



(Incorporated in the Republic of Singapore)  
(Company Registration No. 200613299H)

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**MEDIA RELEASE**

**MMP RESOURCES LIMITED REPORTS NET LOSS OF S\$0.3 MILLION  
FOR 1<sup>ST</sup> QUARTER**

*- Operations in Japan started in January 2017 and are already profitable*

**Singapore, 28 April 2017** - Mainboard-listed MMP Resources Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) today reported a net loss of S\$0.3 million for its first quarter ended 31 March 2017 (“**1Q2017**”) as compared to a net profit of S\$0.23 million for the same corresponding period in 2016. The net loss was mainly due to the termination of monthly management fees generated from operating the Micro Power Plants (“**MPP**”) on behalf of Primeforth Renewable Energy Ltd. As a result, the revenue generated for this quarter was purely from the operations in Japan.

The Chisenupuri Ski Area (“**Chise Ski**”) project which is managed by the Group’s wholly-owned subsidiary, MMP Resources Japan K.K. (“**MMPRJKK**”) has exceeded revenue expectations since starting operations in January 2017. For the 3 months (January to March 2017), Chise Ski generated a total sales of ¥13,059,365 (or S\$169,772 at an exchange rate of ¥1 – S\$0.013) and recorded gross profit of ¥7,570,049 (or S\$98,411 at an exchange rate of ¥1 = S\$0.013).

The Group recorded a total revenue of S\$0.23 million for 1Q2017 which was a decrease of 62 per cent compared to S\$0.62 million for 1Q2016. Gross profit decreased from S\$0.59 million for 1Q2016 to S\$0.16 million for 1Q2017.

Total cost of sales for 1Q2017 increased to S\$0.071 million as compared to S\$0.017 million for 1Q2016. This was largely due to cost of sales incurred for the creation of operations structures in Japan.

The Group’s administrative expenses increased from S\$0.383 million in 1Q2016 to S\$0.463 million in 1Q2017. This was mainly attributable to an inclusion of directors’ fee and legal fees in connection with the legal suit brought about by Edward Lee who claimed that there was a loan owing to him by the Company.

Commenting on the Group’s first quarter results, Mr Drew Madacsi, non-Executive Chairman of MMP Resources Limited, said: “The loss reported for the first quarter was mainly due to the expenses which we incurred for the creation of operations, including Chise

Ski by MMPRJJKK, and Group expenses. In fact, Chise Ski recorded its maiden profit of S\$0.041 million after its first month of operations in January, which goes to show the strength of the strategy to invest in Japan's Travel, Hospitality and Leisure industry. The ski season has ended in March and the performance of Chise Ski was far better than management's expectations. The Company is currently in the midst of developing the summer revenue strategy, which will provide year round revenue, and is targeted to cover normal group operating costs. The Group also believes the current ongoing litigation is abnormal, and unfortunately burdens shareholders with increased operational costs."

As at 31 March 2017, the Group's earnings per ordinary share is (0.02) cents (1Q2016: 0.01 cents), while net asset value per ordinary share is 0.01 cents (Q12016: (0.03 cents)). This is based on the issued share capital of 1,997,657,117 (1Q2016: 1,714,972,829) shares.

### Future Outlook

The Group's strategy is to focus on construction opportunities, asset acquisitions and brand growth in Tier-1 markets with a specific focus on travel, hospitality and leisure (THL) industry. In line with this strategy, the Group is finalising a definitive Agreement with Alliance Brands Limited ("ABL"), a global brand development firm. The Agreement will enable the Company to execute its strategy and brand growth with a specific focus on the THL industry.

The Group has entered into an Operations and Management Agreement with JRT to jointly manage the operations of Chisenupuri Ski Area via the activation of a winter brand "The House of Powder" which is under contract with global brand company, ABL. This agreement was for the 2016/2017 season only and the Company is reviewing its future operations options.

The Group has also purchased a property in the Chisenupuri area in support of the joint ski operations. The property is currently being renovated to cater for the summer activities.

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### **About MMP Resources Limited**

MMP Resources Limited ("**Company**", together with its subsidiaries, the "**Group**"), previously known as Sino Construction Limited, was listed on the SGX Mainboard on 12 June 2008. Since April 2016, the Group's corporate strategy is to focus on construction opportunities, asset acquisitions and brand growth in Tier-1 markets with a specific focus on the travel, hospitality and leisure industry.

**For more information, please visit [www.mmpresources.com](http://www.mmpresources.com)**

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