

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

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

**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	Change
	For The Period Ended			
	31-Mar-19	31-Mar-18		
	S\$'000	S\$'000	S\$'000	%
	(unaudited)	(audited)		
<b>Revenue</b>	8,872	9,104	(232)	(2.5)
Other operating income	5,098	445	4,653	1,045.2
Purchases and related costs	(650)	(396)	(254)	64.1
Changes in inventories	(61)	35	(96)	(273.4)
Depreciation of property, plant and equipment	(445)	(446)	1	(0.1)
Staff cost	(6,456)	(5,813)	(643)	11.1
Operating leases expenses	(3,098)	(3,538)	440	(12.4)
Other operating expenses	(3,451)	(3,819)	368	(9.7)
Finance cost	(101)	(1,039)	938	(90.3)
<b>Loss before income tax</b>	<u>(292)</u>	<u>(5,467)</u>	n/m	(94.7)
Income tax expenses	(11)	(95)	84	(88.2)
<b>Loss for the financial year</b>	<u>(303)</u>	<u>(5,562)</u>	n/m	(94.5)
<b>Other comprehensive loss for the year, net of tax</b>				
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Exchange difference on translating foreign operation	<u>11</u>	<u>(115)</u>	126	n/m
<b>Total comprehensive loss for the financial year</b>	<u>(292)</u>	<u>(5,677)</u>	n/m	n/m
<b>(Loss) / Profit Attributable to:</b>				
Equity holders of the Company	(2,682)	(5,850)	3,168	(54.2)
Non-controlling interest	<u>2,379</u>	<u>288</u>	2,091	724.7
	<u>(303)</u>	<u>(5,562)</u>	n/m	n/m
<b>Total comprehensive (loss) / income attributable to:</b>				
Equity holders of the Company	(2,671)	(5,965)	3,294	(55.3)
Non-controlling interest	<u>2,379</u>	<u>288</u>	2,091	n/m
	<u>(292)</u>	<u>(5,677)</u>	n/m	n/m

n/m: not meaningful

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

Profit (Loss) before income tax is determined after charging/(crediting):

	<b>GROUP</b>		<b>Variance</b>	<b>Change</b>
	<b>Twelve months ended</b>			
	<b>31-Mar-19</b>	<b>31-Mar-18</b>		
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
	<b>(unaudited)</b>	<b>(audited)</b>		
Gain on disposal of investment property	(4,885)	-	(4,885)	n/m
Advertising & marketing expenses	471	147	324	220
Final award under arbitration processing	-	580	(580)	(100)
Legal and professional fees	157	575	(418)	(73)

**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-19	31-Mar-18	31-Mar-19	31-Mar-18
	S\$'000	S\$'000	S\$'000	S\$'000
	Unaudited	Audited	Unaudited	Audited
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment	940	658	-	-
Investment in subsidiaries	-	-	5	265
Other assets	247	645	-	-
<b>Total Non-Current Assets</b>	<b>1,187</b>	<b>1,303</b>	<b>5</b>	<b>265</b>
<b>Current Assets</b>				
Inventories	507	443	-	-
Trade and other receivables	299	193	22,146	25,224
Other assets	1,056	507	7	8
Cash and cash equivalents	4,076	740	2,176	3
	5,938	1,883	24,329	25,235
Assets held for sale	-	59,915	-	-
<b>Total Current Assets</b>	<b>5,938</b>	<b>61,798</b>	<b>24,329</b>	<b>25,235</b>
<b>Total Assets</b>	<b>7,125</b>	<b>63,101</b>	<b>24,334</b>	<b>25,500</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	4,818	4,818	4,818	4,818
Reserves	(9,643)	(5,946)	8,608	9,699
Attributable to owners of the company	(4,825)	(1,128)	13,426	14,517
Non-controlling interest	1,513	(1,083)	-	-
<b>Total Equity</b>	<b>(3,312)</b>	<b>(2,211)</b>	<b>13,426</b>	<b>14,517</b>
<b>Non-Current Liabilities</b>				
Borrowings	144	154	-	-
Other Payables	3,870	3,370	-	-
Provision	186	274	-	-
<b>Total Non-Current Liabilities</b>	<b>4,200</b>	<b>3,798</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>				
Trade and other payables	5,944	32,120	10,908	10,952
Borrowings	49	29,048	-	31
Provision	209	150	-	-
Current tax liabilities	35	196	-	-
<b>Total Current Liabilities</b>	<b>6,237</b>	<b>61,514</b>	<b>10,908</b>	<b>10,983</b>
<b>Total liabilities</b>	<b>10,437</b>	<b>65,312</b>	<b>10,908</b>	<b>10,983</b>
<b>Total Equity And Liabilities</b>	<b>7,125</b>	<b>63,101</b>	<b>24,334</b>	<b>25,500</b>

