024**	2023
		%	%	**S$'000**	S$'000	**S$'000**	S$'000
Hotel Culture Pte. Ltd.	Singapore	**49**	49	**(16)**	(6)	**1,060**	1,076

Summarised financial information, before intra-group eliminations, in respect of the subsidiary that has a material non-controlling interest is set out below:

Summarised statement of financial position

	2024	2023
	S$'000	S$'000
Current assets	**14,334**	13,539
Current liabilities	**(17,134)**	(16,305)
	(2,800)	(2,766)
Equity attributable to non-controlling interest	**1,060**	1,076

Summarised statement of profit or loss and other comprehensive income

	2024	2023
	S$'000	S$'000
Expenses	**(32)**	(13)
Loss for the year	**(32)**	(13)
Loss and total comprehensive loss attributable to:		
- owners of the Company	**(16)**	(7)
- non-controlling interest	**(16)**	(6)
	(32)	(13)

Other summarised information

	2024	2023
	S$'000	S$'000
Cash flows from operating activities	**(1)**	(4)

7 Joint ventures

The Group	**2024** **S$'000**	2023 S$'000
Unquoted equity investments		
At beginning of year	**870**	–
Retained interests at fair value	**–**	870
Additional investments	**50**	–
At end of year	**920**	870
Share of post-tax results		
At beginning of year	**524**	–
Share of results of joint ventures	**(265)**	524
At end of year	**259**	524
Allowance for impairment losses		
At beginning of year	**–**	–
Allowance made (Note 21)	**(1,179)**	–
At end of year	**(1,179)**	–
Carrying amount	**–**	1,394

On 6 February 2023, the Group, through the Company's wholly-owned subsidiary, M2 Group Pte. Ltd. ("**M2**"), had completed the disposal of 50% equity interest in each of Hatsuga Enterpise Pte. Ltd., M Nature Pte. Ltd., M Plus Hair Pte. Ltd. and Monsoon Hair House Pte. Ltd. for a cash consideration of S$800,000. The Group had accounted for the remaining 30% equity interest in the respective entities as joint ventures of which the fair value at the date of disposal was S$870,000. The fair value of the retained interest was determined based on the income approach taking into account the future expected cash flows of the respective entities. In deriving the fair value, the cash flows beyond the fifth-year were extrapolated using a 4.0% terminal growth rate, and discounted using a pre-tax discount rate of 16.0%.

On 20 June 2023, the Group, through M2, acquired an additional 20% equity interest in each of Hatsuga Enterprise Pte. Ltd., M Nature Pte. Ltd., M Plus Hair Pte. Ltd. and Monsoon Hair House Pte. Ltd. for a total consideration of S$50,000, thereby increasing its equity interest in each of the joint ventures from 30% to 50%.

On 30 October 2023, the sole director of the joint ventures, comprising Hatsuga Enterprise Pte. Ltd., M Nature Pte. Ltd., M Plus Hair Pte. Ltd. and Monsoon Hair House Pte. Ltd., initiated a creditors' voluntary liquidation and appointed liquidators in view of the inability of the joint ventures to continue their regular business operations by reason of their liabilities. On 29 November 2023, an extraordinary general meeting was convened but a quorum was not met. Consequently, the resolution to commence liquidation procedures was not passed and M2 sought liquidation through court order. On 5 February 2024, a winding-up application for the joint ventures was filed. On 5 April 2024, the Court granted an order in terms of the winding-up applications.

7 Joint ventures (cont'd)

Details of the joint ventures are as follows:

Name	Country of incorporation/ Principal place of business	Percentage of equity interest 2024 %	2023 %	Principal activities
Held by M2 Group Pte. Ltd.				
Monsoon Hair House Pte. Ltd. ("**MHH**")	Singapore	**50**	30	Operation of hairdressing salons and sale of hair products (under liquidation)
M Nature Pte. Ltd. ("**MN**")	Singapore	**50**	30	Operation of hairdressing salons and sale of hair products (under liquidation)
M Plus Hair Pte. Ltd. ("**MPH**")	Singapore	**50**	30	Operation of hairdressing salons and sale of hair products (under liquidation)
Hatsuga Enterprise Pte. Ltd. ("**HEP**")	Singapore	**50**	30	Wholesale trade of cosmetics and toiletries and provision of business management and consultancy services (under liquidation)

The financial information of the joint ventures is summarised below. There have been no dividends received from the joint ventures.

Summarised statement of financial position

	MHH S$'000	**MN** S$'000	**MPH** S$'000	**HEP** S$'000	**Total** S$'000
2023					
Non-current assets	395	334	282	2	1,013
Current assets	321	401	177	260	1,159
Non-current liabilities	–	(416)	(349)	–	(765)
Current liabilities	(2,159)	(1,040)	(298)	(37)	(3,534)
Net (liabilities)/assets	(1,443)	(721)	(188)	225	(2,127)
The Group's share of net (liabilities)/ assets	(433)	(216)	(56)	68	(638)

7 Joint ventures (cont'd)

Summarised statement of profit or loss and other comprehensive income

	MHH S$'000	MN S$'000	MPH S$'000	HEP S$'000	Total S$'000
2024					
Revenue	**604**	**954**	**403**	**–**	**1,961**
Expenses	**(988)**	**(953)**	**(469)**	**(82)**	**(2,492)**
(Loss)/Profit for the year	**(384)**	**1**	**(66)**	**(82)**	**(531)**
The Group's share of post-tax results	**(192)**	**1**	**(33)**	**(41)**	**(265)**
2023					
Revenue	1,469	1,487	400	127	3,483
Expenses	(116)	(1,679)	(264)	323	(1,736)
Profit/(Loss) for the year	1,353	(192)	136	450	1,747
The Group's share of post-tax results	406	(58)	41	135	524

Summarised statement of cash flows

	MHH S$'000	MN S$'000	MPH S$'000	HEP S$'000	Total S$'000
2023					
Operating cash inflows/(outflows)	180	711	346	(2)	1,235
Investing cash outflows	(36)	(2)	–	–	(38)
Financing cash outflows	(329)	(702)	(351)	–	(1,382)
Total cash (outflows)/inflows	(185)	7	(5)	(2)	(185)

Reconciliation of summarised financial information presented to the carrying amount of the Group's investments in the joint ventures is as follows:

	2024 S$'000	2023 S$'000
Retained interest in joint ventures	**920**	870
Share of results of joint ventures and impairment losses	**(920)**	524
Carrying amount	**–**	1,394

8 Inventories

The Group	**2024 S$'000**	2023 S$'000
Products for sale, at cost	**37**	100

The cost of inventories recognised as expense amounted to S$570,000 (2023: S$654,000) for the financial year ended 31 March 2024.

Inventories amounting to S$84,000 (2023: S$24,000) (Note 21) were written off for the financial year ended 31 March 2024.

