

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

UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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

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

	Group		Variance \$'000	Variance %
	For the financial year ended			
	31-Mar-18	31-Mar-17		
	Unaudited	Audited		
	\$'000	\$'000		
Revenue	9,201	9,177	24	0.3%
Other operating income	196	553	(357)	-64.6%
Purchases and related costs	(394)	(452)	58	-12.8%
Changes in inventories	32	(250)	n/m	n/m
Depreciation of property, plant and equipment	(445)	(540)	95	-17.6%
Staff costs	(5,728)	(5,929)	201	-3.4%
Operating lease expenses	(3,538)	(4,457)	919	-20.6%
Other operating expenses	(3,876)	(3,426)	(450)	13.1%
Finance costs	(891)	(891)	-	0.0%
Loss before income tax	(5,443)	(6,215)	772	-12.4%
Income tax expenses	(95)	(197)		
Loss for the year, net of tax	(5,538)	(6,412)	874	-13.6%
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	(106)	(71)	n/m	n/m
Total comprehensive loss for the year	(5,644)	(6,483)	839	-12.9%
Loss attributable to:				
Equity holders of the Company	(5,824)	(6,128)	304	-5.0%
Non-controlling interest	286	(284)	570	-200.7%
	(5,538)	(6,412)	874	-13.6%
Total comprehensive loss attributable to:				
Equity holders of the Company	(5,930)	(6,199)	269	-4.3%
Non-controlling interest	286	(284)	570	-200.7%
	(5,644)	(6,483)	839	-12.9%

n/m: not meaningful

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

Loss before income tax is determined after charging:

	Group		Variance \$'000	Variance %
	For the financial year ended			
	31-Mar-18	31-Mar-17		
	Unaudited	Audited		
	\$'000	\$'000		
Advertising and marketing expenses	145	440	(295)	-67.0%
Legal and professional fees	551	404	147	36.4%
Final Award under arbitration proceeding	580	-	n/m	n/m

n/m: not meaningful

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

	Group		Company	
	As at		As at	
	31-Mar-18 Unaudited \$'000	31-Mar-17 Audited \$'000	31-Mar-18 Unaudited \$'000	31-Mar-17 Audited \$'000
ASSETS				
Non-Current Assets				
Property, plant and equipment	668	4,047	-	-
Investment property	-	57,000	-	-
Investments in subsidiaries	-	-	265	1,265
Amount due from a non-controlling interest	180	60	-	-
Other assets	584	386	-	-
	1,432	61,493	265	1,265
Current Assets				
Assets held for sale	59,915	-	-	-
Inventories	440	402	-	-
Trade and other receivables	111	385	6	3
Amounts due from subsidiaries	-	-	25,174	929
Amounts due from related parties	4,578	1	-	-
Other assets	403	942	12	4
Cash and bank balances	731	767	3	-
	66,178	2,497	25,195	936
Total Assets	67,610	63,990	25,460	2,201
EQUITIES AND LIABILITIES				
Capital and Reserves				
Share capital	4,818	4,818	4,818	4,818
Reserves	(6,266)	(335)	9,699	(9,988)
Attributable to equity holders of the Company	(1,448)	4,483	14,517	(5,170)
Non-controlling interest	(1,085)	19,209	-	-
Total Equity	(2,533)	23,692	14,517	(5,170)
Non-Current Liabilities				
Finance lease liabilities	156	206	-	-
Borrowings	-	22,272	-	-
Amount due to a director	1,488	1,310	-	-
Amount due to a related party	2,176	2,151	-	-
Provision	255	195	-	-
	4,075	26,134	-	-
Current Liabilities				
Trade and other payables	12,605	6,768	8,743	7,141
Amounts due to related parties	24,089	77	2,200	-
Finance lease liabilities	51	74	-	-
Borrowings	28,913	6,615	-	230
Bank overdraft	51	100	-	-
Current tax liabilities	196	268	-	-
Provision	163	262	-	-
	66,068	14,164	10,943	7,371
Total Liabilities	70,143	40,298	10,943	7,371
Total Equity and Liabilities	67,610	63,990	25,460	2,201

