UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 SEPTEMBER 2015

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 Six Months ended		
	30/09/2015 (unaudited) S$'000	30/09/2014 (unaudited) S$'000	Change %
Revenue	8,008	7,810	2.54
Other operating income	365	428	(14.72)
Purchases and related costs	(271)	(502)	(46.02)
Changes in inventories	(11)	58	(118.97)
Depreciation of property, plant and equipment	(490)	(510)	(3.92)
Staff costs	(3,533)	(3,776)	(6.44)
Operating lease expenses	(2,046)	(2,110)	(3.03)
Other operating expenses	(2,138)	(1,752)	22.03
Loss from operations	(116)	(354)	(67.23)
Finance costs	(336)	(273)	23.08
Loss before income tax	(452)	(627)	(27.91)
Income tax expense	(62)	(54)	14.81
Loss for the financial period	(514)	(681)	(24.52)
Other comprehensive income for the financial period			
Items that may be reclassifed subsequent to profit and loss:			
Foreign currency translation gain	(12)	(50)	(76.00)
Total comprehensive loss for the financial period	(526)	(731)	(28.04)
Loss attributable to:			
Equity holders of the Company	(726)	(969)	(25.08)
Non-controlling interests	212	288	(26.39)
	(514)	(681)	(24.52)
Total comprehensive loss attributable to:			
Equity holders of the Company	(738)	(1,019)	(27.58)
Non-controlling interests	212	288	(26.39)
	(526)	(731)	(28.04)

n/m: not meaningful

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

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

	GROUP		
	Six Months ended		
	30/09/2015	**30/09/2014**	**Change**
	(unaudited)	**(unaudited)**	**%**
	S$'000	**S$'000**	
Government grant	(205)	(161)	27.33
Income from Training for Health Management	(90)	-	n/m
Insurance payout	-	195	n/m
Interest income	*	(14)	n/m
Exchange losses/(gain)	130	(19)	n/m

n/m: not meaningful

*Amount is less than S$1,000

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	
	30/09/2015	31/03/2015	30/09/2015	31/03/2015
	(unaudited)	(audited)	(unaudited)	(audited)
	S$'000	S$'000	S$'000	S$'000
ASSETS				
Current Assets				
Inventories	688	729	-	-
Trade and other receivables	404	548	5	9
Amounts due from subsidiaries	-	-	1,942	495
Amount due from non-controlling interest	-	4,906	-	-
Other assets	637	566	11	8
Cash and cash equivalents	1,437	1,833	16	171
Total current assets	3,166	8,582	1,974	683
Non-Current Assets				
Property, plant and equipment	5,100	5,137	-	-
Investment property	57,177	57,177	-	-
Investments in subsidiaries	-	-	3,444	2,444
Deferred tax assets	225	260	-	-
Other assets	906	906	-	-
Total non-current assets	63,408	63,480	3,444	2,444
Total assets	66,574	72,062	5,418	3,127
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	5,292	7,208	249	308
Amounts due to subsidiaries	-	-	2,592	*
Amounts due to non-controlling interests	24	24	-	-
Finance lease liabilities	158	187	-	-
Bank loans (secured)	4,130	7,383	278	269
Bank overdraft (secured)	207	210	-	-
Provision for income tax liabilities	206	203	-	-
Provision	151	168	-	-
Total current liabilities	10,168	15,383	3,119	577
Non-Current Liabilities				
Finance lease liabilities	187	256	-	-
Bank loans (secured)	21,282	22,027	377	517
Amount due to directors	1,648	1,296	-	-
Provision	282	282	-	-
Total non-current liabilities	23,399	23,861	377	517
Total liabilities	33,567	39,244	3,496	1,094
Equity				
Share capital	4,818	4,818	4,818	4,818
Reserves	8,796	9,534	(2,896)	(2,785)
Capital and reserves attributable to equity holders of the Company	13,614	14,352	1,922	2,033
Non-controlling interests	19,393	18,466	-	-
Total equity	33,007	32,818	1,922	2,033
Total liabilities and equity	66,574	72,062	5,418	3,127

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

	GROUP			
	30/09/2015 (unaudited)		31/03/2015 (audited)	
	Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
Amount repayable in one year or less, or on demand	4,495	-	7,780	-
Amount repayable after one year	21,469	-	22,283	-
	25,964	-	30,063	-

Details of any collateral:

a. Bank borrowings are secured by a first legal mortgage over the Group's leasehold property and joint and several personal guarantees provided by the Company's Executive Chairman and Chief Executive Officer.

b. The carrying amounts of certain plant and equipment of the Group include an amount of S$349,036as at 30 September 2015 (31 March 2015: S$389,144) in respect of assets held under finance leases.

c. Finance lease liabilities of the Group are effectively secured over the leased beauty, slimming and spa equipment, leased motor vehicles and leased furniture and fittings, as the 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 Company's Executive Chairman and Chief Executive Officer and corporate guarantee from the Company.

d. The bank overdraft are secured by the following:
   - Joint and several personal guarantees provided by the Company's Executive Chairman and Chief Executive Officer
   - Corporate guarantee from the Company; and
   - Negative pledge over all assets of a subsidiary

e. Subsequent to the six months ended 30 September 2015, S$2.61 million of the current bank loans was converted into a 16 years term loan.

