



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

UNAUDITED FINANCIAL STATEMENT FOR THE SECOND QUARTER PERIOD ENDED 30 JUNE 2018
PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(a)(i) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

	Unaudited 2nd Quarter Ended			Unaudited Year Ended		
	30/6/2018	30/06/2017	(+/-)	30/6/2018	31/12/2017	(+/-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	47	20	135%	677	163	315%
Cost of sales	(207)	(24)	763%	(330)	(63)	424%
Gross Profit	(160)	(4)	3900%	347	100	247%
Other items of Income						
Other income	(4)	(11)	-64%	2	151	-99%
Other losses - net	-	-	n.a	-	(662)	-100%
Other items of Expense						
Administrative expenses	(444)	(1,373)	-68%	(1,040)	(2,907)	-64%
Finance costs	(40)	(2)	-	(52)	(7)	643%
Other expenses	9	(9)	-200%	(7)	-	-100%
(Loss)/profit before income tax	(639)	(1,399)	-54%	(750)	(3,325)	-77%
Income tax	-	-	-	-	8	-100%
(Loss)/profit after income tax for the financial period/year	(639)	(1,399)	-54%	(750)	(3,317)	-77%
Other comprehensive (loss)/income for the financial period/year						
Foreign currency translation difference	(13)	9	-	(28)	11	-355%
Other comprehensive income for the financial period/year	(13)	9	-	(28)	11	-355%
Total comprehensive (loss)/income for the financial period/year	(652)	(1,390)	-53%	(778)	(3,306)	-76%
(Loss)/profit for financial period/year attributable to:						
Owners of the company	(639)	(1,399)	-54%	(750)	(3,317)	-77%
Total Comprehensive Income for the year attributable to:						
Owners of the company	(652)	(1,390)	-53%	(778)	(3,306)	-76%

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

(Loss) before tax is arrived at after charging the following items:

	Unaudited		Unaudited	
	2 nd Quarter Ended		Year Ended	
	30/06/2018	30/06/2017	30/06/2018	30/12/2017
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of Property, Plant & Equipment	23	12	53	21

1(a)(iii) Other expenses

	2 nd Quarter Ended		Year Ended	
	30/06/2018	30/06/2017	30/06/2018	30/12/2017
	S\$'000	S\$'000	S\$'000	S\$'000
Unrealised Exchange (gain)/loss, Net	-	-	-	(7)
Other Expenses	9	(9)	(7)	(9)
	9	(9)	(7)	(16)

1(b)(i) A statement of financial position together with a comparative statement for the corresponding periods of the immediately preceding year:

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	30/6/18	31/12/2017	30/6/18	31/12/2017
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and bank balances	20	312	18	122
Trade and other receivables	1,480	1,492	2,437	2,282
Inventories	18	19		-
Prepaid operating expenses	98	-	5	-
Other current assets	-	191	-	31
	<u>1,616</u>	<u>2,014</u>	<u>2,460</u>	<u>2,435</u>
Non-current assets				
Investment in subsidiary corporations	-	-	1	1
Property, plant and equipment	718	746	4	10
	<u>718</u>	<u>746</u>	<u>5</u>	<u>11</u>
Total assets	<u>2,334</u>	<u>2,760</u>	<u>2,465</u>	<u>2,446</u>
LIABILITIES				
Current liabilities				
Trade and other payables	1,372	1,368	1,328	1,158
Current income tax liabilities	-	7		7
Borrowings	5,602	5,244	4,918	4,586
Total liabilities	<u>6,974</u>	<u>6,619</u>	<u>6,246</u>	<u>5,751</u>
NET (LIABILITIES)/ASSETS	<u>(4,640)</u>	<u>(3,859)</u>	<u>(3,781)</u>	<u>(3,305)</u>
Equity and Liabilities				
Equity				
Capital and reserves attributable to equity holders of the company				
Share capital	125,783	125,783	125,783	125,783
Other reserve	(7)	24	-	-
Accumulated losses	(130,416)	(129,666)	(129,564)	(129,088)
Total equity	<u>(4,640)</u>	<u>(3,859)</u>	<u>(3,781)</u>	<u>(3,305)</u>

