
Unaudited Full Year Financial Statement and Dividend Announcement for the year ended 31 December 2015

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

- 1 (a) 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 immediate preceding financial year.**

	1 Jan 15 to 31 Dec 15 S\$'000	1 Jan 14 to 31 Dec 14 S\$'000	Increase / (Decrease) %
<u>Continuing operations</u>			
Revenue	700	13,349	-95%
Cost of sales	-	(12,092)	-100%
Gross profit	700	1,257	-44%
Other operating income	85	607	-86%
Administrative expenses	(716)	(514)	39%
Other operating expenses	(984)	(123)	700%
(Loss)/profit before income tax	(915)	1,227	
Income tax expense	(49)	(122)	-60%
Total (loss)/profit for the year from continuing operations	(964)	1,105	
<u>Discontinued operations</u>			
Loss from discontinued operations	(3,152)	(1,011)	
Total (loss)/profit for the year from discontinued operations	(4,116)	94	
Other comprehensive income, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation	83	-	
Total comprehensive (loss) / profit	(4,033)	94	
Attributable to			
Owners of the Company			
(Loss) / Profit for the year attributable to owners of the Company	(1,866)	485	
Non-controlling interests			
Loss for the year attributable to non-controlling interests	(2,167)	(391)	
	(4,033)	94	

(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 31 Dec 15 S\$'000	Group 31 Dec 14 S\$'000	Company 31 Dec 15 S\$'000	Company 31 Dec 14 S\$'000
ASSETS				
Non-current assets:				
Property, plant and equipment	2	3,128	-	-
Investment in subsidiaries	-	-	159	1,146
Loan receivable	-	7,000	-	7,000
Other receivables and deposits	-	652	-	-
Total non-current assets	2	10,780	159	8,146
Current assets:				
Trade receivables	-	6,424	-	-
Other receivables and deposits	202	1,733	202	142
Loan receivable	7,000	-	7,000	-
Prepayments	-	180	-	-
Income tax recoverable	12	46	-	-
Amounts due from related parties	-	8,635	-	-
Amount due from subsidiaries	-	-	-	3,094
Cash and cash equivalents	3,735	5,546	2,334	2,004
Total current assets	10,949	22,564	9,536	5,240
Total assets	10,951	33,344	9,695	13,386
LIABILITIES				
Current liabilities:				
Trade payables	334	10,998	-	-
Other payables and accruals	987	4,954	145	55
Amount due to related parties	-	393	-	-
Income tax payable	49	148	49	-
Provisions and advances	-	2,687	-	-
Loans and borrowings	-	907	-	-
Total current liabilities	1,370	20,087	194	55
Non-current liabilities				
Loans and borrowings	-	372	-	-
Other payables and accruals	-	97	-	-
Provisions and advances	-	60	-	-
Total non-current liabilities	-	529	-	-
EQUITY				
Share capital	46,226	46,226	46,226	46,226
Foreign currency translation reserve	82	(1)	-	-
Accumulated losses brought forward	(33,184)	(33,669)	(32,895)	(31,914)
(Loss)/profit for the period/year	(1,949)	485	(3,830)	(981)
Accumulated losses	(35,133)	(33,184)	(36,725)	(32,895)
Total equity attributable to the owners of the Company	11,175	13,041	9,501	13,331
Non-controlling interests	(1,594)	(313)	-	-
Total Equity	9,581	12,728	9,501	13,331
Total liabilities and equity	10,951	33,344	9,695	13,386

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

Amount repayable in one year or less, or on demand

As at 31 Dec 2015		As at 31 Dec 2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
Nil	Nil	Nil	907

Amount repayable after one year

As at 31 Dec 2015		As at 31 Dec 2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
Nil	Nil	Nil	372

Details of any collateral

As at 31 December 2015, the Group have no loans payable. The loans of S\$1,279,000 as at 31 December 2014 belong to the subsidiaries of Winsta Holding Pte Ltd, which have commenced liquidation during the year.