9 Trade and other receivables

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Trade receivables	**501**	135	**–**	–
Less: Allowance for impairment losses	**(60)**	(52)	**–**	–
	441	83	**–**	–
Amounts due from subsidiaries (non-trade)	**–**	–	**37,406**	34,737
Less: Allowance for impairment losses	**–**	–	**(25,515)**	(25,515)
	–	–	**11,891**	9,222
Amounts due from related companies (non-trade)	**7**	130	**–**	–
Deposits	**395**	528	**–**	–
Consideration receivable	**–**	200	**–**	–
Other receivables	**10**	–	**–**	–
Financial assets at amortised cost	**853**	941	**11,891**	9,222
Net input taxes	**60**	346	**32**	–
Total trade and other receivables	**913**	1,287	**11,923**	9,222

Trade receivables are unsecured and non-interest bearing and have a credit term of 30 to 90 days (2023: 30 to 90 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The ageing analysis of trade receivables is as follows:

	2024	2023
The Group	**S$'000**	S$'000
Not past due	**–**	111
Past due 1 to 90 days	**501**	2
Past due 91 to 182 days	**–**	22
	501	135

The movement in allowance for impairment of trade receivables is as follows:

	2024	2023
The Group	**S$'000**	S$'000
At beginning of year	**52**	43
Allowance made	**8**	9
At end of year	**60**	52

Trade receivables that have been determined to be impaired at the end of the reporting period relate to debtors that are in financial difficulties or have defaulted on payments. These trade receivables are not secured by any collateral or credit enhancements.

Based on historical default rates, the Group believes that no further impairment allowance is necessary in respect of trade receivables as they mainly arise from customers that have a good credit record with the Group.

9 Trade and other receivables (cont'd)

Related companies comprise companies which are controlled by the controlling shareholders of the Company.

The non-trade amounts due from subsidiaries and related companies, which represent advances to and payments on behalf of the subsidiaries and related companies, are unsecured, interest-free and repayable on demand.

As at 31 March 2023, consideration receivable pertained to the outstanding amount from the disposal of 50% equity interest in each Hatsuga Enterpise Pte. Ltd., M Nature Pte. Ltd., M Plus Hair Pte. Ltd. and Monsoon Hair House Pte. Ltd. for a cash consideration of S$800,000. S$600,000 was collected on execution of the sale and purchase agreement, and S$200,000 was due to be collected on 30 March 2023. On 30 March 2023, the payment date was extended to 30 September 2023 upon mutual agreement by the Group and the purchaser. The outstanding amount has since been under dispute with the purchaser, and management has deemed the amount to be no longer collectible. Accordingly, the amount of S$200,000 is written off and recognised in profit or loss (Note 21) during the financial year ended 31 March 2024.

Trade and other receivables (excluding net input taxes) are denominated in the following currencies:

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Singapore dollar	**403**	916	**11,891**	9,222
Malaysian ringgit	**424**	–	**–**	–
New Taiwan dollar	**26**	25	**–**	–
	853	941	**11,891**	9,222

10 Cash and bank balances

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Cash on hand	**1**	1	**–**	–
Cash in banks	**117**	1,672	**10**	1,018
	118	1,673	**10**	1,018

Cash at banks is held in current accounts and is non-interest bearing.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	2024	2023
The Group	**S$'000**	S$'000
Cash and bank balances	**118**	1,673
Less: Restricted cash	**–**	(502)
	118	1,171

10 Cash and bank balances (cont'd)

Cash and bank balances are denominated in the following currencies:

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Singapore dollar	**110**	1,655	**10**	1,018
Malaysian ringgit	**4**	14	**–**	–
New Taiwan dollar	**4**	4	**–**	–
	118	1,673	**10**	1,018

11 Share capital

	2024	2023	**2024**	2023
The Group and the Company	Number of ordinary shares		**S$'000**	S$'000
<u>Issued and fully paid, with no par value</u>				
At beginning and end of year	**232,172,215**	232,172,215	**11,944**	11,944

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per share without restriction at shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

12 Reserves

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Merger reserve	**(927)**	(927)	**–**	–
Capital reserve	**(137)**	(184)	**215**	215
Foreign currency translation reserve	**141**	30	**–**	–
Accumulated losses	**(23,014)**	(17,472)	**(17,760)**	(14,242)
	(23,937)	(18,553)	**(17,545)**	(14,027)

<u>Merger reserve</u>

Merger reserve represents the excess of the share capital of the subsidiaries acquired under common control over the consideration paid/transferred.

<u>Capital reserve</u>

Capital reserve represents the difference between consideration paid and the adjustment to non-controlling interests arising from changes in the Group's ownership interests in subsidiaries that do not result in a loss of control which are accounted for as transactions with owners in their capacity as owners.

<u>Foreign currency translation reserve</u>

Foreign currency translation reserve represents the exchange differences arising from the translation of the financial statements of foreign operations, whose functional currencies are different from that of the Group's presentation currency.

13 Lease liabilities

The Group	2024 S$'000	2023 S$'000
Undiscounted lease payments due:		
- Year 1	**835**	1,658
- Year 2	**448**	649
- Year 3	**137**	127
- Year 4	**50**	113
- Year 5	**37**	105
- Year 6	**13**	52
	1,520	2,704
Less: Unearned interest cost	**(84)**	(299)
	1,436	2,405
Represented by:		
- Non-current	**713**	710
- Current	**723**	1,695
	1,436	2,405

The lease liabilities relate to the Group's retail outlets and motor vehicle, which are secured by the lessors' title to the leased assets.

Interest expense on lease liabilities of S$88,000 (2023: S$203,000) (Note 22) is recognised in profit or loss for the financial year ended 31 March 2024 under finance costs.

Total cash outflow for leases amounted to S$1,660,000 (2023: S$3,798,000) for the financial year ended 31 March 2024.

Lease payments not included in the measurement of lease liabilities but recognised within operating lease expenses in profit or loss are set out below:

The Group	2024 S$'000	2023 S$'000
Short-term leases	**427**	431

Lease liabilities are denominated in the following currencies:

The Group	2024 S$'000	2023 S$'000
Singapore dollar	**1,430**	2,295
Malaysia ringgit	**6**	110
	1,436	2,405

14 Borrowings

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Non-current				
Loan from a director (unsecured)	**1,817**	–	**–**	–
Current				
Loans from financial institutions (secured)	**1,557**	1,756	**1,125**	1,000
	3,374	1,756	**1,125**	1,000

Terms and debt repayment schedule

The terms and conditions of borrowings at the end of the reporting period are as follows:

The Group	Currency	Nominal interest rate	Year of maturity	Carrying amount S$'000
2024				
Loan from a director	**SGD**	**0%**	**2025**	**1,817**
Loans from financial institutions	**SGD**	**9.6% - 36%**	**2024**	**1,557**
				3,374
2023				
Loans from financial institutions	SGD	0.8% - 15%	2023 - 2024	1,756
The Company				
2024				
Loan from a financial institution	**SGD**	**15%**	**2024**	**1,125**
2023				
Loan from a financial institution	SGD	15%	2024	1,000

Loan from a director

On 30 October 2023, the Executive Chairman, Executive Director and Chief Executive Officer of the Company extended a loan of S$634,000 to a subsidiary. On 31 March 2024, the loan was consolidated with outstanding amounts due to the Executive Chairman, Executive Director and Chief Executive Officer amounting to S$1,183,000, resulting in an aggregate loan from the Executive Chairman, Executive Director and Chief Executive Officer of S$1,817,000 as at 31 March 2024. The loan is unsecured, interest-free and repayable on demand after 31 March 2025.