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

	GROUP			
	31-Mar-19		31-Mar-18	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
	Unaudited		Audited	
Amount repayable in one year or less, or on demand	49		29,048	-
Amount repayable after one year	144	-	154	-
	<b>193</b>	<b>-</b>	<b>29,202</b>	<b>-</b>

**Details of any collateral:**

- a. Bank borrowings is nil as at 31 March 2019 (31 March 2018: S\$28.9 million). As at 31 March 2018, bank borrowings comprised of term loans, an amalgamated term loan and revolving working capital loans. Term loans were secured by the Group's investment/ leasehold properties ("**Properties**"). The amalgamated term loan was 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 were secured by the Properties, joint and several personal guarantees provided by the Company's Chief Executive Officer Ms Ho Yow Ping (He YouPing) ("**CEO**") and Ms Mary Chia Ah Tow ("**Ms Mary Chia**").
- b. Finance lease liabilities amounting to S\$193,000 as at 31 March 2019 (31 March 2018: S\$207,000) 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 personal guarantee provided by the CEO and a corporate guarantee from the Company. The carrying amounts of these plant and equipment held under finance leases amounted to S\$193,000 as at 31 March 2019 (31 March 2018: S\$169,000).
- c. Bank overdrafts is nil as at 31 March 2019 (31 March 2018: S\$51,000). As at 31 March 2018, the bank overdrafts were secured by joint and several personal guarantees provided by the CEO and Ms Mary Chia, a corporate guarantee from the Company and a negative pledge over all assets of a subsidiary.

**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.**

	Year ended 31 March 2019 \$'000 Unaudited	Year ended 31 March 2018 \$'000 Audited
<b>Cash Flows from Operating Activities</b>		
Loss before taxation	(292)	(5,467)
Adjustments for:		
Depreciation of property, plant and equipment	445	446
Fair value adjustment to interest-free loans	91	(246)
Interest expense	10	1,039
Property, plant and equipment written off	-	31
Gain on disposal of property, plant and equipment	-	26
Gain on disposal of investment property	(4,885)	-
Impairment of property, plant and equipment	400	234
Operating loss before working capital changes	(4,231)	(3,937)
Changes in inventories	(64)	(41)
Changes in trade and other receivables	86	127
Changes in trade and other payables	(3,885)	2,076
Cash used in operations	(8,094)	(1,775)
Income tax paid	(172)	(167)
Net cash used in operating activities	(8,266)	(1,942)
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant and equipment	(1,118)	(260)
Acquisition of shareholdings in a subsidiary	(180)	-
Deposit for sale of investment property	-	648
Proceeds from disposal of property, plant and equipment	-	7
Proceeds from disposal of investment property	64,800	-
Net cash generated from investing activities	63,502	395
<b>Cash Flows from Financing Activities</b>		
Proceeds from loans from financial institutions	-	1,480
Repayment of loans from financial institutions	(28,944)	(1,423)
Dividends paid	(491)	-
Dividends paid to non-controlling interest	(20,580)	-
Interest expense paid	(10)	(891)
Loans from director	236	-
Repayment of finance lease liabilities	(53)	(73)
Proceeds from finance lease liabilities	193	-
Repayment of loans from director	-	(31)
Loans from former director	(2,200)	2,200
Repayment of loans from former director	-	(5)
Net cash (used in)/ generated from financing activities	(51,849)	1,257
Net changes in cash and cash equivalents	3,387	17
Cash and cash equivalents at beginning of year	127	105
Effects of foreign exchange on cash and cash equivalents	-	5
Cash and cash equivalents at end of year	<b>3,514</b>	<b>127</b>