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

	Unaudited		Audited	
	As at 31-Mar-18		As at 31-Mar-17	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less, or on demand	29,015	-	6,789	-
Amount repayable after one year	156	-	22,478	-
	<u>29,171</u>	<u>-</u>	<u>29,267</u>	<u>-</u>

Details of any collateral:

- a. Bank borrowings amounting to S\$28.9 million as at 31 March 2018 (31 March 2017: S\$28.9 million) comprises of term loans, an amalgamated term loan and revolving working capital loans. Term loans are secured by the Group's investment/ leasehold properties ("**Properties**"). The amalgamated term loan is secured by the Properties, fixed and floating charges on personal properties associated with the Properties, existing deed of proportionate guarantee from a non-controlling interest of a subsidiary, and a corporate guarantee from the Company. Revolving working capital loans are secured by the Properties, joint and several personal guarantees provided by the Company's CEO Ms Ho Yow Ping (He YouPing) ("**CEO**") and Ms Mary Chia Ah Tow ("**Ms Mary Chia**")¹.
- b. Finance lease liabilities amounting to S\$207,000 as at 31 March 2018 (31 March 2017: S\$280,000) are secured over the leased equipment, motor vehicles and furniture and fittings, as the respective legal title is retained by the lessor and will be transferred to the Group upon full settlement of the finance lease liabilities. It is also secured by joint and several personal guarantees provided by the CEO and the Ms Mary Chia¹ and a corporate guarantee from the Company. The carrying amounts of these plant and equipment held under finance leases amounted to S\$181,000 as at 31 March 2018 (31 March 2017: S\$247,000).
- c. Bank overdrafts amounting to S\$51,000 as at 31 March 2018 (31 March 2017: S\$100,000) are secured by joint and several personal guarantees provided by the CEO and Ms Mary Chia¹, a corporate guarantee from the Company and a negative pledge over all assets of a subsidiary.

Note 1

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

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

	Group	
	For the financial year ended	
	31-Mar-18	31-Mar-17
	Unaudited	Unaudited
	\$'000	\$'000
Cash Flow from Operating Activities		
Loss before taxation	(5,443)	(6,215)
Adjustments for:		
Depreciation of property, plant and equipment	445	540
Fair value loss on investment property	-	176
Finance costs	891	891
Property, plant and equipment written off	15	436
Write off of receivables and other assets	201	-
Impairment of property, plant and equipment	268	373
Interest income	-	(1)
Operating loss before working capital changes	(3,623)	(3,800)
Changes in inventories	(39)	273
Changes in trade and other receivables	400	254
Changes in trade and other payables	1,074	144
Cash used in operations	(2,188)	(3,129)
Income tax paid	(169)	(188)
Net cash used in operating activities	(2,357)	(3,317)
Cash Flows from Investing Activities		
Purchase of shares of a subsidiary from a non-controlling interest	(120)	(60)
Acquisition of property, plant and equipment	(257)	(417)
Deposit from a related party on the sale of properties	648	-
Interest received	-	1
Net cash generated from/ (used in) from investing activities	271	(476)
Cash Flows from Financing Activities		
Loans from related parties	2,863	1,447
Proceeds from bank borrowings	1,480	4,000
Repayment of bank borrowings	(1,454)	(1,505)
Interest paid	(891)	(715)
Repayment of finance lease liabilities	(75)	(122)
Increase in amount due to a director	177	662
Net cash generated from financing activities	2,100	3,767
Net changes in cash and cash equivalents	14	(26)
Cash and cash equivalents at beginning of the financial period	105	685
Transfer to cash under restriction in use	-	(562)
Effects of foreign exchange on cash and cash equivalents	(1)	8
Cash and cash equivalents at end of the financial period	118	105