Loans from financial institutions

Loan of the Company is secured by a personal guarantee of S$1,000,000 from the Executive Chairman, Executive Director and Chief Executive Officer of the Company.

Loans of the subsidiary are secured by corporate guarantee amounting to S$500,000 by the Company and/or a personal guarantee of S$1,100,000 from the Executive Chairman, Executive Director and Chief Executive Officer of the Company.

15 Provision

Movement in provision for reinstatement cost is as follows:

The Group	2024 S$'000	2023 S$'000
At beginning of year	**260**	498
Provision reversed (Note 19)	**(22)**	(98)
Disposal of subsidiaries	**–**	(140)
At end of year	**238**	260
Represented by:		
- Non-current	**32**	95
- Current	**206**	165
	238	260

Provision for reinstatement cost relates to the estimated costs of dismantlement, removal or reinstatement of plant and equipment arising from the acquisition or use of the assets, which are capitalised and included in the cost of the plant and equipment.

16 Trade and other payables

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Trade payables	**1,143**	153	**–**	–
Accrued expenses	**2,956**	1,734	**480**	434
Amounts due to subsidiaries (non-trade)	**–**	–	**15,528**	13,175
Amounts due to directors (non-trade)	**429**	1,059	**150**	–
Amounts due to related companies (non-trade)	**568**	1,224	**–**	8
Other payables	**1,188**	761	**260**	226
Financial liabilities at amortised cost	**6,284**	4,931	**16,418**	13,843
Net output taxes	**138**	585	**–**	–
Total trade and other payables	**6,422**	5,516	**16,418**	13,843

Trade and other payables are non-interest bearing and have a credit term of 60 days (2023: 60 days).

Related companies comprise companies which are controlled by the controlling shareholders of the Company.

The non-trade amounts due to subsidiaries, directors and related companies, which represent advances from and payments on behalf by the subsidiaries, directors and related companies, are unsecured, interest-free and repayable on demand.

16 Trade and other payables (Cont'd)

Trade and other payables (excluding net output taxes) are denominated in the following currencies:

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Singapore dollar	**5,290**	4,122	**16,418**	13,843
Malaysia ringgit	**948**	786	**–**	–
New Taiwan dollar	**19**	9	**–**	–
Renminbi	**27**	14	**–**	–
	6,284	4,931	**16,418**	13,843

17 Contract liabilities

	2024	2023
The Group	**S$'000**	S$'000
Contract liabilities	**2,243**	2,205

As at 1 April 2022, the Group's gross contract liabilities related to revenue from contracts with customers amounted to S$2,329,000.

Contract liabilities relates to advances received for rendering of beauty, slimming and spa services. Contract liabilities are recognised as revenue when the Group performs under the contracts.

Significant changes in contract liabilities during the financial year are as follows:

	2024	2023
The Group	**S$'000**	S$'000
Revenue recognised during the year in respect of contract liabilities	**5,047**	7,303

18 Revenue

	2024	2023
The Group	**S$'000**	S$'000
Revenue from contracts with customers		
Sale of beauty and wellness products	**1,203**	1,269
Sale of hair products	**–**	145
Rendering of beauty, slimming and spa services	**5,047**	5,040
Rendering of hairdressing services	**–**	2,263
	6,250	8,717
Timing of transfer of goods and services in respect of revenue from contracts with customers		
At a point in time	**6,250**	8,717

19 Other operating income

The Group	2024 S$'000	2023 S$'000
Gain on disposal of subsidiaries	–	402
Gain on deconsolidation of a subsidiary	56	–
Government grants	252	183
Management fee income	19	14
Miscellaneous income	2	182
Provision reversed (Note 15)	22	98
Reversal of consideration payable	–	200
	351	1,079

20 Staff costs

The Group	2024 S$'000	2023 S$'000
Directors:		
Directors' fees	110	105
Directors' remuneration other than fees:		
- salaries and other related costs	484	300
- contributions to defined contribution plans	22	12
Total directors' remuneration	616	417
Key management personnel (other than directors):		
- salaries and other related costs	48	119
- contributions to defined contribution plans	4	11
	52	130
Total key management personnel compensation	668	547
Other than key management personnel:		
- salaries and other related costs	3,360	4,971
- contributions to defined contribution plans	422	389
	3,782	5,360
Total staff costs	4,450	5,907

21 Other operating expenses

Other operating expenses comprise the following items:

The Group	**2024** **S$'000**	2023 S$'000
Advertising and marketing expenses	**75**	129
Amortisation of intangible assets (Note 5)	**1**	1
Consideration receivable written off (Note 9)	**200**	–
Bank charges	**49**	20
Credit card and NETS service fees	**190**	266
Commission	**–**	13
Consultation fee	**386**	71
Fines and late payment interest	**77**	65
Foreign exchange loss, net	**–**	152
Impairment losses on joint ventures (Note 7)	**1,179**	–
Insurance	**16**	16
Internet and networking charges	**64**	34
Inventories written off (Note 8)	**84**	24
Legal and professional fees	**425**	575
Listing related expenses	**15**	18
Plant and equipment written off	**5**	–
Rental of operating equipment and terminals	**195**	17
Repair and maintenance expenses	**74**	161
Staff training	**6**	18
Upkeep of motor vehicles	**7**	27
Utilities	**314**	130

22 Finance costs

The Group	**2024** **S$'000**	2023 S$'000
Interest expense on		
- lease liabilities (Note 13)	**88**	203
- borrowings (Note 14)	**242**	238
	330	441

23 Taxation

The Group	**2024 S$'000**	2023 S$'000
Current taxation		
- changes in estimates in respect of prior years	**9**	–

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory tax rate on loss before taxation as a result of the following:

The Group	**2024 S$'000**	2023 S$'000
Loss before taxation	**(5,549)**	(1,041)
Tax at Singapore tax rate of 17% (2023: 17%)	**(943)**	(177)
Effect of different tax rates in foreign jurisdictions	**(65)**	(21)
Tax effect on non-deductible expenses	**55**	291
Tax effect on non-taxable income	**–**	(121)
Deferred tax assets on temporary differences not recognised	**953**	28
Changes in estimates of current taxation in respect of prior years	**9**	–
	9	–

Non-deductible expenses mainly relate to depreciation of non-qualifying plant and equipment. Non-taxable income mainly relates to gain on disposal of subsidiaries and government grants.