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand

	As at 30/06/2018		As at 30/06/2017	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	-	5,604	-	1,100
	-	5,604	-	1,100

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

	Unaudited	
	30/6/18	30/6/17
	S\$'000	S\$'000
Cash Flows from Operating Activities		
(Loss)/profit before tax	(750)	(1,699)
Adjustments for:		
Depreciation of property, plant and equipment	53	21
Share based payment	-	(2,421)
Reclassification of loan payable	-	2,346
Translation reserve	(52)	9
Provision for tax	-	(19)
Operating cash flows before changes in working capital	(749)	(1,763)
Changes in working capital:		
Decrease/(Increase) in inventories	1	(4)
Decrease/(Increase) in trade and other receivables	16	2
(Increase) in prepaid operating expenses	43	(239)
Increase/(decrease) in trade and other payables	(174)	475
Increase in other liabilities	220	(59)
Cash flows used in operations	(643)	(1,588)
Interest received/(paid)		
Income taxes paid	(7)	-
Net cash used in operating activities	(650)	(1,588)
Cash flows from Investing Activities		
Addition to property, plant and equipment	-	(208)
Net cash flows used in investing activities	-	(208)
Cash flows from Financing Activities		
Proceeds from issuance of ordinary shares	-	691
Share issue expense	-	(33)
Proceeds from loans and borrowings	358	684
Net cash provided by financing activities	358	1,342
Net decrease in cash and bank balances	(292)	(454)
Cash and bank balance at beginning of period	312	645
Cash and bank balances at end of period	20	191

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Attributable to owners of the company					
Unaudited 2018 - Group	Share capital S\$'000	Translation reserve S\$'000	Accumulated (loss) S\$'000	Attributable to owners of the parent S\$'000	Total equity S\$'000
Beginning of financial year	125,783	23	(129,666)	(3,859)	(3,859)
Loss for the financial year			(750)	(750)	(750)
<u>Other comprehensive loss</u>					
Foreign currency translation reserve		(31)		(31)	(31)
Total comprehensive loss for the financial year		(31)		(781)	(781)
<u>Contributions by and distributions to owners of the parent</u>					
Issuance of ordinary shares					-
Share issue expenses					-
Reclassification of share based payment					-
Total transactions with owners in their capacity as owners of the parent					-
Share-based payment	-	-	-	-	-
Share-based loan	-	-	-	-	-
Disposal of subsidiaries	-	-	-	-	-
Balance as at 30 June 2018	125,783	(8)	(129,666)	(4,640)	(4,640)

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Attributable to owners of the company					
Audited 2017 - Group	Share capital S\$'000	Share-based payment reserve S\$'000	Accumulated (loss) S\$'000	Attributable to owners of the parent S\$'000	Total equity S\$'000
<i>Beginning of financial year</i>	124,487	2,434	(126,349)		572
Total comprehensive income for the financial year	-	11	(3,317)		(3,306)
Reclassification of share-based payment expense	-	(2,421)	-		(2,421)
Issuance of ordinary shares	1,361	-	-		1,361
Share issue expenses	(65)	-	-		(65)
Share-based payment	-	-	-		-
Share-based loan	-	-	-		-
Disposal of subsidiaries	-	-	-		-
<i>Balance as at 31 December 2017</i>	125,783	24	(129,666)	-	(3,859)

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Unaudited 2018 - Company	Share capital S\$'000	Share-based payment S\$'000	Accumulated (loss) S\$'000	Total S\$'000
Balance as at 1 January 2018	125,783	-	(129,090)	(3,307)
Loss for the financial year	-	-	(3,317)	(3,317)
<u>Other comprehensive income</u>				
Foreign currency translation reserve	-	-	-	-
Total comprehensive losses for the financial year	-	-	(3,317)	(3,317)
<u>Contributions by and distributions to owners of the parent</u>				
Issuance of ordinary shares	1,361	-	-	1,361
Share issue expense	(65)	-	-	(65)
Reclassification of share based payment	-	(2,421)	-	(2,421)
Total transactions with owners in their capacity as owners of the parent	1,296	(2,421)	-	(1,125)
Balance as at 30 June 2018	127,079	(2,421)	(132,407)	(7,749)