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

	1 Jan 15 to 31 Dec 15 S\$'000	1 Jan 14 to 31 Dec 14 S\$'000
Cash flows from operating activities		
(Loss)/Profit from continuing activities, before tax	(915)	1,227
Loss from discontinued activities, before tax	(3,155)	(1,146)
	<u>(4,070)</u>	<u>81</u>
Adjustments for:		
Depreciation of property, plant and equipment	378	1,539
Property, plant and equipment written off	13	-
Gain on liquidation of subsidiary	(922)	-
Interest expense	28	101
Interest income	(11)	(156)
Realized currency translation gain	(1)	-
Write-back of impairment of deposit	-	(400)
Write-back of provision for onerous contracts	-	(1,263)
	<u>(4,585)</u>	<u>(98)</u>
Operating cash flows before changes in working capital		
Changes in working capital:		
Trade receivables	4,856	(13,177)
Other receivables and deposits	122	600
Prepayments	37	144
Amounts due from related companies	7,504	(142)
Trade payables	(6,639)	8,612
Other payables and accruals	(3,013)	1,866
Provisions and advances	-	(2,309)
Amounts due to related companies	-	106
Cash flows used in operations	<u>(1,718)</u>	<u>(4,398)</u>
Interest paid	(28)	(101)
Interest received	677	14
Tax paid	(101)	(11)
Net cash flows used in operations	<u>(1,170)</u>	<u>(4,496)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(11)	(369)
Capital contribution from non controlling interest	-	24
Loans receivable	-	(7,000)
Interest receivable	-	142
Net cash flows used in investing activities	<u>(11)</u>	<u>(7,203)</u>
Cash flows from financing activities		
Liquidation of subsidiaries, net of cash disposed of	(259)	-
Proceeds from loans and borrowings	665	205
Repayment of loans and borrowings	(1,119)	(1,116)
Net cash flows used in financing activities	<u>(713)</u>	<u>(911)</u>
Net decrease in cash and cash equivalents	(1,894)	(12,610)
Effect of exchange rate changes	83	-
Cash & cash equivalents at beginning of the period	5,546	18,156
Cash & cash equivalents at end of the period	<u>3,735</u>	<u>5,546</u>

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

GROUP

31 Dec 2015

Group statement of changes in equity	Share capital	Foreign currency translation reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2015	46,226	(1)	(33,184)	13,041	(313)	12,728
Total comprehensive loss for the year	-	83	(1,949)	(1,866)	(2,167)	(4,033)
Liquidation of subsidiaries	-	-	-	-	886	886
Balance at 31 Dec 2015	46,226	82	(35,133)	11,175	(1,594)	9,581

31 Dec 2014

Group statement of changes in equity	Share capital	Foreign currency translation reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2014	46,226	(1)	(33,669)	12,556	54	12,610
Total comprehensive income/(loss) for the year	-	-	485	485	(391)	94
Capital contribution	-	-	-	-	24	24
Balance at 31 Dec 2014	46,226	(1)	(33,184)	13,041	(313)	12,728

COMPANY

31 Dec 2015

Company statement of changes in equity	Share capital	Foreign currency translation reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2015	46,226	-	(32,895)	13,331	-	13,331
Total comprehensive loss for the year	-	-	(3,830)	(3,830)	-	(3,830)
Balance at 31 Dec 2015	46,226	-	(36,725)	9,501	-	9,501

31 Dec 2014

Company statement of changes in equity	Share capital	Foreign currency translation reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2014	46,226	-	(31,914)	14,312	-	14,312
Total comprehensive loss for the year	-	-	(981)	(981)	-	(981)
Balance at 31 Dec 2014	46,226	-	(32,895)	13,331	-	13,331

- (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.**

There are no changes in the Company's share capital since the end of the previous period reported (30 June 2015).

- (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-Dec-15</u>	<u>31-Dec-14</u>
Total number of issued shares	<u>1,921,637,787</u>	<u>1,921,637,787</u>

- (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares 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.

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

Yes.

- 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.**

Not applicable.

6 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:-

	31 Dec 15	31 Dec 14
(Loss)/Profit attributable to ordinary shareholders (S\$'000)	(1,866)	485
Weighted average and fully diluted ordinary shares for the purpose of calculating basic (loss)/profit per share ('000)	1,921,638	1,921,638
(Loss)/Profit per share (cents)	(0.10)	0.03

(b) On a fully diluted basis (detailing any adjustments made to the earnings).

No diluted loss per share is presented as there is no potential dilutive ordinary share for the years ended 31 December 2015 and 31 December 2014.

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 31 Dec 15	Group 31 Dec 14	Company 31 Dec 15	Company 31 Dec 14
Net asset value per ordinary share (cents)	0.50	0.66	0.49	0.69

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.