**1(c)(ii) Cash and cash equivalents**

	Group	
	As at	
	31 Mar 19 Unaudited S\$'000	31 Mar 18 Audited S\$'000
Cash and cash equivalents as per statement of financial position	4,076	740
Bank Overdraft	-	(51)
Cash under restriction of use in a subsidiary to be liquidated	(502)	(502)
Fixed Deposits pledged for rental agreement	(60)	(60)
Cash and Cash equivalents per statement of cashflows.	<b>3,514</b>	<b>127</b>

**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	
<b>Balance as at 1 April 2018</b>	4,818	(927)	-	7	(5,026)	(1,128)	(1,083)	(2,211)
Loss for the year					(2,682)	(2,682)	2,379	(303)
Acquisition of shares of a subsidiary without a change in control			(399)		-	(399)	217	(182)
Exchange differences on translation of foreign operations				11	-	11		11
Other comprehensive income								-
Total comprehensive loss for the financial year	-	-	-	11	(2,682)	(3,069)	2,596	(473)
Dividend					(491)	(491)	-	(491)
Fair value adjustment to interest-free loans from shareholders			-	-	(137)	(137)		(137)
Total transactions with owners, recognised directly in equity			(399)		(628)	(628)	-	(628)
<b>Balance as at 31 March 2019</b>	<b>4,818</b>	<b>(927)</b>	<b>(399)</b>	<b>18</b>	<b>(8,336)</b>	<b>(4,825)</b>	<b>1,513</b>	<b>(3,312)</b>

	Attributable to equity holders of the Group							Total Equity S\$'000
	Share Capital S\$'000	Merger 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	Total Equity S\$'000	
<b>Balance as at 1 April 2017</b>	4,818	(927)	122	470	4,483	19,209	23,692	
Loss for the year				(5,850)	(5,850)	288	(5,562)	
Exchange differences on translation of foreign operations			(115)		(115)		(115)	
Other comprehensive income	-	-	-	-	-	-	-	
Additional non-controlling								
Total comprehensive loss for the financial year	-	-	(115)	(5,850)	(5,965)	288	(5,677)	
Dividend						(20,580)	(20,580)	
Fair value adjustment to interest-free loans from shareholders				354	354		354	
Total transactions with owners, recognised directly in equity	-	-	-	354	354	(20,580)	(20,226)	
<b>Balance as at 31 March 2018</b>	<b>4,818</b>	<b>(927)</b>	<b>7</b>	<b>(5,026)</b>	<b>(1,128)</b>	<b>(1,083)</b>	<b>(2,211)</b>	

	Attributable to equity holders of the Company		
	Share Capital S\$'000	Retained Earnings S\$'000	Total S\$'000
<b>Balance as at 1 April 2018</b>	4,818	9,699	14,517
(Loss)/Profit for the year		(600)	(600)
Other comprehensive income	-	-	-
Total comprehensive loss for the financial year	-	(600)	(600)
Dividend		(491)	(491)
<b>Balance as at 31 March 2019</b>	<b>4,818</b>	<b>8,608</b>	<b>13,426</b>

	Attributable to equity holders of the Company		
	Share Capital S\$'000	Retained Earnings S\$'000	Total S\$'000
<b>Balance as at 1 April 2017</b>	4,818	(9,988)	(5,170)
Profit for the year		19,687	19,687
Other comprehensive income	-	-	-
Total comprehensive loss for the financial year	-	19,687	19,687
<b>Balance as at 31 March 2018</b>	<b>4,818</b>	<b>9,699</b>	<b>14,517</b>

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 2019 and 30 September 2018	163,495,140	4,817,859

There was no change in the Company's share capital from 30 September 2018 up to 31 March 2019.