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Audited 2017 - Company	Share capital S\$'000	Share-based payment S\$'000	Accumulated (loss) S\$'000	Total S\$'000
<i>Balance as at 1 January 2017</i>	124,487	2,421	(126,554)	354
Profit for the financial year	-	-	(2,536)	(2,536)
<u>Other comprehensive income</u>				
Foreign currency translation reserve	-	-	-	-
Total comprehensive income for the financial year	-	-	(2,536)	(2,536)
<u>Contributions by and distributions to owners of the parent</u>				
Issuance of ordinary shares	1,361	-	-	1,361
Share issue expense	(65)	-	-	(65)
Reclassification of share based payment	-	(2,421)	-	(2,421)
Total transactions with owners in their capacity as owners of the parent	1,296	(2,421)	-	(1,125)
<i>Balance as at 31 December 2017</i>	125,783	-	(129,090)	(3,307)

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. 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.

There were no treasury shares and subsidiary holdings.

Details of ordinary share capital movements are as shown below:

As at 30/06/2018		As at 30/06/2017	
No of shares	S\$	No of shares	S\$
2,343,527,950	125,783,225	2,170,194,617	125,145,325

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.

Company	30/06/2018	30/06/2017
Total number of issued shares	2,343,527,950	2,170,194,617

There are no treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.

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

Not applicable.

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

Not applicable.

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 auditors.

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

Not applicable.

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

The same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2017 have been applied in the preparation for the financial statements for the financial year ended 30 June 2018 except that the Group has adopted the new and revised Financial Reporting Standards (FRS) and interpretations of FRS (INT FRS) which became effective for annual period beginning on 1 January 2018 or otherwise stated.

- 5 **If there are 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 the new and revised FRS and INT FRS does not have any material financial impact on the Group's and Company's financial statements for the current year.

- 6 **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. (a) Based on the weighted average number of ordinary shares on issue; and (b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	2 nd Quarter Ended	
	30/06/2018	30/06/2017
	SGD (cents)	SGD (cents)
(Loss)/Profit per share		
Basic	(0.032)	(0.08)
Diluted	(0.032)	(0.08)

The basic and diluted EPS is computed using profit/(loss) attributable to shareholders in the relevant periods over the weighted average number of shares as shown below:

	30/06/2018	30/06/2017
	Weighted Average	Weighted Average
	No of Shares	No of Shares
Basic	2,343,527,950	2,019,581,772
Diluted	2,343,527,950	2,019,581,772

- 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.**

	Group		Company	
	30/06/2018	31/12/2017	30/06/2018	31/12/2017
	SGD (cents)	SGD (cents)	SGD (cents)	SGD (cents)
Net asset value per ordinary shares	(0.20)	(0.14)	(0.20)	(0.15)

Net asset value per ordinary share of the Group was calculated based on the share capital of 2,343,527,950 (2QFY2017: 2,170,194,617) shares.

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF INCOME STATEMENT

The Group reported a net loss of S\$0.639 million for 2Q2018. An analysis of the statement of comprehensive income is as follows:

Revenue

The Group's total revenue of S\$0.047 million for the 2Q2018 increased 135% compared to the Prior Corresponding Period ("PCP") (2Q2017: S\$0.020 million). The increase in revenue was due to MMP Resources Japan K.K. ("MMPRJ") going fully operational.

Cost of Sales

The Group recorded a total cost of sales of S\$0.207 million for 2Q2018, increased by 763% compared to the PCP (2Q2017: S\$0.024 million). The reason for the increase between 2Q2018 and 2Q2017 was largely due to cost of sales incurred for MMPRJ during summer season in Niseko.

Administrative Expenses

Total administrative expenses of S\$0.444 million for the 2Q2018 decreased by 68% compared to the PCP (2Q2017: S\$1.373 million). The decrease in administrative expenses was mainly due to management's effort in implementing cost cutting measures within the Group. The decrease in professional fees also as compared to PCP also contributed to the decrease in administrative expenditure for the Group.

