

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

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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

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

	GROUP			
	For the 12 month periods ended		S\$'000	%
	31-Mar-20	31-Mar-19		
	S\$'000	S\$'000	Variance	Variance
	Unaudited	Audited		
Revenue	8,799	8,885	(86)	(1)
Other operating income	600	5,100	(4,500)	(88)
Purchases and related costs	(440)	(637)	197	(31)
Changes in inventories	(84)	(63)	(21)	33
Depreciation of property, plant and equipment	(457)	(472)	15	(3)
Depreciation of right-of-use assets	(1,826)	-	(1,826)	N.M
Staff cost	(5,756)	(5,887)	131	(2)
Operating lease expenses	(611)	(2,564)	1,953	(76)
Other operating expenses	(9,117)	(4,458)	(4,659)	105
Finance cost	(361)	(106)	(255)	241
Loss before income tax	(9,253)	(202)	(9,051)	>1,000
Income tax credit	25	-	25	N.M
Loss for the financial year	(9,228)	(202)	(9,026)	>1,000
Other comprehensive loss for the year, net of tax				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(473)	(323)	(150)	46
Other comprehensive loss for the year, net of tax	(473)	(323)	(150)	46
Total comprehensive loss for the year	(9,701)	(525)	(9,176)	>1,000
Loss attributable to:				
Equity holders of the Company	(9,205)	(2,581)	(6,624)	257
Non-controlling interests	(23)	2,379	(2,402)	(101)
	(9,228)	(202)	(9,026)	>1,000
Total comprehensive loss attributable to:				
Equity holders of the Company	(9,678)	(2,904)	(6,774)	233
Non-controlling interests	(23)	2,379	(2,402)	(101)
	(9,701)	(525)	(9,176)	>1,000

N.M: not meaningful

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

Loss before income tax is determined after charging:

	Group			
	For the 12 months period ended			
	31-Mar-20	31-Mar-19	Variance	Variance
	Unaudited	Audited		
	S\$'000	S\$'000	S\$'000	%
Finance costs	361	106	255	241
Advertising and marketing expenses	599	349	250	72
Member incentives	188	539	(351)	(65)
Legal and professional fees	586	456	130	29
Foreign exchange gain	33	-	33	N.M
Gain on disposal of investment property	-	4,885	(4,885)	N.M
Trade receivables written off	159	97	62	64
Impairment loss on trade receivables	24	86	(62)	(72)
Impairment loss on property, plant and equipment	1,462	301	1,161	386
Depreciation of property, plant and equipment	457	472	(15)	(3)
Gain from disposal of property, plant and equipment	35	-	35	N.M
Impairment loss on right-of-use assets	4,540	-	4,540	N.M
Depreciation of right-of-use assets	1,826	-	1,826	N.M

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

	Group		Company	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	S\$'000	S\$'000	S\$'000	S\$'000
	unaudited	audited	unaudited	audited
ASSETS				
Non-Current Assets				
Property, plant and equipment	112	1,244	4	-
Right-of-use assets	120	-	-	-
Other assets	-	123	-	-
	232	1,367	4	-
Current Assets				
Inventories	446	435	-	-
Trade and other receivables	271	373	7,584	8,711
Other assets	931	1,278	23	7
Cash and cash equivalents	1,747	4,073	997	2,177
	3,395	6,159	8,604	10,895
Total Assets	3,627	7,526	8,608	10,895
EQUITY AND LIABILITIES				
Capital and Reserves				
Share capital	6,878	4,818	6,878	4,818
Reserves	(19,298)	(9,620)	(9,339)	(4,786)
Non-controlling interests	1,490	1,513	-	-
Total Equity	(10,930)	(3,289)	(2,461)	32
Non-Current Liabilities				
Lease liabilities	2,913	-	-	-
Borrowings	-	150	-	-
Other payables	-	218	-	-
Provision	293	173	-	-
	3,206	541	-	-
Current Liabilities				
Trade and other payables	7,667	7,588	11,069	10,863
Borrowings	-	43	-	-
Contract liabilities	1,679	2,365	-	-
Provision	81	256	-	-
Lease liabilities	1,923	-	-	-
Current tax liabilities	1	22	-	-
	11,351	10,274	11,069	10,863
Total Liabilities	14,557	10,815	11,069	10,863
Total Equity and Liabilities	3,627	7,526	8,608	10,895