There were no outstanding convertibles, treasury shares and subsidiary holdings as at 31 March 2019 and 31 March 2018.

**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-19</u>	<u>31-Mar-18</u>
Total number of issued shares	163,495,140	163,495,140

There were no treasury shares as at 31 March 2019 and 31 March 2018.

**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).**

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 year reporting on as in the latest audited financial statements for the financial year ended 31 March 2019, including the first-time adoption of Singapore Financial Reporting Standards (International) (“**SFRS(I)**”), effective from 1 January 2018 for Singapore incorporated companies listed on the Singapore Exchange. Except as disclosed under Note 5 below, the adoption of new SFRS(I) and Interpretation of SFRS(I) (“**INT SFRS(I)**”) which have become effective for the financial year ended 31 March 2019 have had no material impact on the financial information for the current financial year ended 31 March 2019 and its comparative balances.

**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 adoption of new and revised SFRS(I) and INT SFRS(I) effective from 1 January 2018, mainly SFRS(I) 9 Financial Instruments and SFRS(I) 15 Revenue from Contracts with Customers is not expected to result in any significant changes to the Group’s accounting policies and methods of computation for FY2019.

**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.**

	<b>Group</b>	
	<b>For the financial year ended</b>	
	<b>FY 2019</b>	<b>FY 2018</b>
	<b>Unaudited</b>	<b>Audited</b>
<b>Basic EPS (SG cents)</b>	<b>(1.64)</b>	<b>(3.58)</b>
<b>Diluted EPS (SG cents)</b>	<b>(1.64)</b>	<b>(3.58)</b>

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 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 2019 and 31 March 2018 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 year reported on and (b) immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	As at		As at	
	31-Mar-19 Unaudited	31-Mar-18 Audited	31-Mar-19 Unaudited	31-Mar-18 Audited
Net asset value per ordinary share based on issued share capital as at the end of the financial year reported on ( SG Cents).	(2.95)	(0.69)	8.21	8.88

**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 163,495,140 as at 31 March 2019 (31 March 2018: 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**

The Group recorded revenue of S\$8.9 million for the financial year ended 31 March 2019 (“**FY2019**”), a decrease of S\$0.2 million or 2.5% from S\$9.1 million for the corresponding previous financial year (“**FY2018**”) mainly from the loss of revenue of S\$0.9 million of rental income on the 48, 49 and 50 Mosque Street (the “**Property**”) arising from the sale of the Property in March 2018. However, the decreases in revenue was partially offset by an increase of S\$0.8 million from the direct selling of JUVE Daily Essence and Cordyzymes Supreme Essence, house brands of Organica International Holdings Pte. Ltd. (“**Organica**”), a fully owned subsidiary of the Company. In addition, traditional segments such as beauty, slimming and spa treatment for men and women experienced marginally increase in revenue.

Other income increased by S\$4.6 million from S\$0.4 million in FY2018 to S\$5.0 million in FY2019 mainly due to the recognition of the one-time gain of S\$4.9 million on the disposal of the Property, offset with certain decrease in other income. As announced on 1 March 2018, Hotel Culture Pte. Ltd., a 51% owned subsidiary of the Company, entered into sales and purchase agreement to dispose the Property at a sales price of S\$64.8 million to JL Asia Resources Pte. Ltd. As at 31 March 2018, the Property 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. Following the transfer of property title with the Singapore Land Authority on 7 May 2018, at a sales price of S\$64.8 million, the Group recognized a gain on disposal of the Property of approximately S\$4.9 million in FY2019.

Purchases and related cost and changes in inventories in totality increased by S\$0.3 million from S\$0.4 million in FY2018 to S\$0.7 million in FY2019 in line with increased sales of Organica products as well as higher advertising and promotion expenses.

