

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

DISCLOSURE OF INTERESTED PERSON TRANSACTION:

RENTAL AGREEMENT WITH SUKI SUSHI PTE. LTD.

RENTAL AGREEMENT ENTERED INTO WITH SUKI SUSHI PTE. LTD.

The Board (the “**Board**” or “**Directors**”) wishes to announce that the Company had today entered into a rental agreement with Suki Sushi Pte. Ltd. (“**SSPL**”), to lease an area of 51 square metres within on the premises of 26 Tai Seng Street #01-03A, Singapore 534057 (the “**Rental Agreement**”). The aggregate monthly rental is S\$6,239, inclusive of a monthly utility charge of S\$200. The Rental Agreement will be for a term of approximately one (1) year and ten (10) months commencing on 1 April 2017 and expiring on 23 January 2019.

Rationale and benefit of the IPTs

The Group conducts its business in, *inter alia*, the retail, distributorship and direct selling of beauty products. It deals with a wide range of customers, landlords and suppliers, including individuals, retailers, distributors and other corporates.

The leased premise is strategically-located within walking distance from a MRT station and sits on the first floor frontage of the building it is situated in. The lease was undertaken for retail distribution and marketing purposes, which include functioning as a products collection centre.

The Rental Agreement has been assessed to be in the commercial interests of the Group after taking into consideration the strategic location of the premise and the comparable rental rates of properties in the vicinity.

Details of the interested person

SSPL is a Singapore incorporated company and is principally engaged in the retail food and beverages business. SSPL is owned by 5 individual shareholders of which Ms Ho Yow Ping (“**Ms Ho**”) and Mr Lee Boon Leng (“**Mr Lee**”) owns 21.70% and 73.75% of the issued share capital of SSPL respectively. The remainder 4.55% shareholding interest is owned by 3 other private individuals.

Mr Lee is the spouse of Ms Ho, the Chief Executive Officer and a controlling shareholder of the Company and the son-in-law of Ms Mary Chia, the Executive Chairman and a controlling shareholder of the Company.

Pursuant to Chapter 9 of the Catalist Rules, SSPL is considered as an “interested person” and the entry into the Rental Agreement therefore constitutes an interested person transaction.

Rule 916(1) of the Catalist Rules

The Board and the Audit Committee of the Company have considered the terms of the Rental Agreement, after taking steps to ensure that the rental payment commensurate with prevailing market rates, taking into consideration the independent valuation report dated 2 May 2017 and

issued by the independent property valuer, CKS Property Consultants Pte Ltd (the “**Independent Valuation Report**”).

The Audit Committee is of the view that the aforementioned transaction had been carried out on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

Pursuant to Rule 916(1) of the Catalist Rules, a listed issuer is not required to comply with Rule 906 of the Catalist Rules to obtain shareholders’ approval with respect to entering into, or renewal of a lease or tenancy of real property of not more than 3 years if the terms are supported by independent valuation. As the Rental Agreement is for a term of approximately 1 year and 10 months and is supported by the Independent Valuation Report, the entry into the Rental Agreement thus falls within the exception under Rule 916(1) of the Catalist Rules.

Rule 917 (5) of the Catalist Rules

For the current financial year ending 31 March 2018, the total value of all interested person transactions entered into by the Group is approximately S\$4,774,604, out of which S\$4,500,000 in value was entered into with JL Asia Resources Pte. Ltd., which is wholly-owned by Mr Lee, in relation to the renewal of lease agreement for the properties situated at 48, 49 and 50 Mosque Street Singapore, and approximately S\$137,258 in relation to the Rental Agreement entered into with SSPL.

Interest of Directors and Controlling Shareholders

Save as disclosed herein, none of the Directors or controlling shareholders of the Company has any direct or indirect interest (other than through their respective shareholdings in the Company), in the Rental Agreement.

Documents available for inspection

A copy of each of the Rental Agreement and the Independent Valuation Report is available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this announcement.

By Order of the Board

Ho Yow Ping (He YouPing)
Chief Executive Officer

8 May 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy,

completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.