At the end of reporting period, the Group has unused tax losses of approximately S$28,935,000 (2023: S$23,329,000), which are allowed to be carried forward and used to offset against future taxable profits of the subsidiaries in which the tax losses arose, subject to agreement by the relevant tax authorities and compliance with the applicable tax regulations in the respective countries in which the Company and its subsidiaries operate. Deferred tax assets have not been recognised due to the uncertainty whether future taxable profits will be available against which the Company and its subsidiaries can utilise the benefits. The unused tax losses have no expiry date.

Malaysia

The corporate income tax rate applicable to the Malaysia-incorporated subsidiaries is 24% (2023: 24%) for the financial year ended 31 March 2024.

People's Republic of China

The corporate income tax rate applicable to Yue You International Trading (Shanghai) Co Ltd. is 25% (2023: 25%) for the financial year ended 31 March 2024.

Republic of China

The corporate income tax rate applicable to Oganica Taiwan Branch is 20% (2023: 20%) for the financial year ended 31 March 2024.

24 Loss per share

The calculation of basic and diluted loss per share was based on the loss attributable to the ordinary shareholders of the Company of S$5,542,000 (2023: S$988,000) and the weighted average number of ordinary shares outstanding of 232,172,215 (2023: 232,172,215).

The diluted earnings per share is the same as the basic earnings per share as the Group does not have any dilutive potential ordinary shares during the reporting period.

25 Significant related party transactions

Other than as disclosed elsewhere in the financial statements, transactions with related parties based on terms agreed between parties are as follows:

The Group	2024 S$'000	2023 S$'000
Rental paid to a controlling shareholder of the Company	**167**	162

The directors are of the opinion that the transactions above have been entered in normal course of businesses and have been established on terms and conditions that are not materially different from those obtainable in transactions with third parties.

26 Leases

Where the Group is the lessee,

The Group leases retail outlets used in its operations. The leases typically run for a period of two to three years, with option to renew the leases for another two years. Lease payments are renegotiated every few years to reflect market rentals. There are no externally imposed covenants on the lease arrangements. In addition, the Group leases motor vehicles under hire purchase arrangement with lease period of six years.

Information about leases for which the Group is a lessee is presented in Note 4 and Note 13 to the financial statements.

Amounts recognised in profit or loss under SFRS(I) 16 are as follows:

The Group	2024 S$'000	2023 S$'000
Interest expense on lease liabilities (Note 22)	**88**	203

27 Operating segments

For management purposes, the Group is organised into the following reportable operating segments, as follows:

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

Each of these operating segments is managed separately as they require different resources as well as operating approaches.

The reporting segment results exclude income taxes which are not directly attributable to the business activities of any operating segment, and are not included in arriving at the operating results of the operating segment.

Segment performance is evaluated based on the operating profit or loss which in certain respects, as set out below, is measured differently from the operating profit or loss in the consolidated financial statements.

27 Operating segments (cont'd)

	Beauty, slimming and spa treatment for women		Beauty, slimming and spa treatment for men		Direct selling		Investment holding		Hairdressing		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000	**S$'000**	S$'000	**S$'000**	S$'000	**S$'000**	S$'000	**S$'000**	S$'000
Segment revenue												
External revenue	**6,012**	5,820	**171**	303	**67**	186	**–**	–	**–**	2,408	**6,250**	8,717
Inter-segment revenue	**–**	152	**–**	–	**–**	–	**–**	–	**–**	141	**–**	293
Total revenue	**6,012**	5,972	**171**	303	**67**	186	**–**	–	**–**	2,549	**6,250**	9,010
Results												
Segment results	**(2,685)**	(586)	**(44)**	84	**(199)**	(6)	**–**	402	**(2,291)**	(494)	**(5,219)**	(600)
Finance costs	**(330)**	(347)	**–**	–	**–**	–	**–**	–	**–**	(94)	**(330)**	(441)
(Loss)/Profit before taxation	**(3,015)**	(933)	**(44)**	84	**(199)**	(6)	**–**	402	**(2,291)**	(588)	**(5,549)**	(1,041)
Taxation											**(9)**	–
Loss for the year											**(5,558)**	(1,041)
Non-cash items												
Amortisation of intangible assets	**1**	1	**–**	–	**–**	–	**–**	–	**–**	–	**1**	1
Depreciation of plant and equipment	**390**	283	**–**	–	**–**	–	**–**	–	**–**	–	**390**	283
Depreciation of right-of-use assets	**1,042**	1,198	**–**	–	**–**	–	**–**	–	**–**	864	**1,042**	2,062
Inventories written off	**–**	–	**–**	–	**84**	24	**–**	–	**–**	–	**84**	24
Capital expenditure												
Additions to non-current assets	**996**	1,661	**6**	26	**–**	–	**–**	–	**–**	–	**1,002**	1,687
Assets and liabilities												
Segment assets	**2,439**	5,194	**13**	12	**335**	105	**–**	–	**113**	1,394	**2,900**	6,705
Segment liabilities	**12,808**	11,996	**110**	65	**124**	81	**–**	–	**671**	–	**13,713**	12,142
Current tax payable	**120**	102	**–**	–	**–**	–	**–**	–	**–**	–	**120**	102
	12,928	12,098	**110**	65	**124**	81	**–**	–	**671**	–	**13,833**	12,244

27 Operating segments (cont'd)

Additions to non-current assets consist of the following:

The Group	**2024 S$'000**	2023 S$'000
Additions to:		
- intangible assets	**–**	6
- plant and equipment	**417**	220
- right-of-use assets	**585**	1,461
	1,002	1,687

Geographical information

The Group's revenues and non-current assets (excluding joint ventures) are from the following geographical areas:

	Revenue		**Non-current assets**	
The Group	**2024 S$'000**	2023 S$'000	**2024 S$'000**	2023 S$'000
Singapore	**5,729**	8,064	**1,739**	2,031
Malaysia	**521**	653	**69**	198
	6,250	8,717	**1,808**	2,229

Non-current assets consist of plant and equipment, right-of-use assets and intangible assets.

Information about major customers

For the financial years ended 31 March 2024 and 31 March 2023, there is no revenue from transactions with a single customer that amounts to ten per cent or more of the Group's revenue.

28 Financial risk management objectives and policies

The Group has documented financial risk management policies. These policies set out the Group's overall business strategies and its risk management philosophy. The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. Market risk exposures are measured using sensitivity analysis for interest rate risk (Note 28.3) and foreign currency risk (Note 28.4).

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

28 Financial risk management objectives and policies (cont'd)

28.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's exposure to credit risk arises primarily from trade and other receivables. For trade receivables, the Group adopts the practice of dealing only with those customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

The Group has established a credit policy under which the creditworthiness of each new customer is evaluated individually before the Group grants credit to the customer. Credit limits are established for each customer, which represents the maximum open amount without requiring approval from the directors. Payments will be required to be made upfront by customers which do not meet the Group's credit requirements.