1(c)(ii) Cash and cash equivalents

	Group	
	As at	
	31-Mar-18	31-Mar-17
	Unaudited	Unaudited
	\$'000	\$'000
Cash and bank balances as per statement of financial position	731	767
less:		
Bank deposits pledged under rental agreement	(60)	(60)
Cash under restriction of use in a subsidiary to be liquidated	(502)	(502)
Bank overdraft	(51)	(100)
Cash and cash equivalents as per statement of cash flows	<u>118</u>	<u>105</u>

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

Group	Share capital	Merger reserve	Foreign currency translation reserve	Fair Value Reserves	Retained earnings	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 April 2017	4,818	(927)	122	176	294	4,483	19,209	23,692
(Loss) / profit for the financial year	-	-	-	-	(5,824)	(5,824)	286	(5,538)
Dividends	-	-	-	-	-	-	(20,580)	(20,580)
Exchange differences on translation of foreign operations	-	-	(107)	-	-	(107)	-	(107)
Total comprehensive loss for the financial year	-	-	(107)	-	(5,824)	(5,931)	(20,294)	(26,225)
Imputed interest on shareholders' loans								-
Total transactions with owners, recognised directly in equity				-	-	-		-
Balance as at 31 March 2018	4,818	(927)	15	176	(5,530)	(1,448)	(1,085)	(2,533)
Balance as at 1 April 2016	4,818	(927)	193	-	6,422	10,506	19,493	29,999
Loss for the financial year	-	-	-	-	(6,128)	(6,128)	(284)	(6,412)
Exchange differences on translation of foreign operations	-	-	(71)	-	-	(71)	-	(71)
Total comprehensive loss for the financial year	-	-	(71)	-	(6,128)	(6,199)	(284)	(6,483)
Imputed interest on shareholders' loans				176	-	176	-	176
Total transactions with owners, recognised directly in equity	-	-	-	176	-	176	-	-
Balance as at 31 March 2017	4,818	(927)	122	176	294	4,483	19,209	23,692
Company	Share capital	Retained earnings	Total equity					
	\$'000	\$'000	\$'000					
Balance as at 1 April 2017	4,818	(9,988)	(5,170)					
Total comprehensive gain for the financial year	-	19,687	19,687					
Balance as at 31 March 2018	4,818	9,699	14,517					
Balance as at 1 April 2016	4,818	(3,005)	1,813					
Total comprehensive loss for the financial year	-	(6,983)	(6,983)					
Balance as at 31 March 2017	4,818	(9,988)	(5,170)					

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

	<u>No of shares</u>	<u>Share Capital</u> S\$
Issued and paid-up capital as at 31 March 2018 and 31 March 2017	163,495,140	4,817,859

There was no change in the Company's share capital from 31 March 2017 up to 31 March 2018.

There were no outstanding convertibles, treasury shares and subsidiary holdings as at 31 March 2018 and 31 March 2017.

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

	<u>31-Mar-18</u>	<u>31-Mar-17</u>
Total number of issued shares	163,495,140	163,495,140

There were no treasury shares as at 31 March 2018 and 31 March 2017.

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

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

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

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

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

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

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

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

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

The Company and the Group had applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period reporting on as in the latest audited financial statements for the financial year ended 31 March 2017, except for the adoption of the new and revised Financial Reporting Standards ("FRS"), Interpretations of FRS ("INT FRS") and amendments to FRSs that are relevant to its operations and effective for annual periods beginning on or after 1 April 2017.

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 Company and the Group had adopted the new and revised FRSs, INT FRSs and amendments to FRSs that are relevant to its operations and effective for annual periods beginning 1 April 2017, as mentioned in Paragraph 4 above. The adoption has no material financial impact on the financial statements of the Company and the Group for the current financial period reported on.

6. (Loss)/Earnings 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.

	<u>Group</u>	
	<u>For the financial year ended</u>	
	<u>31-Mar-18</u>	<u>31-Mar-17</u>
	Unaudited	Audited
Loss per share attributable to equity holders of the Company		
- Basic loss per share (Cents)	(3.56)	(3.75)
- Diluted loss per share (Cents)	(3.56)	(3.75)

Notes:

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

b. Fully diluted loss per ordinary share is the same as basic loss per ordinary share as there was no potentially dilutive instrument as at 31 March 2018 and 31 March 2017 respectively.