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	
	Six Months ended	
	30/09/2015	**30/09/2014**
	(unaudited)	**(unaudited)**
	S$'000	**S$'000**
Cash flows from operating activities		
Loss before income tax	(452)	(627)
Adjustments for:-		
Depreciation of property, plant and equipment	490	510
Finance costs	336	273
Interest income	-	(14)
Effect of foreign exchange rate changes	47	(36)
Operating (loss)/profit before working capital changes	421	106
Working capital changes:-		
Inventories	41	(58)
Trade and other receivables	73	(464)
Trade and other payables	(1,600)	481
Cash (used in)/generated from operations	(1,065)	65
Income tax paid	(58)	(50)
Net cash (used in)/generated from operating activities	(1,123)	15
Cash flows from investing activities		
Interest received	-	14
Loan repayment from non-controlloing interest	4,906	-
Purchase of property, plant and equipment	(273)	(112)
Net cash generated from/(used in) investing activities	4,633	(98)
Cash flows from financing activities		
Capital injection from non-controlling interest	490	-
Decrease in fixed deposit pledged	-	900
Proceeds from bank borrowings	1,610	500
Repayment of bank borrowings	(5,608)	(1,298)
Repayment of finance lease liabilities	(92)	(72)
Repayment to non-controlling interests	-	(150)
Advances from a director	20	335
Interest paid	(336)	(274)
Net cash used in financing activities	(3,916)	(59)
Net decrease in cash and cash equivalents	(406)	(142)
Cash and cash equivalents at beginning of the financial period	1,623	438
Effects of foreign exchange on cash and cash equivalent	13	-
Cash and cash equivalents at end of the financial period	1,230	296

1(c)(ii) Cash and cash equivalents

	GROUP	
	30/09/2015 (unaudited) S$'000	30/09/2014 (unaudited) S$'000
Cash and bank balances	1,422	492
Fixed deposits	15	30
Cash and cash equivalents as per statement of financial position	1,437	522
Bank overdraft	(207)	(226)
Cash and cash equivalents per consolidated statement of cash flows	1,230	296

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 S$'000	Merger reserve S$'000	Foreign currency translation S$'000	Retained earnings S$'000	Attributable to owners of the S$'000	Non-controlling interests S$'000	Total S$'000
Balance as at 1 April 2015	4,818	(927)	200	10,261	14,352	18,466	32,818
Total comprehensive income for the financial year	-	-	(12)	(726)	(738)	212	(526)
Additional non-controlling interest arising from incorporation of new subsidiary	-	-	-	-	-	715	715
Balance as at 30 September 2015	4,818	(927)	188	9,535	13,614	19,393	33,007

GROUP	Share capital S$'000	Merger reserve S$'000	Foreign currency translation S$'000	Retained earnings S$'000	Attributable to owners of the S$'000	Non-controlling interests S$'000	Total S$'000
Balance as at 1 April 2014	4,818	(927)	142	13,528	17,561	17,940	35,501
Total comprehensive income for the financial year	-	-	(50)	(969)	(1,019)	288	(731)
Balance as at 30 September 2014	4,818	(927)	92	12,559	16,542	18,228	34,770

COMPANY	Share capital S$'000	Retained earnings S$'000	Total S$'000
Balance as at 1 April 2015	4,818	(2,785)	2,033
Total comprehensive loss for the financial year		(111)	(111)
Balance as at 30 September 2015	4,818	(2,896)	1,922
Balance as at 1 April 2014	4,818	(1,474)	3,344
Total comprehensive loss for the financial year	-	(134)	(134)
Balance as at 30 September 2014	4,818	(1,608)	3,210

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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

	No of shares	Share Capital
Issued and Paid-Up Capital		S$
Issued and paid-up capital as at 30 September 2015 and 31 March 2015	163,495,140	4,817,859

There was no change in the Company's share capital from 31 March 2015 up to 30 September 2015.

There were no outstanding convertibles or treasury shares as at 30 September 2014 and 30 September 2015.

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.

	30/09/2015 (unaudited)	31/03/2015 (audited)
Total number of issued shares	163,495,140	163,495,140

There were no treasury shares as at 30 September 2015 and 31 March 2015.

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

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

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

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 Group and the Company 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 March2015, 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 2015.