Amounts due from customers are closely monitored and reviewed on a regular basis to identify any non-payment or delay in payment, and to understand the reasons, so that appropriate actions can be taken promptly. Through ongoing credit monitoring and existing collection procedures in place, credit risk is mitigated substantially.

Amount not paid after the credit period granted will be considered past due. The credit terms granted to customers are based on the Group's assessment of their creditworthiness and in accordance with the Group's policy.

For the financial years ended 31 March 2024 and 31 March 2023, there was no trade receivables due from a single customer that amounts to 5 per cent or more of the Group's trade receivables.

The Group and the Company have trade and other receivables and cash and bank balances that are subject to impairment under the expected credit loss ("**ECL**") model. While cash and bank balances are subject to the impairment requirements of SFRS(I) 9, the identified impairment loss is insignificant.

Trade receivables

The Group applies the SFRS(I) 9 simplified approach to measuring ECLs which uses a lifetime ECL allowance for all trade receivables.

To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade receivables. The Group has identified the gross domestic product of the countries in which it operates to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the Group.

28 Financial risk management objectives and policies (cont'd)

28.1 Credit risk (cont'd)

Other receivables

Loss allowance for other receivables is measured at an amount equal to 12-month ECLs. The ECLs on other receivables are estimated by reference to track record of the counterparties, their businesses and financial conditions where information is available, and knowledge of any events or circumstances impeding recovery of the amounts. At the end of the reporting period, no loss allowance for the Group's other receivables is required.

Amounts due from subsidiaries (non-trade)

The Company has control over the operating, investing and financing activities of its subsidiaries. The use of advances to assist with the subsidiaries' cash flow management is in line with the Group's capital management. In determining the ECLs, management has taken into account the financial position of the subsidiaries and a forward-looking analysis of the financial performance of operations of the subsidiaries. In respect of the non-trade amounts due from subsidiaries which are repayable on demand, management has considered the availability of accessible and highly liquid assets of the subsidiaries for repayment if they are demanded at the end of the reporting period.

At the end of the reporting period, loss allowance of S$25,515,000 (2023: S$25,515,000) is required for the non-trade amounts due from certain subsidiaries, which are credit-impaired.

Cash and bank balances

Bank balances are held with banks which are regulated. Impairment on cash and bank balances has been measured on the 12-month ECL basis and reflects the short maturities of the exposures. The Group and the Company consider that their bank balances have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and bank balances is negligible.

Exposure to credit risk

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position.

The Group's and the Company's major classes of financial assets are trade and other receivables and cash and bank balances. Bank balances are held with established financial institutions. Further details of credit risks on trade and other receivables are disclosed in Note 9.

28.2 Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

28 Financial risk management objectives and policies (cont'd)

28.2 Liquidity risk (cont'd)

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows:

The Group	Carrying amount S$'000	Contractual undiscounted cash flows S$'000	Less than 1 year S$'000	Between 1 and 5 years S$'000	More than 5 years S$'000
2024					
Non-derivative financial liabilities					
Lease liabilities (Note 13)	**1,436**	**1,520**	**835**	**672**	**13**
Borrowings (Note 14)	**3,374**	**3,659**	**1,842**	**1,817**	**–**
Trade and other payables * (Note 16)	**6,284**	**6,284**	**6,284**	**–**	**–**
	11,094	**11,463**	**8,961**	**2,489**	**13**
2023					
Non-derivative financial liabilities					
Lease liabilities (Note 13)	2,405	2,704	1,658	994	52
Borrowings (Note 14)	1,756	1,906	1,906	–	–
Trade and other payables * (Note 16)	4,931	4,931	4,931	–	–
	9,092	9,541	8,495	994	52
The Company					
2024					
Non-derivative financial liabilities					
Borrowings (Note 14)	**1,125**	**1,238**	**1,238**	–	–
Trade and other payables (Note 16)	**16,418**	**16,418**	**16,418**	**–**	**–**
	17,543	**17,656**	**17,656**	**–**	**–**
2023					
Non-derivative financial liabilities					
Borrowings (Note 14)	1,000	1,150	1,150	–	–
Trade and other payables (Note 16)	13,843	13,843	13,843	–	–
	14,843	14,993	14,993	–	–

* Excluding net output taxes

The Group and the Company ensure that there are adequate funds to meet all their obligations in a timely and cost-effective manner. The Group and the Company obtain continuing financial support from the controlling shareholders of the Company to meet their working capital requirements.

28.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

Lease liabilities and borrowings bear interest at fixed rates. All other financial assets and liabilities are interest-free.

28 Financial risk management objectives and policies (cont'd)

28.3 Interest rate risk (cont'd)

At the end of the reporting period, the carrying amount of the interest-bearing financial instruments is as follows:

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Fixed rate instruments				
Financial liabilities				
- lease liabilities	**(1,436)**	(2,405)	**–**	–
- borrowings	**(1,557)**	(1,756)	**(1,125)**	(1,000)
	(2,993)	(4,161)	**(1,125)**	(1,000)

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets or liabilities at FVTPL. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

The Group's and the Company's policy is to obtain the most favourable interest rates available without increasing their interest rate exposure.

28.4 Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arises when transactions are denominated in foreign currencies.

The Group does not have currency risk as all of the group entities' business activities were carried out in their respective functional currencies.

28.5 Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices.

The Group and the Company do not hold any quoted or marketable financial instruments, hence, are not exposed to any movement in market prices.

29 Financial instruments

Accounting classifications of financial assets and financial liabilities
The carrying amounts of financial assets and financial liabilities in each category are as follows:

The Group	Amortised cost S$'000	Other financial liabilities at amortised cost S$'000	Total S$'000
2024			
Financial assets			
Trade and other receivables * (Note 9)	**853**	**–**	**853**
Cash and bank balances (Note 10)	**118**	**–**	**118**
	971	**–**	**971**
Financial liabilities			
Lease liabilities (Note 13)	**–**	**1,436**	**1,436**
Borrowings (Note 14)	**–**	**3,374**	**3,374**
Trade and other payables # (Note 16)	**–**	**6,284**	**6,284**
	–	**11,094**	**11,094**
2023			
Financial assets			
Trade and other receivables * (Note 9)	941	–	941
Cash and bank balances (Note 10)	1,673	–	1,673
	2,614	–	2,614
Financial liabilities			
Lease liabilities (Note 13)	–	2,405	2,405
Borrowings (Note 14)	–	1,756	1,756
Trade and other payables # (Note 16)	–	4,931	4,931
	–	9,092	9,092
The Company			
2024			
Financial assets			
Trade and other receivables * (Note 9)	**11,891**	**–**	**11,891**
Cash and bank balances (Note 10)	**10**	**–**	**10**
	11,901	**–**	**11,901**
Financial liabilities			
Borrowings (Note 14)	**–**	**1,125**	**1,125**
Trade and other payables (Note 16)	**–**	**16,418**	**16,418**
	–	**17,543**	**17,543**
2023			
Financial assets			
Trade and other receivables (Note 9)	9,222	–	9,222
Cash and bank balances (Note 10)	1,018	–	1,018
	10,240	–	10,240
Financial liabilities			
Borrowings (Note 14)	–	1,000	1,000
Trade and other payables (Note 16)	–	13,843	13,843
	–	14,843	14,843

* Excluding net input taxes
\# Excluding net output taxes

29 Financial instruments (cont'd)

Fair values

The face value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year, comprising trade and other receivables (excluding net input taxes), cash and bank balances, borrowings (which are short-term or repayable on demand), and trade and other payables (excluding net output taxes), are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group and the Company for similar financial instruments.