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

	GROUP			
	31-Mar-20		31-Mar-19	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
	Unaudited		Audited	
Amount repayable in one year or less, or on demand	26	-	43	-
Amount repayable after one year	92	-	150	-
	118	-	193	-

Details of any collateral:

The Group's lease liabilities above (classified as borrowings in FY2019) comprise leases secured over the respective assets namely, leased equipment, motor vehicles and furniture and fittings, as the respective legal title is retained by the lessor and will be transferred to the Group upon full settlement of the lease liabilities.

They are also secured by a personal guarantee provided by the CEO and a corporate guarantee from the Company.

The carrying amounts of these plant and equipment classified as lease liabilities amounted to S\$0.1 million as at 31 March 2020 (31 March 2019: S\$0.1 million). Excluded from the above Lease liabilities are amounts arising from the adoption of SFRS(I) 16 Leases.

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

	Group	
	Year ended	
	31-Mar-20	31-Mar-19
	Unaudited	Audited
	S\$'000	S\$'000
Cash Flows from Operating Activities		
Loss before taxation	(9,253)	(202)
Adjustments for:		
Depreciation of property, plant and equipment	457	472
Depreciation of right-of-use assets	1,826	-
Finance costs	361	106
Property, plant and equipment written off	4	-
Impairment loss on property, plant and equipment	1,462	301
Impairment loss on right-of-use assets	4,540	-
Gain from disposal of property, plant and equipment	(35)	-
Gain from disposal of investment property	-	(4,885)
Operating loss before working capital changes	(638)	(4,208)
Change in inventories	(11)	8
Change in trade and other receivables	572	(430)
Change in trade and other payables	(1,397)	(24,320)
Cash used in operations	(1,474)	(28,950)
Income tax refunded/(paid)	5	(174)
Net cash used in operating activities	(1,469)	(29,124)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(972)	(1,194)
Acquisition of shareholdings in a subsidiary	-	(182)
Proceeds from disposal of investment property	-	64,800
Net cash (used in)/generated from investing activities	(972)	63,424
Cash Flows from Financing Activities		
Repayment of bank borrowings	-	(28,995)
Dividend paid	-	(490)
Proceeds from issuance of ordinary shares	2,000	-
Restricted cash used	384	(390)
Interest paid	(242)	(106)
Repayment of lease liabilities	(1,626)	(85)
Repayment of cash advance to a current director	(17)	(702)
Repayment of cash advance to a former director	-	(590)
Net cash generated from/(used in) financing activities	499	(31,358)
Net changes in cash and cash equivalents	(1,942)	2,942
Cash and cash equivalents at beginning of year	3,069	127
Cash and cash equivalents at end of year	1,127	3,069

1(c)(ii) Cash and cash equivalents

	GROUP	
	As at	
	31-Mar-20	31-Mar-19
	Unaudited	Audited
	S\$'000	S\$'000
Cash and cash equivalents per statement of financial position	1,747	4,073
Cash under restriction of use in a subsidiary to be liquidated	(502)	(502)
Fixed deposits	-	(441)
Fixed deposits pledged to rental agreements	(118)	(61)
	1,127	3,069

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

	Attributable to equity holders of the Group							Total Equity S\$'000
	Share Capital S\$'000	Merger Reserve S\$'000	Capital Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Retained Earnings S\$'000	Attributable to owners of the Company S\$'000	Non-controlling interest S\$'000	
Balance as at 1 April 2019	4,818	(927)	(399)	(316)	(7,978)	(4,802)	1,513	(3,289)
Loss for the year	-	-	-	-	(9,205)	(9,205)	(23)	(9,228)
Exchange differences on translation of foreign operations	-	-	-	(473)	-	(473)	-	(473)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive loss for the financial year	-	-	-	(473)	(9,205)	(9,678)	(23)	(9,701)
Issuance of shares	2,060	-	-	-	-	2,060	-	2,060
Total transactions with owners, recognised directly in equity	2,060	-	-	-	-	2,060	-	2,060
Balance as at 31 March 2020	6,878	(927)	(399)	(789)	(17,183)	(12,420)	1,490	(10,930)