REVIEW OF STATEMENT OF FINANCIAL POSITION

Non-Current assets

Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost, subsequently measured at cost less accumulated depreciation.

The amounts recognized in the statement of financial position were determined as follows:

Current assets

Inventories

Inventories on Group level decreased from S\$0.019 million as at 31 December 2017 to S\$0.018 million in 2Q2018. This decrease was in line with the Group's business activities in Japan.

Trade and other Receivables

Trade and other receivables at the Group level decreased from S\$1.492 million as at 31 December 2017 to S\$1.480 million in 2Q2018. This was due to decrease in amounts due to receiving payment from debtors.

Prepaid Operating Expenses

Prepayments at the Group level increased to S\$0.098 million as at 30 June 2018. Prepayments for 2Q2018 include corporate secretarial fees, insurance and other professional fees.

Current liabilities

Trade and other Payables

The Group's current trade and other payables as at 2Q2018 was S\$1.372 million (31 December 2017: S\$1.368 million). This increase was in line with the Group's business activities in Japan and accruals incurred during the period.

REVIEW OF STATEMENT OF CASH FLOW

As at 30 June 2018, there was net cash used in operating activities amounting to S\$0.643 million as compared to 2Q2017 of S\$1.588 million. The increase was mainly due to:-

- (i) Decrease in trade receivables due to payment received from customer
- (ii) Decrease in prepaid operating expenses
- (iii) Decrease in trade payables as expenditure for the Group in 2Q2018 has reduced

There was a net cash used in financing activities amounting to S\$0.358 million as at 30 June 2018. The increase was due to loan undertaken during the period.

Cash on hand decreased from S\$0.191 million as at 2Q2017 to S\$0.020 million as at 2Q2018.

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

There was no forecast or prospect statement previously disclosed to shareholders since the 1Q2018 results announcement.

10 A commentary at the date of the announcement of the significant trends and 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.

Barring any unforeseen circumstances, there are no significant changes in the trends and competitive conditions of the industry in which the Group operates and no major known factors or events that may adversely affect the Group in the next reporting period and the next twelve months.

Recent Developments

(i) Proposed Issuance of Convertible Bonds Due 2021.

As announced previously on 6 September 2017, 3 October 2017, 16 November 2017, 20 December 2017, and 8 March 2018, the Company has proposed issuance of convertible bonds due 2021 for an aggregate principal amount of up to S\$750,000, S\$50,000, S\$200,000, S\$100,000, S\$200,000 and S\$150,000 respectively (the "Proposed Issuance"). The rationale for the Proposed Issuance is to raise funds for the Group's operating expenses and construction opportunities in Tier-1 markets, with a specific focus on the Travel, Hospitality and Leisure industry. The Proposed Issuance is subject to the approval of shareholders.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

**(b) (i) Amount per share
(ii) Previous corresponding period**

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registered Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for the period ended 30 June 2018.

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a shareholders' mandate under Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Maiora Asian Structured Finance Segregated Portfolio *	S\$182,362	-

* Maiora Asian Structured Finance Segregated Portfolio is a controlling shareholder of the Company and is therefore an "interested person" (as defined in Chapter 9 of the Listing Manual of the SGX-ST). The director of the Company, Jason N Block, is also a shareholder of Maiora Asset Management Pte. Ltd., which is a registered fund management company based in Singapore. The aforesaid director holds 25% of the issued and paid up share capital of Maiora Asset Management Pte. Ltd. (excluding treasury shares). Maiora Asset Management Pte. Ltd. manages Maiora Asian Structured Finance Segregated Portfolio.

- 14 Use of proceeds from placement**

There are no recent placement exercises.

- 15 Confirmation of undertakings from directors and executive officers.**

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

- 15 Negative assurance confirmation of interim financial results pursuant to Rule 705(5) of the listing manual.**

We, the undersigned, hereby confirm 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 results for the second quarter ended 30 June 2018 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Drew Ethan Madacsi
Non-Executive Chairman

Chong Chee Meng Gerard
Lead Independent Director

BY ORDER OF THE BOARD

Chong Chee Meng Gerard
Lead Independent Director

Singapore
14 August 2018