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

	<u>Group</u>		<u>Company</u>	
	As at		As at	
	31-Mar-18 Unaudited	31-Mar-17 Audited	31-Mar-18 Unaudited	31-Mar-17 Audited
Net asset value per ordinary share based on issued share capital as at the end of the financial period/ year reported on (Cents)	(0.89)	2.74	8.88	(3.16)

Net asset value per ordinary share of the Group and Company is calculated by dividing net asset value of the Group and Company respectively by the number of issued ordinary shares of 163,495,140 as at 31 March 2018 (31 March 2017: 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 remained at approximately S\$9.2 million for the financial year ended 31 March 2018 (“FY2018”) and for the corresponding prior year period (“FY2017”), after an increase in revenue of S\$0.4million from the direct selling of JUVE Daily Essence, a house brand of Organica International Holdings Pte. Ltd., which is a wholly-owned subsidiary of the Company, was offset by decreases in revenue from the segments of beauty, slimming and spa treatment attributed from the closure of retail outlets in Singapore and Malaysia. As at 31 March 2018, the Group has a total of 15 retail outlets in Singapore and Malaysia, as compared to 18 outlets as at 31 March 2017.

Other operating income decreased by S\$0.4 million or 64.6% from S\$0.6 million in FY2017 to S\$0.2 million in FY2018 mainly due to decreases in government grants.

Purchases and related cost and changes in inventories in totality increased by S\$0.3 million from S\$0.4 million in FY2017 to S\$0.7 million in FY2018 arising from higher utilization of inventories.

Depreciation decreased by S\$0.1 million or 17.6% from S\$0.5 million in FY2017 to S\$0.4 million in FY2018 due to certain plant and equipment being fully depreciated or impaired as at 31 March 2017.

Staff and staff related costs decreased by S\$0.2 million or 3.4% from S\$5.9 million in FY2017 to S\$5.7 million in FY2018, mainly due to the resignation of Ms Mary Chia as the Chairman in FY2018.

Operating lease expenses decreased by S\$0.9 million or 20.6% from S\$4.4 million in FY2017 to S\$3.5 million in FY2018, mainly due to savings in rental expenses from both the new office and warehouse in Singapore, and from the closure of outlets in Singapore and Malaysia.

Other operating expenses increased by S\$0.5 million or 13.1% from S\$3.4 million in FY2017 to S\$3.9 million in FY2018, mainly due to the final award of S\$0.6 million arising from the arbitration proceedings between Mary Chia Beauty & Slimming Specialist Pte Ltd and Slim Beauty House Co., Ltd in relation to their joint venture and an increase in legal and professional fees of S\$0.2 million, which was partially offset by a decrease in advertising marketing expenses of S\$0.3 million.

The Group's finance costs remained unchanged at S\$0.9 million.

As a result of the above factors, the Group reported a net loss of S\$5.5 million in FY2018, as compared to S\$6.4 million in FY2017.

b. Statement of Financial Position

Property, plant and equipment decreased by S\$3.3 million from S\$4.0 million as at 31 March 2017 to S\$0.7 million as at 31 March 2018 mainly due to the reclassification of the net book value of the leasehold property of S\$2.9 million as assets held for sale following the sale of the leasehold/ investment properties ("**Properties**") to JL Asia Resources Pte. Ltd. ("**JL Asia**") as announced in March 2018. Investment property decreased from S\$57.0 million to nil due to the reclassification as assets held for sale. As a result, assets held for sale increased from nil to S\$59.9 million as at 31 March 2018 due to reclassifications from leasehold property and investment property.