The fair value disclosure of lease liabilities is not required.

30 Capital management

The Group's and the Company's objectives when managing capital are:

(a) To safeguard the Group's and the Company's ability to continue as going concern;
(b) To support the Group's and the Company's stability and growth;
(c) To provide capital for the purpose of strengthening the Group's and the Company's risk management capability; and
(d) To provide an adequate return to shareholders.

The Group and the Company actively and regularly review and manage their capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and the Company, and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group and the Company currently do not adopt any formal dividend policy.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

The Group and the Company are not subject to externally imposed capital requirements.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings, lease liabilities and trade and other payables, less cash and bank balances. Total capital represents equity attributable to owners of the Company.

30 Capital management (cont'd)

	The Group		The Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Lease liabilities (Note 13)	**1,436**	2,405	**–**	–
Borrowings (Note 14)	**3,374**	1,756	**1,125**	1,000
Trade and other payables (Note 16)	**6,422**	5,516	**16,418**	13,843
Total debt	**11,232**	9,677	**17,543**	14,843
Less: Cash and bank balances (Note 10)	**(118)**	(1,673)	**(10)**	(1,018)
Net debt	**11,114**	8,004	**17,533**	13,825
Equity attributable to the owners of the Company	**(11,993)**	(6,609)	**(5,601)**	(2,083)
Total capital	**(11,993)**	(6,609)	**(5,601)**	(2,083)
Total capital and net debt	**(879)**	1,395	**11,932**	11,742
Gearing ratio	**N.M.**	N.M.	**N.M.**	N.M.

N.M.: Not meaningful due to the net liabilities of the Group and the Company

31 Events after the reporting period

On 2 April 2024, the Company entered into a non-binding memorandum of understanding with Hong Choi International Limited ("**HCI**"), to establish a basis of cooperation and collaboration in the sales and marketing of selling energy capsules and medical beauty products in Singapore, Hong Kong and South-East Asia.

On 19 April 2024, the Company and/or its nominated/designated subsidiary entered into a binding term sheet with HCI to incorporate a company in Hong Kong for the strategic collaboration to carry out the business in the sales and marketing of selling energy capsules and medical/non-medical beauty products in Singapore, Hong Kong and Macau.

On 15 May 2024, the Company incorporated a wholly-owned subsidiary in Singapore, Mary Chia (HK) Pte. Ltd., with an initial issued and paid-up capital of S$1,000 comprising 1,000 ordinary shares, as the nominated/designated subsidiary as described above.

STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2024

ISSUED AND PAID-UP CAPITAL	:	**S$11,944,209**
NO. OF SHARES	:	232,172,215
NO. OF TREASURY SHARES AND SUBSIDIARY HOLDINGS	:	NIL
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	1 VOTE PER SHARE

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	1	0.24	1	0.00
100 – 1,000	146	34.35	136,500	0.06
1,001 – 10,000	104	24.47	655,900	0.28
10,001 – 1,000,000	157	36.94	18,133,256	7.81
1,000,001 and above	17	4.00	213,246,558	91.85
Total	425	100.00	232,172,215	100.00

LIST OF TOP TWENTY SHAREHOLDERS

NO.	NAME OF SHAREHOLDERS	NO. OF SHARES	%
1	SUKI SUSHI PTE LTD	110,466,839	47.58
2	HO YOW PING (HE YOUPING)	42,433,333	18.28
3	GRACE HOW PEI YEN	19,090,266	8.22
4	MARY CHIA AH TOW	14,120,000	6.08
5	LEE ENG TAT	7,159,853	3.08
6	TEO KEE BOCK	2,300,000	0.99
7	HAN SENG JUAN	2,300,000	0.99
8	ONG PANG AIK	2,300,000	0.99
9	SONG WEI MING	2,300,000	0.99
10	DBS NOMINEES PTE LTD	1,789,200	0.77
11	LEE BOON LENG	1,626,667	0.70
12	UOB KAY HIAN PTE LTD	1,524,800	0.66
13	SEAH BOON LOCK	1,399,500	0.60
14	TAN LYE SENG	1,172,900	0.51
15	CHEW THYE CHUAN OR TAN SEW MAI	1,166,000	0.50
16	LEONG POH CHOO	1,051,400	0.45
17	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	1,045,800	0.45
18	LEE CHENG SHEUN	1,000,000	0.43
19	HAU SWEE WOOI	991,000	0.43
20	XIE SHUTING	918,000	0.40
	Total:	216,155,558	93.10

SUBSTANTIAL SHAREHOLDERS

NAME OF SHAREHOLDERS	DIRECT INTEREST NO. OF SHARES	%	DEEMED INTEREST NO. OF SHARES	%
SUKI SUSHI PTE LTD	110,466,839	47.58	–	–
HO YOW PING (HE YOUPING)	42,433,333	18.28	110,466,839	47.58
LEE BOON LENG	1,626,667	0.70	110,466,839	47.58
GRACE HOW PEI YEN	19,090,266	8.22	–	–
MARY CHIA AH TOW	14,120,000	6.08	–	–

Notes

*Suki Sushi Pte Ltd ("**Suki**") holds 110,466,839 shares in the Company. The shareholders of Suki are Mr Lee Boon Leng (78.55%).*

Ms Ho Yow Ping and Mr Lee Boon Leng are deemed to have an interest in the Company by virtue of their 78.55% and 21.45% respectively shareholding interest in Suki.

PUBLIC FLOAT

Based on the information available to the Company as at 18 June 2024, approximately 26.93% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Limited is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of **Mary Chia Holdings Limited** (the "**Company**") will be held at SAFRA Toa Payoh, 293 Lorong 6 Toa Payoh, Level 3, Victoria Function Room, Singapore 319387 on Monday, 29 July 2024 at 10.00 a.m., for the purpose of considering and, if thought fit, passing, with or without modifications, to transact the following businesses:

AS ORDINARY BUSINESS:

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 March 2024 together with the Auditors' Report thereon. **Resolution 1**

2. To approve the payment of Directors' fees of up to S$150,000 for the financial year ending 31 March 2025 (FY2024: S$150,000). **Resolution 2**

3. To note the retirement of Mr Sim Eng Huat, who is retiring pursuant to Article 98 of the Company's Constitution, as a Director of the Company.