Staff and staff related costs increased by S\$0.6 million or 11.1% from S\$5.8 million in FY2018 to S\$6.4 million in FY2019, mainly due to increases in hiring in both HQ and operational staff and higher commission expenses.

Operating lease expenses decreased by S\$0.4 million or 12.4% from S\$3.5 million in FY2018 to S\$3.1 million in FY2019, mainly due to lower number of outlets in Singapore.

Other operating expenses decreased by S\$0.4 million or 9.7% from S\$3.8 million in FY2018 to S\$3.4 million in FY2019, largely due to the absence of S\$0.6 million relating to the final award arising from the arbitration proceedings in FY2018.

The Group's finance costs decreased by S\$0.9 million or 90.3% from S\$1.0 million in FY2018 to S\$0.1 million in FY2019 mainly due to the repayment of bank borrowings of S\$28.9 million related to the Property, which was sold.

As a result of the above factors, the Group reported a net loss of S\$0.3 million in FY2019, as compared to a net loss of S\$5.6 million in FY2018.

#### **b. Statement of Financial Position**

Property, plant and equipment increased by S\$0.2 million from S\$0.7 million as at 31 March 2018 to S\$0.9 million as at 31 March 2019 mainly due to renovations, outlets refurbishments and purchases of equipment.

Other assets (current and non-current) increased by S\$0.1 million from S\$1.2 million as at 31 March 2018 to S\$1.3 million as at 31 March 2019 mainly due largely to an increase in deposits in relation to entering into new outlet leases.

Inventories increased by S\$0.1 million from S\$0.4 million as at 31 March 2018 to S\$0.5 million as at 31 March 2019, largely due to increase in stock relating to Organica products in support of increased sales.

Assets held for sale decreased from S\$59.9 million as at 31 March 2018 to nil as at 31 March 2019 due to the completion of the sale of the Property on 7th May 2018.

Cash and Bank balances increased by S\$3.4 million from S\$0.7 million as at 31 March 2018 to S\$4.1 million as at 31 March 2019 largely due to net proceeds from disposal of the hotel which was completed on 7 May 2018.

Total borrowings (current and non-current) decreased to S\$0.2 million as at 31 March 2019 from S\$29.2 million as at 31 March 2018 mainly due to the repayment of bank borrowings of S\$28.9 million relating to the disposal of the hotel which was completed on 7 May 2018.

Trade and other payables decreased by S\$26.2 million from S\$32.1 million as at 31 March 2018 to S\$5.9 million as at 31 March 2019 mainly due to the payment of S\$20.6 million of dividends to a non-controlling interest, repayment of S\$2.2 million of cash advance to a former director and repayment of trade suppliers and vendors. Included in trade and other payables are billings for non-refundable beauty packages paid for by customers to be recognized as revenue of approximately S\$2.0 million after the services has been rendered in line with the financial accounting standards.

Based on the above unaudited financial position, the Group had a working capital deficit of S\$0.3 million. The Equity attributable to owners of the company has increased from negative S\$1.1 million as at 31 March 18 to S\$4.8 million as at 31 March 2019, due to continued losses from operations as well as MCH's restructuring and rebranding costs with the intention to return to profitability. The Board is of the view that that the Group will be able to continue as a going concern given the ongoing efforts at managing operating costs and rebranding efforts as well as the undertaking given by the controlling shareholder to provide financial support for the next 12 months.

**c. Statement of Cash Flows**

Net cash outflow from operating activities in FY2019 of S\$8.3 million was mainly due to the operating losses of S\$4.2 million, decreases in trade and other payables of S\$3.9 million and increases in inventories of S\$0.1 million.

The Group had a net cash inflow of S\$63.5 million from investing activities in FY2019 due largely to the sale proceeds of the investment Property of S\$64.8 million.