Amount due from a non-controlling interest increased by S\$0.1 million from S\$0.1 million as at 31 March 2017 to S\$0.2 million as at 31 March 2018 due to an increase in prepayments via instalments to a non-controlling interest for the acquisition of the balance 30% shareholdings of Scinn Pte. Ltd. ("**SCINN**"), as announced on 21 November 2016.

Other assets (current and non-current) decreased by S\$0.3 million from S\$1.3 million as at 31 March 2017 to S\$1.0 million as at 31 March 2018 mainly due to a decrease in rental deposits to landlords as a result of the closure of outlets.

Trade and other receivables decreased by S\$0.3 million from S\$0.4 million as at 31 March 2017 to S\$0.1 million as at 31 March 2018 mainly due to long outstanding receivables being written off.

Amounts due from related parties increased by S\$4.6 million from S\$1,000 as at 31 March 2017 to S\$4.6 million as at 31 March 2018 mainly due to a 7% of GST receivable of the sales price of S\$64.8 million of the Properties from JL Asia.

Amount due to a director (non-current) increased by S\$0.2 million from S\$1.3 million to S\$1.5 million mainly due to accrued salaries of the CEO for FY2018 being unpaid.

Amount due to a related party (non-current) increased by S\$30,000 from S\$2.15 million to S\$2.18 million mainly due to accrued salaries of Ms Mary Chia for the month of April 2017 being unpaid.

Amounts due to related parties (current) increased by S\$24.0 million from S\$0.1 million as at 31 March 2017 to S\$24.1 million mainly due to dividends payable of S\$20.6 million from Hotel Culture Pte. Ltd. to a non-controlling interest and an interest free cash advance of S\$2.2 million repayable to Ms Mary Chia, as announced on 27 March 2018.

Total borrowings (current and non-current) remained at approximately S\$29.2 million as at 31 March 2018 and 31 March 2017. The property loans of S\$22.3 million as at 31 March 2017 in the financing

of the Properties have been reclassified as current as at 31 March 2018 in view of these loans were settled in April 2018 following the sale of the Properties.

Trade and other payables increased by S\$5.8 million from S\$6.8 million as at 31 March 2017 to S\$12.6 million as at 31 March 2018 mainly due to S\$4.6 million of GST payable arising from the sale of the Properties.

The Group has a working capital of S\$0.1 million as at 31 March 2018. Included in trade and other payables are billings in advance amounting to S\$2.5 million for non-refundable treatment packages paid for by customers and will only be recognized as revenue after the services has been rendered as required by the financial accounting standards.

c. Statement of Cash Flows

Net cash outflow from operating activities in FY2018 of S\$2.4 million was mainly due to the loss before taxation, partially offset by higher trade and other payables and adjustments for depreciation of property, plant and equipment and finance costs.

The Group had a net cash inflow of S\$0.3 million from investing activities in FY2018 due to a 1% deposit amounting to S\$0.6 million on the sales price of the Properties received from a related party JL Asia which was partially offset payments to a non-controlling interest for the purchase of shares of SCINN.

The Group's net cash inflow from financing activities of S\$2.1 million in FY2018 was mainly due to loans from related parties of S\$2.9 million, proceeds of new borrowings of S\$1.5 million, partially offset by partial repayment of borrowings of S\$1.5 million and interest paid of S\$0.9 million.

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

Not applicable. No forecast or a prospect statement has been previously disclosed to shareholders.

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

As announced on 1 March 2018, Hotel Culture Pte. Ltd., a 51% owned subsidiary of the Company, has entered into a sales and purchase agreement to dispose the Properties at a sales price of S\$64.8 million to JL Asia Resources Pte. Ltd.. As at 31 March 2018, the Properties previously recognized as investment property (of amounts approximately S\$57.0 million) and leasehold property (of amounts approximately S\$2.9 million) were reclassified as assets held for sale as per financial accounting standards and stated at S\$59.9 million which is the lower of carrying amount of S\$59.9 million and fair value of S\$64.8 million. Following the transfer of property title with the Singapore Land Authority on 7 May 2018, the Group will recognize a gain on disposal of approximately S\$4.9 million in FY2019.