4. To re-elect the following Directors of the Company retiring pursuant to Article 102 of the Company's Constitution.

(a) Mr Su Jun Ming **Resolution 3**
(b) Mr Foo Say Tun **Resolution 4**
[See Explanatory Note (i)]

5. To re-appoint Messrs Foo Kon Tan LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **Resolution 5**

6. To transact any other ordinary business which may be properly transacted at the AGM.

AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:-

7. Authority to allot and issue shares and convertible securities

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Companies Act**") and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") ("**Catalist Rules**"), the Directors of the Company be authorised and empowered to:

(a) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares; and/or

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus, or capitalisation issues.

At any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force), issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution is in force, provided that:

(1) the aggregate number of Shares to be allotted and issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) shall not exceed one hundred percent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) of which the aggregate number of Shares to be allotted and issued other than on a pro-rata basis to shareholders of the Company (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) or such other limit as may be prescribed by the Catalist Rules as at the date this Resolution is passed;

(2) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:-

(i) new Shares arising from the conversion or exercise of the convertible securities;

(ii) (where applicable) new Shares arising from exercising of share options or vesting of share awards, provided that share options or share awards were granted (as the case may be) in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or sub-division of Shares,

provided further that adjustments in accordance with (i) and (ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Ordinary Resolution 6, the Company shall comply with the rules, guidelines and measures issued by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law and the Catalist Rules to be held, whichever is the earlier.
[See Explanatory Note (ii)] **Resolution 6**

8. Authority to issue shares under the Mary Chia Holdings Limited Performance Share Plan 2022

That the Directors be and hereby authorised to grant Awards in accordance with the provisions of the Mary Chia Holdings Limited Performance Share Plan 2022 (the "**PSP 2022**") and to allot and issue from time to time such number of fully paid-up Shares as may be required to be issued or issuable pursuant to the vesting of Awards under the PSP 2022, provided that the aggregate number of shares to be allotted and issued pursuant to the PSP 2022, shall not exceed fifteen percent (15%) of the issued Shares of the Company from time to time (excluding Treasury Shares and subsidiary holdings).
[***See Explanatory Note (iii)***] **Resolution 7**

BY ORDER OF THE BOARD

Shirley Lim Guat Hua
Company Secretary

12 July 2024

Explanatory Notes:

(i) Ordinary Resolution 3, Mr Su Jun Ming, will upon re-election as a Director of the Company, remain as an Executive and Non-Independent Director. Please refer to the Corporate Governance Report of the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

Ordinary Resolution 4, Mr Foo Say Tun, will upon re-election as a Director of the Company, continue as Chairman of the Remuneration Committee and a member of the Audit and Nominating Committees and will be considered independent pursuant to Rule 704(7) of the Catalist Rules. Please refer to the Corporate Governance Report of the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

(ii) Ordinary Resolution 6 proposed in item 7, if passed, will authorise and empower the Directors of the Company from the date of this AGM until the conclusion of the next AGM or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earlier, to allot and to issue further Shares and make and grant convertible securities convertible into Shares, without seeking any further approval from shareholders in general meeting but within the limitation imposed by this Resolution, for such purposes as the Directors may consider what would be in the best interests of the Company. The number of Shares and convertible securities that the Directors may issue under this Resolution would not exceed one hundred percent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution. For an issue of Shares and convertible securities other than on a pro-rata basis to all shareholders, the aggregate number of Shares and convertible securities to be issued shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution. As at 18 June 2024 (the **"Latest Practicable Date"**), the Company had no treasury shares and subsidiary holdings.

(iii) Ordinary Resolution 7 proposed in item 8, if passed, will empower the Directors to allot and issue shares in the Company of up to a number not exceeding in total fifteen percent (15%) of the total number of issued shares (excluding Treasury Shares and subsidiary holdings) in the share capital of the Company from time to time pursuant to the vesting of Awards under the PSP 2022.

Notes:

1. The AGM will be held, in a wholly physical format, at SAFRA Toa Payoh, 293 Lorong 6 Toa Payoh, Level 3, Victoria Function Room, Singapore 319387 on Monday, 29 July 2024 at 10.00 a.m. **("Physical Meeting")**. Shareholders and other attendees who are feeling unwell on the date of the AGM are advised not to attend the Physical Meeting. There will be no option for shareholders to participate virtually.

2. Printed copies of this Notice and the accompanying proxy form will be sent by post to members. These documents will also be published on:

   (a) the Company's corporate website at the URL https://www.marychia.com; and
   (b) the SGX website at the URL https://www.sgx.com/securities/company-announcements.

3. Authenticated Shareholders and proxy(ies) will be able to ask questions in person at the Physical Meeting. Arrangements have also been put in place to permit Shareholders to submit their questions ahead of the AGM. Please refer to Notes 14 and 15 below for further details.

4. The resolutions to be put to the vote of members at the AGM (and at any adjournment thereof) will be voted on by way of a poll.

Voting by Proxy

5. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
6. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.

7. A proxy need not be a member of the Company.

8. Completion and return of the instrument appointing a proxy(ies) by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

9. The instrument appointing proxy(ies) must be submitted not less than forty-eight (48) hours before the time appointed for holding the AGM in the following manner:

(a) if submitted personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
(b) if submitted electronically, be submitted via email to the Company's Share Registrar at main@zicoholdings.com.

in either case, not later than 10.00 a.m. on 27 July 2024 **("Proxy Deadline")**.

10. CPF and SRS investors:

(a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
(b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes by 5.00 p.m. on 19 July 2024.

11. The proxy form must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Companies Act as an alternative to sealing) or under the hand of an attorney or a duly authorised officer of the corporation.

12. Where the proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form, failing which the proxy form may be treated as invalid.

13. In the case of a member whose shares are entered against his/her name in the depository register (as defined in Section 81SF of the Securities and Futures Act 2001), the Company may reject any Proxy Form lodged if such member is not shown to have Shares entered against his/her/its name in the depository register as at 72 hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company. The Company shall also be entitled to reject the Proxy Form if it is incomplete, improperly completed, or illegible (such as in the case where the appointor submits more than one Proxy Form).

Submission of Questions prior to the AGM

14. Shareholders, including CPF and SRS investors, may submit questions relating to the resolutions to be tabled for approval at the AGM ahead of the AGM. To do so, all questions must be submitted by 10.00 a.m. on 18 July 2024 through any of the following means:

(a) if submitted by email, be received by the Company at main@zicoholdings.com; or
(b) if submitted by post, be deposited at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.

When submitting questions by post or via email, shareholders should also provide the following details: (i) the shareholder's full name; (ii) the shareholder's address; and (iii) the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip), for verification purposes.