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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 2015, as mentioned in Paragraph 4 above. The adoption has no material financial impact on the financial statements of the Group and the Company for the current financial period reported on.

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

	GROUP	
	Six months ended	
	30/09/2015 (unaudited)	**30/09/2014 (unaudited)**
Loss per ordinary share for the financial period:		
(a) Based on weighted average number of ordinary shares on issue	(0.44 cents)	(0.59 cents)
(b) On a fully diluted basis	(0.44 cents)	(0.59 cents)

Notes:

a. Basic (loss)per ordinary share for the 6-month financial period ended 30 September 2015 and 6-month financial period ended 30 September 2014 had been calculated by dividing the (loss) for the financial period attributable to the owners 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 30 September 2014and 30 September 2015 respectively.

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

	GROUP		**COMPANY**	
	30/09/2015 (unaudited)	**31/03/2015** (audited)	**30/09/2015** (unaudited)	**31/03/2015** (audited)
Net assets value per ordinary share based on issued share capital as at end of the financial year/period reported on	8.33 cents	8.78 cents	1.18 cents	1.24 cents
No. of ordinary shares	163,495,140	163,495,140	163,495,140	163,495,140

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 30 September 2015(31 March 2015: 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, asset or liabilities of the group during the current financial period reported on.

a. <u>**Income Statement**</u>

6-monthsfinancial period from 1 April2015to 30 September 2015("6M2016")vs.6-months financial period from 1 April 2014 to 30 September 2014 ("6M2015")

Revenue

The Group recorded revenue of S$8.0 million for 6M2016, an increase of S$0.2 million or 2.5% from S$7.8 million for 6M2015. The increase in revenue was mainly due to revenue contribution from our newly opened aesthetic clinic and high utilization of packages sold during the prior period in Singapore. However the increase in revenue was affected by the poor economic conditions in Malaysia.

Retail sales in both Singapore and Malaysia decreased during this period due to the prolonged haze and social economic conditions. The implementation of GST in Malaysia had adversely significantly affected our Group's sales from Malaysia.

Other operating income

The Group's other operating income decreased by S$63,000 or 14.7% from S$428,000 in 6M2015 to S$365,000 in 6M2016. The decrease was mainly due to the absence of a one-off insurance payout received in 6M2015 from outbreak of fire in one of our Singapore outlet in March 2013, which is offset by income from training for health management.

Purchase and related costs

The Group's purchase and related costs decreased by S$231,000 or 46.0% from S$502,000 in 6M2015 to S$271,000 in 6M2016is in line with the decrease in retail sales.

Depreciation of property, plant and equipment

Depreciation decreased by S$20,000 or 3.9% from S$510,000 in 6M2015to S$490,000 in 6M2016 as some of the property, plant and equipment had been fully depreciated during 6M2016.

Staff costs

Staff costs decreased by S$0.3 million or 6.4% from S$3.8 million in 6M2015 to S$3.5 million in 6M2016. The decrease was mainly due to high staff turnover, resulting in reduced number of staff.

Operating lease expenses

Operating lease expenses decreased marginally by S$0.1 million or 3.0% from S$2.1 million in 6M2015 to S$2.0 million in 6M2016 mainly due to the decline in retail sales as a portion of our outlet rental is computed based on a percentage of our retail sales and the depreciation of Malaysian Ringgit. The decrease was offset by the increase in base rental upon renewal of tenancy agreement for our retail outlets and a new lease for a 4-storey commercial building signed for our new direct selling business in Malaysia.

Other operating expenses

Other operating expenses increased by S$0.3 million or 22.0% from S$1.8 million in 6M2015 to S$2.1 million in 6M2016. The increase was mainly due to additional operating expenses incurred by our new aesthetic business and direct selling business.

Loss from operations

As a result of the above mentioned, the Group's loss from operations decrease from S$0.4 million in 6M2015 to S$0.1 million in 6M2016.

Finance costs

The Group's finance costs increased by S$63,000 or 23.1% from S$273,000 in 6M2015 to S$336,000 in 6M2016mainly due to additional loans taken up in 2H2015 for working capital purposes and increase in interest rate.

Net loss

As a result of the above factors, the Group had reported a total comprehensive loss attributable to owners of the Company of S$0.7million in 6M2016, as compared to S$1.0 million in 6M2015.

b. <u>Statement of Financial Position</u>

Property, plant and equipment decreased by S$0.04 million from S$5.14 million as at 31 March 2015 to S$5.10 million as at 30 September 2015 mainly due to the depreciation charge and translation difference, which was partially offset by investment in new beauty, slimming and spa equipments for our new aesthetic clinic and the renovation of the 4 storey new commercial building for our direct selling business.

Trade and other receivables decreased by S$0.1million from S$0.5million as at 31 March 2015 to S$0.4 million as at 30 September 2015due to the receipt of WDA grant.