	Attributable to equity holders of the Group							Total Equity S\$'000
	Share Capital S\$'000	Merger Reserve S\$'000	Capital Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Retained Earnings S\$'000	Attributable to owners of the Company S\$'000	Non-controlling interest S\$'000	
Balance as at 1 April 2018	4,818	(927)	-	7	(5,026)	(1,128)	(1,083)	(2,211)
Loss for the year	-	-	-	-	(2,581)	(2,581)	2,379	(202)
Other comprehensive income	-	-	-	-	-	-	-	-
- Foreign currency translation differences	-	-	-	(323)	-	(323)	-	(323)
Total comprehensive loss for the financial year	-	-	-	(323)	(2,581)	(2,904)	2,379	(525)
Dividend	-	-	-	-	(490)	(490)	-	(490)
Fair value adjustment to interest-free loans from shareholders	-	-	-	-	119	119	-	119
Acquisition of shares of a subsidiary without a change in control	-	-	(399)	-	-	(399)	217	(182)
Total transactions with owners, recognised directly in equity	-	-	(399)	-	(371)	(770)	217	(553)
Balance as at 31 March 2019	4,818	(927)	(399)	(316)	(7,978)	(4,802)	1,513	(3,289)

Company	Attributable to equity holders of the Company		
	Share Capital S\$'000	Retained Earnings S\$'000	Total S\$'000
Balance as at 1 April 2019	4,818	(4,786)	32
Loss for the year	-	(4,553)	(4,553)
Other comprehensive income	-	-	-
Total comprehensive profit for the financial year	-	(4,553)	(4,553)
Issuance of shares	2,060	-	2,060
Balance as at 31 March 2020	6,878	(9,339)	(2,461)

Company	Attributable to equity holders of the Company		
	Share Capital S\$'000	Retained Earnings S\$'000	Total S\$'000
Balance as at 1 April 2018	4,818	9,699	14,517
Loss for the year	-	(14,485)	(14,485)
Other comprehensive income	-	-	-
Total comprehensive loss for the financial year	-	(14,485)	(14,485)
Balance as at 31 March 2019	4,818	(4,786)	32

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

	<u>No of shares</u>	<u>Share Capital</u> S\$
As at 31 March 2019	163,495,140	4,817,859
Allotment and issuance of ordinary shares ⁽¹⁾	26,666,666	2,000,000
Allotment and issuance of commission shares ⁽¹⁾	800,000	60,000
As at 31 March 2020	190,961,806	6,877,859

Note: -

- (1) The Company had, on 24 January 2020, announced that it had entered into a placement agreement with SAC Capital Private Limited as placement agent ("**Placement Agent**"), in respect of a placement of 26,666,666 new ordinary shares ("**Placement Shares**") at an issue price of S\$0.075 for each Placement Share amounting to an aggregate cash consideration of S\$2,000,000 ("**Placement**"). The Placement was completed on 25 February 2020 and 26,666,666 Placement Shares as well as 800,000 commission shares to the Placement Agent were issued and allotted.

There were no outstanding convertibles, treasury shares and subsidiary holdings as at 31 March 2020 and 31 March 2019.

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

	<u>31-Mar-20</u>	<u>31-Mar-19</u>
Total number of issued shares	190,961,806	163,495,140

There were no treasury shares as at 31 March 2020 and 31 March 2019.

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

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

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

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

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

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

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

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable. The Group's latest audited financial statement for the financial year ended 31 March 2019 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of its financial statements for the current reporting period compared with those adopted in the preparation of its audited financial statements for the financial year ended 31 March 2019, except as stated in Paragraph 5 below.