15. The Company will address all substantial and relevant questions received from shareholders by the 18 July 2024 deadline by publishing its responses to such questions, if any, on the Company's corporate website (https://www.marychia.com) and on the SGX website at the URL: https://www.sgx.com/securities/company-announcements at least 48 hours prior to the deadline for submission of Proxy Forms. Should there be subsequent clarification sought or follow-up questions after the deadline of the submission of questions, the Company will address those substantial and relevant questions prior to the AGM through publication on SGXNet, or at the AGM.

16. Members may request for printed copies of the Company's Annual Report for FY2024 by completing and submitting the Request Form sent to them by post together with printed copies of this Notice and the accompanying proxy form, or otherwise made available on the Company's corporate website at https://www.marychia.com and the SGX website at the URL: https://www.sgx.com/securities/company-announcements by 18 July 2024.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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MARY CHIA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Registration No: 200907634N)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT:

1. The Annual General Meeting ("**AGM**") will be held, in a wholly physical format, at SAFRA Toa Payoh, 293 Lorong 6 Toa Payoh, Level 3, Victoria Function Room, Singapore 319387 on Monday, 29 July 2024 at 10.00 a.m. There will be no option for shareholders to participate virtually.
2. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).
3. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPFIS/SRS investors who hold SGX shares through CPF Agent Banks/SRS Operators. CPFIS/SRS investors:
   (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes by 5.00 p.m. on 19 July 2024.
4. **Personal data privacy:**
   By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 July 2024.

*I/ ______________________________ *(Name)*______________________________ *(*NRIC/Passport/Co. Reg. No.)*

of ____ *(Address)*

being a *member/members of **MARY CHIA HOLDINGS LIMITED** (the **"Company"**), hereby appoint

Name	NRIC/ Passport Number	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

*and/or

Name	NRIC/ Passport Number	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

or failing which, the Chairman of the AGM of the Company as *my/our proxy/proxies, to attend, speak and vote for *me/us and on *my/our behalf, at the AGM of the Company to be held at **SAFRA Toa Payoh, 293 Lorong 6 Toa Payoh, Level 3, Victoria Function Room, Singapore 319387** on **Monday, 29 July 2024 at 10.00 a.m.** and at any adjournment thereof in the following manner:

No.	Ordinary Resolutions	For	Against	Abstain
	Routine Business			
1.	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2024 together with the Auditors' Report thereon			
2.	Approval of payment of Directors' fees of up to S$150,000 for the financial year ending 31 March 2025 (FY2024: S$150,000)			
3.	Re-election of Mr Su Jun Ming as a Director			
4.	Re-election of Mr Foo Say Tun as a Director			
5.	Re-appointment Messrs Foo Kon Tan LLP as Auditors and authority to fix their remuneration			
	SPECIAL BUSINESS			
6.	Authority to allot and issue shares and convertible securities			
7.	Authority to issue shares under the Mary Chia Holdings Limited Performance Share Plan 2022			

If you wish your proxy/ proxies to cast all your votes **For** or **Against** a resolution, please tick with "√" in the **For** or **Against** box provided in respect of that resolution. Alternatively, please indicate the number of votes **For** or **Against** in the **For** or **Against** box provided in respect of that resolution. If you wish your proxy/ proxies to **Abstain** from voting on a resolution, please tick with "√" in the **Abstain** box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy/ proxies is/ are directed to **Abstain** from voting in the **Abstain** box provided in respect of that resolution. **In any other case, the proxy/ proxies may vote or abstain as the proxy/ proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.**

Voting will be conducted by poll.

* *Delete as appropriate.*

Dated this __________ day of__________________ 2024

TOTAL NUMBER OF SHARES IN:	NO. OF SHARES
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Member(s)/
or Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS FORM

Notes:

1. The resolutions to be put to the vote of members at the AGM (and at any adjournment thereof) will be voted on by way of a poll.

2. Unless a lesser number of shares is specified by the member on the form itself, the instrument appointing a proxy(ies) shall be deemed to relate to all the shares held by the member in the account for which this form was issued.

3. This proxy form can be accessed at the Company's corporate website at the URL https://www.marychia.com as well as on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

4. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

5. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.

6. A proxy need not be a member of the Company.

7. The instrument appointing proxy(ies) must be submitted not less than forty-eight (48) hours before the time appointed for holding the AGM in the following manner:

   (a) if submitted personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
   (b) if submitted electronically, be submitted via email to the Company's Share Registrar at main@zicoholdings.com.

   in either case, not later than 10.00 a.m. on 27 July 2024 **("Proxy Deadline")**.

8. Completion and return of the instrument appointing a proxy(ies) by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

9. The instrument appointing a proxy(ies), if submitted personally or by post or electronically via email, must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Companies Act as an alternative to sealing) or under the hand of an attorney or a duly authorised officer of the corporation.

10. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967.

General:

The Company shall be entitled to reject an instrument appointing a proxy(ies) if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or submitted if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at seven-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company

Personal Data Privacy:

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the AGM dated 12 July 2024.

COMPANY INFORMATION

COMPANY REGISTRATION NUMBER

200907634N

REGISTERED OFFICE

183 Thomson Road

Goldhill Shopping Centre

Singapore 307628

Tel: 6252 9651

Fax: 6255 6862

BOARD OF DIRECTORS

Ho Yow Ping (Executive Chairman, Executive Director and Chief Executive Officer)

Su Jun Ming (Executive Director and Group Chief Financial Officer) (Appointed on 1 August 2023)

Chay Yiowmin (Lead Independent Non-Executive Director)

Sim Eng Huat (Independent Non-Executive Director)

Foo Say Tun (Independent Non-Executive Director) (Appointed on 29 February 2024)

COMPANY SECRETARY

Shirley Lim Guat Hua

SHARE REGISTRAR

B.A.C.S Private Limited

77 Robinson Road

#06-03 Robinson 77

Singapore 068896

Email: main@zicoholdings.com

SPONSOR

Evolve Capital Advisory Private Limited

138 Robinson Road

#13-02 Oxley Tower

Singapore 068906

AUDIT COMMITTEE

Chay Yiowmin (Chairman)

Sim Eng Huat

Foo Say Tun

NOMINATING COMMITTEE

Sim Eng Huat (Chairman)

Chay Yiowmin

Foo Say Tun

REMUNERATION COMMITTEE

Foo Say Tun (Chairman)

Chay Yiowmin

Sim Eng Huat

BANKERS

DBS Bank Ltd

INDEPENDENT AUDITOR

Foo Kon Tan LLP

Public Accountants and

Chartered Accountants

1 Raffles Place

#04-61/62 One Raffles Place, Tower 2

Singapore 048616

Partner in charge: Cheong Wenjie

(w.e.f. the financial year ended 31 March 2023)

MARY CHIA
HOLDINGS LIMITED