The Group expects the operating environment to remain challenging amid weak consumer sentiments, rising operating costs and tight labour market. Additionally, the Company will explore various options (as and when made available) to enhance its and/or the Group's financial position through discussions with strategic investors and/or partners.

11. Dividend

(a) *Current Financial Period Reported On*

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

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

None.

(c) *Date payable*

Not applicable.

(d) *Books closure date*

Not applicable.

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

No dividend has been declared/recommendeded for the current financial year.

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 rental income	4.5	-
Suki Sushi Pte. Ltd. ² Operating lease rental expense	0.1	-

Notes:

1. JL Asia Resources Pte Ltd (“**JL Asia**”) is wholly-owned by Mr Lee, being the controlling shareholder of Suki Sushi Pte. Ltd. (“**Suki Sushi**”), is the ultimate controlling shareholder of the Company, and the spouse of the CEO. JL Asia leases the investment property from the Group to operate a hotel. The lease of the premises entered into between Hotel Culture Pte Ltd and JL Asia was renewed on 24 April 2017 for a term of three years commencing on 15 February 2017 and expiring on 14 February 2020. At a monthly rental of S\$125,000, the aggregate value of the IPT under the three years lease will be S\$4.5 million. The entry of the renewal of the lease agreement falls within the exception of Catalist Rule 916(1).
2. As announced on 9 May 2017, the Company entered into a rental agreement with Suki Sushi, the controlling shareholder of the Company, to lease the premises of 26 Tai Seng Street #01-03A for approximately 22 months from 1 April 2017 to 23 January 2019 at a monthly rental of S\$6,239 for, *inter alia*, retail distribution and marketing purposes. The aggregate value of the IPT under the approximate 22 months lease will be approximately S\$137,000. The entry of the rental agreement falls within the exception of Catalist Rule 916(1)

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14(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

	Beauty, slimming and spa treatment for women		Beauty, slimming and spa treatment for men		Direct selling		Investment holding		Total	
	FY2018 \$'000	FY2017 \$'000	FY2018 \$'000	FY2017 \$'000	FY2018 \$'000	FY2017 \$'000	FY2018 \$'000	FY2017 \$'000	FY2018 \$'000	FY2017 \$'000
Revenue	6,614	6,673	698	1,111	579	80	1,780	1,793	9,671	9,658
Inter-segment revenue	(239)	(248)	-	-	-	-	(231)	(233)	(470)	(481)
Revenue from external customers	6,375	6,425	698	1,111	579	80	1,549	1,560	9,201	9,177
Adjusted EBITA	(4,567)	(5,002)	(681)	(1,239)	(542)	(196)	1,682	1,653	(4,107)	(4,785)
<u>Other information:</u>										
Other income	152	385	13	50	30	117	0	-	196	553
Interest income	0	0	-	0	-	-	-	-	0	0
Purchases and related costs	(390)	(452)	-	(0)	(3)	(0)	-	-	(394)	(452)
Staff costs	(4,664)	(4,948)	(639)	(763)	(425)	(217)	-	-	(5,728)	(5,929)
Changes in inventories	38	(215)	-	(50)	(5)	15	-	-	32	(250)
Depreciation of property, plant and equipment	(360)	(411)	0	(32)	(85)	(53)	-	(44)	(445)	(540)
Operating lease expenses	(2,597)	(3,038)	(791)	(1,340)	(150)	(78)	-	-	(3,538)	(4,457)
Other operating expenses	(2,926)	(2,764)	(285)	(445)	(567)	(75)	(98)	(142)	(3,876)	(3,426)
Finance costs	(298)	(301)	(0)	(76)	(0)	(2)	(593)	(513)	(891)	(891)
Loss before income tax									(5,443)	(6,215)
Income tax expense									(95)	(197)
Loss for the year, net of tax									(5,538)	(6,412)
Assets										
Segment assets	(4,173)	(3,487)	319	462	2,030	2,147	69,434	64,868	67,610	63,990
Liabilities										
Segment liabilities	12,867	9,739	1,303	1,152	338	55	55,439	29,083	69,947	40,029
Unallocated liabilities										
- Tax payable									196	268
Total liabilities									70,143	40,297
<u>Other segment information</u>										
Capital expenditures	208	459	-	49	49	57	-	-	257	565
Depreciation on property, plant and equipment	(360)	(411)	0	(32)	(85)	(53)	-	(44)	(445)	(540)
Fair values loss on investment property	-	-	-	-	-	-	-	176	-	176
Impairment loss on property, plant and equipment	(123)	253	0	120	(145)	-	-	-	(268)	373
Property, plant and equipment written off	0	436	-	-	-	-	-	-	0	436