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

The Group adopted the new Singapore Financial Reporting Framework (International) ("SFRS(I)") 16 Leases that is effective for annual periods beginning on or after 1 January 2019. The Group and the Company adopted the modified retrospective approach in accordance with the transitional provisions and the comparative amount for the year prior to first adoption was not restated. All right-of-use ("ROU") assets are measured at the amount equal to the lease liability (adjusted for any prepaid or accrued lease payments) at the date of initial application. Under SFRS(I) 16 Leases, qualifying lease payments were no longer taken to other operating expenses but instead are capitalised to the statement of financial position as right-of-use assets and depreciated over the term of the lease, except for certain short-term leases and leases of low-value assets. Cash paid for the interest portion of lease liability is presented as part of financing activities, in accordance with the Group's accounting policy.

As at 31 March 2020, the Group has recognised the ROU assets and lease liabilities mainly relating to the leasing of outlets of S\$0.1 million and S\$4.8 million respectively. The nature of expenses related to these leases has changed as SFRS(I) 16 Leases replaces the straight-line operating lease expense with depreciation charge for ROU assets and interest expense on lease liabilities.

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

	Group	
	For the 12 months period ended	
	31-Mar-20	31-Mar-19
	Unaudited	Audited
Loss per share attributable to equity holders of the Company (S\$'000)	(9,205)	(2,581)
Weighted average number of ordinary shares	165,784,029	163,495,140
- Basic EPS (Cents)	(5.55)	(1.58)
- Diluted EPS (Cents)	(5.55)	(1.58)

Notes

a. Basic loss per ordinary share had been calculated by dividing the loss for the respective financial year attributable to the equity holders of the Company, by the weighted average number of ordinary shares in issue during the respective financial year.

b. Fully diluted loss per ordinary share is the same as basic loss per ordinary share as there was no potentially dilutive instrument as at 31 March 2020 and 31 March 2019.

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

	Group		Company	
	As at		As at	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	Unaudited	Audited	Unaudited	Audited
Net asset value per ordinary share based on issued share capital as at the end of the financial year reported on (SG Cents).	(5.72)	(2.01)	(1.29)	0.020

Note

Net asset value per ordinary share of the Group and Company are calculated by dividing net asset value of the Group and Company respectively by the number of issued ordinary shares of 190,961,806 as at 31 March 2020 (31 March 2019: 163,495,140).

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

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

a. Income Statement

Revenue from the Group's operations remained fairly consistent at S\$8.8 million for the financial year ended 31 March 2020 ("FY2020") as compared to S\$8.9 million for the financial year ended 31 March 2019 ("FY2019") mainly from the decrease in revenue of \$0.6 million from the beauty, slimming and spa treatment for men and S\$0.6 million from direct selling of house brands by Organica International Holdings Pte. Ltd. ("**Organica**"), a fully owned subsidiary of the Company. However, the decreases in revenue was partially offset by an increase of S\$1.2 million from the beauty, slimming and spa treatment for women.

Other operating income decreased by S\$4.5 million from S\$5.1 million in FY2019 to S\$0.6 million in FY2020 mainly due to the absence of a one-time gain of S\$4.9 million arising from the disposal of a hotel property known as Porcelain Hotel by its 51% owned subsidiary, Hotel Culture Pte. Ltd.. The net increase of S\$0.4 million in FY2020 over FY2019 was primarily due to accounts payables written back.

Purchases and related cost and changes in inventories combined decreased by S\$0.2 million from S\$0.7 million in FY2019 to S\$0.5 million in FY2020 in line with the decrease in sales.

Operating lease expenses decreased by S\$2.0 million or 76% from S\$2.6 million in FY2019 to S\$0.6 million in FY2020, mainly due to the adoption of new accounting standard SFRS(I) 16 Leases, where part of the lease expenses are now classified as Depreciation of right-of-use assets.

Other operating expenses increased by S\$4.6 million or 105% from S\$4.5 million in FY2019 to S\$9.1 million in FY2020, largely due to the impairment on property, plant and equipment and impairment on right-of-use assets of S\$1.5 million and S\$4.5 million respectively in FY2020 partly offset by decreases in Member incentives of S\$0.4 million. The impairments were considered prudent given the uncertain business outlook caused by Covid-19.