The Group's net cash outflow from financing activities of S\$51.8 million in FY2019 was mainly due to repayment of bank borrowings of S\$28.9 million and repayment of cash advance to a former director of S\$2.2 million and dividend paid of S\$20.6 million to a non-controlling interest.

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

The Company has in the HY 2019 results announcement stated that, "As announced in October 2018, the Group has marked its entry into the Taiwan direct selling market through the establishment of the Organica Taiwan Branch. With an operating capital of TWD 15 million (approximately S\$675,000) and sales expected to commence before end of March 2019, the Group expects Organica Taiwan Branch to be a new area of growth."

Sales at Organica Taiwan Branch has not commenced. The Company is obtaining the requisite approvals from the Fair Trade Commission ("FTC") of Taiwan for Organica Taiwan Branch to commence and expects sales to start no later than the third quarter of 2019.

**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.**

In Singapore, 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. On the cost front, the Group will continue to be vigilant and exercise prudence in cost control and will do its best to ensure its efforts will bear fruit.

The Group is undergoing a rebranding exercise to keep the brand continuously fresh and strengthen market positioning with new millennials while not forsaking traditional and loyal customers. The Group will make the necessary announcements to update shareholders as and when necessary.

## 11. Dividend

### (a) *Current Financial Period Reported On*

Any dividend recommended or declared for the current financial period reported on?  
No.

An interim dividend of 0.3 cents per ordinary share (one tier tax-exempt) was paid on 27 December 2018.

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

Any dividend declared for the immediately preceding financial year. None.

### (c) *Date payable*

Not applicable.

### (d) *Books closure date*

Not applicable.

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

No final dividend has been declared due to the intention to conserve cashflow for expansion and rebranding efforts.

## 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 <sup>1</sup> Operating lease expenses	0.3	-

### Note 1

JL Asia Resources Pte Ltd (“**JL Asia**”) is wholly-owned by Lee Boon Leng (“**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, Wendy Ho. Mr Lee has a deemed interest of 67.57% in the shares of the Company (“**Shares**”) by virtue of his 73.75% shareholdings interest in Suki Sushi, which holds 67.57% of the Shares. Wendy Ho directly owns 19.99% of the total Shares and has a deemed interest of 67.57% in the Company by virtue of her 21.70% shareholding interest in Suki Sushi.

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”. As announced on 30 May 2018, the lease of the premises entered into between Spa Menu Pte. Ltd. and JL Asia (the “**First Lease**”) was for a term of six months from 1 April 2018 to 30 September 2018 at a monthly rental of S\$19,000. As announced on 1 October 2018, Spa Menu entered into a lease of the Premise (“**Second Lease**”) for a term of one year from 1 October 2018 to 30 September 2018, with an option to renew for an additional year under the terms as the First Lease. The entry of the Second Lease falls within the exception of Catalyst Rule 916 (1). The aggregate values of the First Lease and Second Lease will be approximately S\$114,000 and S\$228,000 respectively.