	Group	
	For the financial year ended	
	31-Mar-18	31-Mar-17
	Unaudited	Audited
Sales of goods	3,249	3,407
Beauty, slimming and spa service treatments	4,403	4,210
Rental income	1,549	1,560
	<u>9,201</u>	<u>9,177</u>

Reconciliations of the total adjusted EBITDA to loss before income tax in FY2018 and FY2017 are as follows:

	Group	
	For the financial year ended	
	31-Mar-18	31-Mar-17
	Unaudited	Audited
Adjusted EBITA for reported segments	(4,107)	(4,785)
Depreciation of property, plant and equipment	(445)	(540)
Finance costs	(891)	(891)
Interest income	0	1
Loss before income tax	<u>(5,443)</u>	<u>(6,215)</u>

15(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 FY2018 and FY2017:

	Singapore		Malaysia		Total	
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
- Sales to external customers	7,844	8,102	1,357	1,075	9,201	9,177
Non-current assets ¹	776	60,812	72	235	848	61,047

Note 1

Exclude non-current deposits

The Group did not derive any significant revenue from any single customer during FY2018 except for the rental income of S\$1.5 million (FY2017: S\$1.5 million) in the investment holding business segment.

16. 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.

17. A breakdown of sales

	Group	
	For the financial year ended	
	31-Mar-18	31-Mar-17
	Unaudited	Audited
Revenue reported for first half year	4,517	4,664
Loss after tax before non-controlling interests reported for first half year	(2,663)	(3,084)
Revenue reported for second half year	4,684	4,513
Loss after tax before non-controlling interests reported for second half year	(2,875)	(3,328)

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

Not applicable. There was no dividend declared or paid for FY2018 and FY2017 respectively.

19. 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
Wai Lee Chien	41	<p>Daughter-in-law of Chia Ah Tow Mary (Ex-Chairman and ex-substantial shareholder); and</p> <p>Sister-in-law of Ho Yow Ping (CEO and substantial shareholder)</p>	<p>District manager for the wholly-owned subsidiary of the Company, Mary Chia Beauty & Slimming Specialist Pte Ltd ("MCBSS") since 2009.</p> <p>She is the district manager in charge of the branches in Jurong Point Shopping Centre since 2009.</p> <p>She is primarily responsible for the daily management and operations.</p> <p>A director of MCU Holdings Sdn. Bhd ("MCUH"), a wholly-owned subsidiary of the Company, incorporated in Malaysia since 2008.</p>	<p>Wai Lee Chien has resigned as the District Manager of MCBSS on 21 July 2017 and director of MCUH on 1 September 2017.</p>
Chia Tse Ching	41	<p>Niece of Chia Ah Tow Mary; and</p> <p>Cousin of Ho Yow Ping</p>	<p>Branch manager for the Company's wholly-owned subsidiary, Mary Chia Beauty & Slimming Specialist Pte Ltd, since 2001.</p> <p>She is the branch manager for Parkway Parade branch.</p> <p>She is primarily responsible for the daily management and operations.</p>	N.A.

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

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

BY ORDER OF THE BOARD

Ho Yow Ping (He YouPing)
Chief Executive Officer
31 July 2018

This announcement has been prepared by Mary Chia Holdings Limited (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 Keng Yeng Pheng, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).