The Group's finance costs increased by S\$0.3 million or 241% from S\$0.1 million in FY2019 to S\$0.4 million in FY2020 mainly due to the increase imputed interest pertaining to lease liabilities after the adoption of the new accounting standard SFRS(I) 16 Leases.

As a result of the above factors, the Group reported a net loss of S\$9.2 million in FY2020, as compared to a net loss of S\$0.2 million in FY2019.

b. Statement of Financial Position

Property, plant and equipment decreased by S\$1.1 million from S\$1.2 million as at 31 March 2019 to S\$0.1 million as at 31 March 2020 largely due to the impairment (mentioned in paragraph 8a above) of S\$1.5 million in FY2020 and partially offset by increases in renovation and equipment acquired for certain outlets.

Right-of-use assets is recorded for the first time due to the adoption of new accounting standard SFRS(I) 16 Leases. Details of SFRS(I) 16 Leases are described in paragraph 5. The balance of S\$0.1 million is net of depreciation of S\$1.8m, and the impairment (mentioned in paragraph 8a above) of S\$4.5 million.

Trade and other receivables increased by S\$0.1 million from S\$0.4 million as at 31 March 2019 to S\$0.3 million as at 31 March 2020 mainly due to the increase in amount due from related parties.

Other assets (current and non-current) decreased by S\$0.5 million from S\$1.4 million as at 31 March 2019 to S\$0.9 million as at 31 March 2020 largely due to decrease in prepayment of S\$0.2 million relating to the acquisition of property, plant and equipment and the reduced rental deposits arising from the closure of one outlet.

Cash and cash equivalents decreased by S\$2.4 million from S\$4.1 million as at 31 March 2019 to S\$1.7 million as at 31 March 2020.

Share capital increased by S\$2.1 million due to a share placement exercise completed on 25 February 2020.

Lease liabilities (current and non-current) amounting to S\$4.8 million are recorded for the first time due to the adoption of the new accounting standard SFRS(I) 16 Leases.

Total borrowings (current and non-current) decreased by S\$0.2 million to nil as the amounts relating to certain property, plant and equipment under finance leases have been classified as lease liabilities in FY2020 due to the adoption of SFRS(I) 16 Leases.

Trade and other payables (current and non-current) remained relatively consistent at S\$7.7 million as at 31 March 2020 compared with S\$7.8 million as at 31 March 2019.

Contract liabilities represent un-utilised prepaid beauty packages, to be utilized in a future date. It reduced from S\$2.4 million in FY2019 to S\$1.7 million in FY2020 because less packages were bought by customers as the impact of Covid-19 started to be felt.

c. Statement of Cash Flows

Net cash outflow from operating activities in FY2020 of S\$1.5 million was mainly due to the operating losses of S\$0.6 million, decreases in trade and other payables of S\$1.4 million partly offset by decreases in trade and other receivables of S\$0.6 million.

The Group had a net cash outflow of S\$1.0 million from investing activities in FY2020 mainly due to renovation works on certain outlets and the purchase of new equipment for these outlets.

The Group's net cash inflow from financing activities of S\$0.5 million in FY2020 was mainly due to S\$2.0 million from the issuance of ordinary shares in the placement exercise net of the repayment of lease liabilities (the bulk of which constitutes rental payments) of S\$1.6 million.

The Group recorded a negative working capital of S\$7.9 million and a negative equity of S\$10.9 million as at 31 March 2020. Barring any unforeseen circumstances, the Group should be able to continue as a going concern as there are reasonable grounds to believe that the Company will be able to pay its debts as and 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 fund-raising exercises.