## 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

Segment reporting	Beauty, slimming and spa treatment for Women		Beauty, slimming and spa treatment for Men		Direct Selling		Investment holdings		Total 2019	Total 2018
	S\$'000		S\$'000		S\$'000		S\$'000		S\$'000	S\$'000
	2019	2018	2019	2018	2019	2018	2019	2018		
<b>Group</b>										
Total revenue	7,276	6,607	1,012	690	1,362	495	-	1,780	9,650	9,572
Inter segment revenue	(779)	(239)	-	-	-	-	-	(229)	(779)	(468)
External revenue	<b>6,497</b>	<b>6,368</b>	<b>1,012</b>	<b>690</b>	<b>1,362</b>	<b>495</b>	-	<b>1,551</b>	<b>8,872</b>	<b>9,104</b>
Other information:										
Other income	179	391	7	23	27	31	4,885	-	5,098	445
Purchases and related costs	(272)	(384)	(2)	(7)	(375)	(5)	-	-	(650)	(396)
Staff costs	(5,308)	(4,707)	(590)	(669)	(558)	(437)	-	-	(6,456)	(5,813)
Changes in inventories	(61)	43	-	(3)	0	(5)	-	-	(61)	35
Depreciation of property, plant and equipment	(347)	(361)	(55)	-	(43)	(85)	-	-	(445)	(446)
Operating leases expenses	(2,227)	(2,584)	(845)	(804)	(26)	(150)	-	-	(3,098)	(3,538)
Other operating expenses	(1,722)	(1,009)	(301)	(357)	(1,399)	(2,355)	(29)	(98)	(3,451)	(3,819)
Finance costs	(101)	(446)	-	-	-	-	-	(593)	(101)	(1,039)
Loss before taxation									(292)	(5,467)
Income tax expense									(11)	(95)
Loss for the year									(303)	(5,562)
<b>Other Information</b>										
<b>Assets</b>										
Segment assets	7,960	616	477	368	1,083	153	(2,395)	61,964	7,125	63,101
<b>Liabilities</b>										
Segment liabilities	8,847	12,493	911	1,369	708	350	(64)	50,904	10,402	65,116
Unallocated liabilities										
- Tax payable									35	196
Total liabilities									10,437	65,312
<b>Other disclosures</b>										
Capital expenditure	944	208	58	-	112	52	-	-	1,114	260
Gain on disposal of investment property	-	-	-	-	-	-	4,885	-	4,885	-
Impairment loss on property, plant and equipment	400	146	-	-	-	88	-	-	400	234
Property, plant and equipment written off	-	-	-	-	-	31	-	-	-	31

	<b>Group</b>	
	<b>for the financial year ended</b>	
	<b>31-Mar-19</b>	<b>31-Mar-18</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Revenue</b>	<b>unaudited</b>	<b>Audited</b>
Sales of Goods	4,569	3,150
Beauty, Slimming and Spa treatments	4,303	4,403
Rental Income	-	1,551
	<b>8,872</b>	<b>9,104</b>

Reconciliations of the total adjusted EBITDA to loss before income tax in FY2019 and FY 2018 are as follows:

	<b>Group</b>	
	<b>for the financial year ended</b>	
	<b>31-Mar-19</b>	<b>31-Mar-18</b>
	<b>S\$'000</b>	<b>S\$'000</b>
	<b>unaudited</b>	<b>Audited</b>
Adjusted EBITDA for reported segments	254	(3,982)
Depreciation on property, plant and equipment	(445)	(446)
Interest expense	(101)	(1,039)
Loss before income tax	<b>(292)</b>	<b>(5,467)</b>

#### 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 FY 2019 and FY 2018.

	Singapore		Malaysia		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Revenue - Sales to external customers	7,355	7,752	1,517	1,352	8,872	9,104
Non-current assets	881	611	59	47	940	658

Note # - exclude deferred tax assets and deposits.

The Group did not derive any significant revenue from any single customer during FY 2019. In FY 2018 S\$1,551,000 in respect of the investment holding segment was generated from one customer.

#### 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**

	<b>Group</b>	
	<b>for the financial year ended</b>	
	<b>31-Mar-19</b>	<b>31-Mar-18</b>
	<b>S\$'000</b>	<b>S\$'000</b>
	<b>Unaudited</b>	<b>Audited</b>
Revenue reported for first half year	3,952	4,517
Profit after tax before non-controlling interests reported for first half year	2,415	(2,663)
Revenue reported for second half year	4,920	4,587
Loss after tax before non-controlling interests reported for second half year	(2,717)	(2,804)

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

The total dividend declared and paid for FY2019 amounted to S\$490,485. There was no dividend declared or paid in the previous full year.

**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
Chia Tse Ching	41	Cousin of 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.

**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**  
**30 May 2019**

*This announcement has been prepared by Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") in accordance with Rules 226(2) and 753(2) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

*This announcement has not been examined or approved by the SGX-ST. The SGX-ST assume 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 Keng Yeng Pheng, Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg)).*