Amount due from non-controlling interest of S$4.9 million was fully repaid subsequent to 31 March 2015.

Bank loans (secured) decreased by S$4.0 million from S$29.4 million as at 31 March 2015 to S$25.4 million as at 30 September 2015 mainly due to loan repayment of S$5.6 million, offset by the additional drawdown of S$1.6 million from the revolving loan facility.

Trade and other payables had decreased by S$1.9million from S$7.2 million as at 31 March 2015 to S$5.3 million as at 30 September 2015 mainly due to a decrease in billing in advance for unutilised treatment package.

<u>Working capital/cash flow</u>

The Group reported a negative working capital of S$7.0 million as at 30 September 2015 out of which S$1.5 million is due to loans taken up as working capital for the new aesthetic clinic and direct selling business and S$1.6 million is due to billings in advance for unutilised treatment package. Subsequent to the six months ended 30 September 2015, S$2.61 million of the current bank loans was converted into a 16 years term loan. With the current cash balance and the remaining unutilised revolving loan facility of S$2.49 million, the Group will be able to meet its obligation to repay its short-term obligations as and when they fall due.

<u>Cash and Cash Equivalent</u>

Cash and cash equivalent decreased from S$1.8million as at 31 March 2015 to S$1.4 million as at 30 September 2015 mainly due to loan repayment and operating activities, which is offset by loan repayment from our non-controlling interest.

c. Statement of Cash Flows

Net cash outflow from operating activities in 6M2016 of S$1.1 million was mainly due to the decrease in trade and other payables ofS$1.6 million. This was partially offset by a profit before working capital changes of S$0.4 million and a decrease in trade and other receivables of S$0.1 million.

The Group had a net cash inflow of S$4.6 million from investing activities in 6M2016, as compared to a S$0.1 million net cash outflow in 6M2015. The cash generated during 6M2016 was mainly due to the loan repayment from non-controlling interest.

The Group's net cash used in financing activities of S$3.9 million in 6M2016 was mainly due to the repayment of S$5.7 million of borrowings to financial institutions, repayment of finance lease liabilities with interest, partially offset by the proceeds from revolving bank facility and advances from a Director.

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.

For year 2015, Singapore's economic growth is expected to advance along a modest upward trajectory and is forecast to come in at 2% to 4% in 2015[1], which will continue to support growth in the local retail industry.

Notwithstanding that, the Group expects to face operating challenges for the financial year ending 31 March 2016. Tight labor market and the tightening foreign labor measures in Singapore not only leads to higher staff cost but also affecting our services to our customers. The Group also faces higher cost in utilities and property rentals within the competitive local beauty and aesthetics industry.

To overcome this, the Group is continuing to look into renewing its product mix and developing new product lines for Asia market.

During the financial year, the Group had launched its first aesthetic clinic in Singapore in June 2015. The Group plans to launch its new direct selling business in Malaysia and introduce a well-known Japanese brand for personalised slimming and beauty experience combining Western beauty therapies and Traditional Chinese Medicine (TCM) techniques to consumers in Singapore (announced on 24 April 2015)in the first quarter of 2016.

The Group will continue to reduce operating costs and improve operation efficiency by participating in the extended Productivity and Innovation Credit schemes for further three years, conduct regular training services for employees to retain skilled workers to help create life-long customer relationships and investing in research and development to promote product innovation and expand the range of services.

[1] Monetary Authority of Singapore, "Recent Developments in Singapore", 5 March 2015

11. Dividend

(a) Current Financial Period Reported On

No dividend has been declared or recommended for the current financial period ended 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/recommended, a statement to that effect

No dividend has been declared/recommended for the current financial period.

13. Interested person transactions ("IPTs")

The Group does not have general mandate for IPTs.

Name of Interested Person	Aggregate value of all IPTs during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) **(S$'000)**	Aggregate value of all IPTs conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S$100,000) **(S$'000)**
JL Asia Resources Pte Ltd(1) Operating lease rental income	784	-

Notes:

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(1) JL Asia Resources Pte Ltd ("**JL Asia**") is wholly-owned by Mr Lee Boon Leng ("**Mr Lee**"), who is the spouse of Ms. Ho Yow Ping (He YouPing), the Chief Executive Officer of the Company. The lease of the premises to operate the hotel entered into between Hotel Culture Pte Ltd and JL Asia was renewed on 14 February 2014 for a term of three years. JL Asia leases and operates the hotel.

14. Negative Confirmation pursuant to Rule 705(5)

We, Chia Ah Tow Mary and Ho Yow Ping (He YouPing), being the Directors of Mary Chia Holdings Limited (the "**Company**"), hereby confirm on behalf of Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements for the half year ended 30 September 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Ho Yow Ping (He YouPing)
Chief Executive Officer
14 November 2015

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, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.