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

The Group refers to its profit guidance announcement released on 29 July 2020. The FY2020 financial results are in line with the announcement.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

During the first quarter of FY2021, most of the outlets were closed due to the outbreak of Covid-19. Although the outlets are allowed to open during Phase 2 of the Circuit Breaker period, business was slow due to the various measures such as safe distancing that was still in place. The Group expects the operating environment in the segments of beauty, slimming and spa treatment for men and women to remain challenging. Amidst weakened consumer sentiment, increasing operating costs and tight labour market, the Group will leverage on its 40-year-old brand name to increase its market presence through sourcing retail locations with good consumer traffic flow and affordable rentals to open new outlets and to further tap on the online and social media space to build its sales. The Group will continue to be vigilant and exercise prudence in cost control. Besides these measures, the Group also seeks synergistic business ventures to expand its presence and business repertoire with the aim of improving the Group's bottom line and bringing value to shareholders.

11. Dividend

(a) Current Financial Period Reported On

No dividend has been declared or recommended for the current financial year reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

Yes. For the six months ended 30 September 2018, the Board of Directors has declared an interim dividend of 0.3 cent per ordinary share (one tier tax-exempt) which was paid on 27 December 2018.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No final dividend has been declared or recommended for the financial year ended 31 March 2020 in view of the Group's financial position as at 31 March 2020 and financial results for FY2020, as well as taking into account the operational and financial requirements of the Group.

13. Interested person transactions (“IPTs”)

The Group does not have a general mandate for IPTs.

Name of Interested Person	Aggregate value of all IPTs during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$ million)	Aggregate value of all IPTs conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$ million)
JL Asia Resources Pte Ltd ¹ Operating lease expenses	0.228	-

Note 1

JL Asia Resources Pte Ltd (“JL Asia”) is wholly-owned by Lee Boon Leng (“Mr Lee”), who is the spouse of the CEO, Ms Ho Yow Ping Wendy. Mr Lee has a deemed interest of 57.85% in the shares of the Company (“Shares”) by virtue of his 72.87% shareholdings interest in Suki Sushi, which holds 57.85% of the Shares. Spa Menu Pte. Ltd. (“Spa Menu”), a wholly owned subsidiary of the Company leases an area of 257.6 square meters within the premise of 48, 49 and 50 Mosque Street (the “Premise”) to operate a spa under the brand name “Huang Ah Ma”. Please refer to the Company’s announcement dated 6 July 2020 for more details.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

In the case of an announcement of interim financial statements (quarterly or half-yearly), the issuer’s directors must confirm that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial results to be false or misleading in any material aspect. Please confirm that such a statement has been made.

Not applicable.

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

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

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16(a) Segmented revenue and results for operating segment (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.

BUSINESS SEGMENTS

Group	Beauty, slimming and spa treatment for women		Beauty, slimming and spa treatment for men		Direct selling		Investment holding		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	8,225	7,191	398	1,012	716	1,362	-	-	9,339	9,565
Inter-segment revenue	(540)	(680)	-	-	-	-	-	-	(540)	(680)
External revenue	7,685	6,511	398	1,012	716	1,362	-	-	8,799	8,885
Other information:										
Other income	522	161	6	3	49	51	23	4,885	600	5,100
Purchases and related costs	(224)	(258)	(11)	(2)	(205)	(377)	-	-	(440)	(637)
Staff costs	(4,887)	(4,945)	(413)	(590)	(456)	(352)	-	-	(5,756)	(5,887)
Changes in inventories	(80)	(61)	(4)	(2)	-	-	-	-	(84)	(63)
Depreciation of property, plant and equipment	(395)	(383)	(17)	(54)	(45)	(35)	-	-	(457)	(472)
Depreciation of right-of-use assets	(1,623)	-	(203)	-	-	-	-	-	(1,826)	-
Operating lease expense	(548)	(1,719)	(63)	(845)	-	-	-	-	(611)	(2,564)
Other operating expenses	(7,945)	(2,867)	(204)	(182)	(930)	(1,398)	(38)	(11)	(9,117)	(4,458)
Finance costs	(286)	(18)	(75)	(58)	-	(30)	-	-	(361)	(106)
Loss before taxation									(9,253)	(202)
Income tax expense									25	-
Loss for the year									(9,228)	(202)
Other information										
Assets										
Segment assets	2,983	5,740	157	463	449	803	38	520	3,627	7,526
Liabilities										
Segment liabilities	13,561	8,649	748	888	234	1,218	13	38	14,556	10,793
Unallocated liabilities										
- Income tax payables	1	1	-	-	-	-	-	21	1	22
Total liabilities									14,557	10,815
Other disclosure										
Capital expenditure	957	1,023	-	58	15	113	-	-	972	1,194
Gain on disposal of investment property	-	-	-	-	-	-	-	4,885	-	4,885
Depreciation of property, plant and equipment	395	383	17	54	45	35	-	-	457	472
Impairment loss on property, plant and equipment	1,369	301	34	-	59	-	-	-	1,462	301
Gain on disposal of property, plant and equipment	35	-	-	-	-	-	-	-	35	-
Property, plant and equipment written off	-	-	4	-	-	-	-	-	4	-
Depreciation of right-of-use assets	1,623	-	203	-	-	-	-	-	1,826	-
Impairment loss on right-of-use assets	4,455	-	85	-	-	-	-	-	4,540	-
Trade and other receivables written off	1,673	97	-	-	32	-	18	-	1,723	97
Impairment loss on trade and other receivables	24	(86)	-	-	-	-	-	-	24	(86)
Fair value adjustment to interest-free loans from former director	41	-	65	-	-	-	-	-	106	-

	GROUP	
	For the 12 month periods ended	
	31-Mar-20	31-Mar-19
	S\$'000	S\$'000
	Unaudited	Audited
Revenue		
Sale of goods	3,980	4,529
Beauty, slimming and spa service treatments	4,819	4,356
	<u>8,799</u>	<u>8,885</u>

Reconciliations of the total adjusted EBITDA to loss before income tax in FY2020 and FY2019 are as follows:

	GROUP	
	For the 12 month periods ended	
	31-Mar-20	31-Mar-19
	S\$'000	S\$'000
	Unaudited	Audited
Adjusted EBITDA for reported segments	(6,609)	376
Depreciation on property, plant and equipment	(457)	(472)
Depreciation of right-of-use assets	(1,826)	-
Interest expense	(361)	(106)
Interest income	-	-
Loss before income tax	<u>(9,253)</u>	<u>(202)</u>

16(b) Geographical segments

The Group operates in two principal geographical areas, Singapore (country of domicile) and Malaysia. The following table presents revenue and certain assets information regarding the Group's geographical segments in FY2020 and FY2019.

	Singapore		Malaysia		Taiwan		Total	
	2,020	2,019	2,020	2,019	2,020	2,019	2,020	2,019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue - Sales to external customers	7,197	7,373	1,602	1,512	-	-	8,799	8,885
Non-current assets#	129	1,164	84	59	19	21	232	1,244

Note # - exclude deferred tax assets and deposits.

The Group did not derive any significant revenue from any single customer during FY2020 and FY2019.

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to paragraph 8 for further details.

18. A breakdown of sales

	GROUP		Change %
	For the 12 month periods ended		
	31-Mar-20	31-Mar-19	
	S\$'000	S\$'000	
	Unaudited	Audited	
Revenue reported for first half year	4,429	3,952	12
(Loss)/Profit after tax before non-controlling interests reported for first half year	(1,387)	2,415	(157)
Revenue reported for second half year	4,370	4,933	(11)
Loss after tax before non-controlling interests reported for second half year	(7,866)	(2,617)	201

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

No dividends have been declared in FY2020. The total dividend declared and paid in FY2019 amounted to S\$0.5 million (S\$0.003 per ordinary share).

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the period/year
Chia Tse Ching	42	Cousin of CEO, Ms Ho Yow Ping	Branch manager for the Company's wholly-owned subsidiary, Mary Chia Beauty & Slimming Specialist Pte Ltd, since 2001. She is the branch manager for Parkway Parade branch. She is primarily responsible for the daily management and operations.	N.A.

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

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

Please see the Company's announcement on 17 August 2020.

BY ORDER OF THE BOARD

Ho Yow Ping (He YouPing)

Chief Executive Officer

19 August 2020

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

The contact person for the Sponsor is Ms Tay Sim Yee, at 1 Robinson Road #21-00, AIA Tower, Singapore 048542, telephone (65) 6232-3210.