As announced on 21 May 2015, following the internal audit of the subsidiaries of Winsta Holding Pte Ltd ("Winsta Holding"), legal actions have been commenced against thirteen parties for actionable wrongs and breaches of duties. In addition, on 3 August 2015 and 4 August 2015, the subsidiaries of Winsta Holding have been placed under creditors' voluntary liquidation. The Company will make further announcements where appropriate.

Statement of Comprehensive Income

In view of the commencement of liquidation, the performance of Winsta Holding's subsidiaries have been reclassified as discontinued operations.

For the year ended 31 December 2015, the revenue of the Group of S\$700,000 represents the interest income derived from the loan receivable of S\$7,000,000. The revenue in 2014 was mainly generated by United Force Trading Pte. Ltd. ("UFT") which consists of the trading of electrical products.

UFT had entered into an agency agreement (the "Agency Agreement") on 23 May 2014 with Xiamen Xinyang Benma Technology Co., Ltd ("Xinyang"), which is a Related Party, to act as Xinyang's agent to perform services relating to the purchase of goods by Xinyang. The selection of the suppliers is at the option of Xinyang. For the services performed by UFT in FY2014, UFT's role as Xinyang's agent was acknowledged by the relevant supplier. In addition, UFT's operation procedures requires UFT to only make payment to the supplier for each order made by Xinyang after UFT has received the full payment for each order from Xinyang. Pursuant to the terms of the Agency Agreement, Xinyang would pay UFT a service fee in the range of 3% to 8% of the value of each order or such other amount as agreed by both Xinyang and UFT for each and every order. Accordingly, for FY2014, the revenue recognised by the Group arising under the Agency Agreement was the service fee income which is calculated as percentage of the total order value placed by Xinyang. UFT has not performed any services under the Agency Agreement for FY2015.

The other operating income has decreased by S\$522,000. The operating income in FY2014 was higher as a result of the recovery of bad debt of S\$400,000.

Administrative and other operating expenses have increased mainly due to increase in internal audit and legal fees incurred in relation to the subsidiaries of Winsta Holding.

Statement of Financial Position

Non-current assets decreased by S\$10,778,000 mainly due to the reclassification of the loan receivable of S\$7,000,000 from non-current to current assets as the loan is due to be repaid in 2016. The remaining decrease of S\$3,126,000 and S\$652,000 relates to property, plant and equipment and other receivables respectively held by the subsidiaries of Winsta Holding under liquidation.

Current assets and liabilities have decreased by S\$11,615,000 and S\$18,717,000 respectively. Other than the assets and liabilities that are related to the Winsta Holding's subsidiaries that have undergone liquidation during the year, the decrease is mainly due to trade receivables of S\$5,042,000 and amount due from related parties of S\$7,608,000 for FY2014 from UFT that

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have been received in full and decrease in trade payables as payment was made by UFT in relation to their trading business in 2014.

Statement of Cash Flows

The Group reported a net amount of S\$1,170,000 used in operating activities in 2015, mainly due to settlement of performance guarantee payable to the Singapore Land of Authority and had used S\$11,000 for the purchase of property, plant and equipment.

The Group also made a net repayment of S\$454,000 of loans during the period and reported a loss of net cash of S\$259,000 as a result of the liquidation of the subsidiaries of Winsta Holding. Hence, the Group recorded a net decrease in cash of S\$1,894,000 for the year 2015.

Proceeds raised from Convertible Notes Issue in prior years

As reported earlier, as at 30 June 2015, net proceeds of S\$15,200,000 have been raised from the issuance of convertible notes and S\$14,268,000 has been used for general working capital. During the second half of 2015, the balance S\$932,000 have been fully utilised as set out below.

	<u>S\$'000</u>
Balance as at 30 June 2015	932
Salary, CPF and directors' fees	(295)
Legal and professional fees	(282)
Corporate secretarial, compliance and listing related expenses	(52)
General expenses	(80)
Settlement of performance guarantee payable to Singapore Land Authority	(223)
Balance of proceeds as at 31 December 2015	<u>-</u>

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

No forecast, or a prospect statement, was previously disclosed to the shareholders.

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.

The Group will continue to expand its trading activities and explore new business opportunities.

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 cents

Not applicable.

(b) (ii) Previous corresponding period cents

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 Registrable 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.

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 aggregate value of the Interested Persons Transactions in the financial year ended 31 December 2015 are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$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 (including transactions less than S\$100,000)
Uni-House Pte Ltd	Not Applicable	S\$737,900
Bian Bee Co Pte Ltd	Not Applicable	S\$23,000
St Thomas Investment Pte Ltd	Not Applicable	S\$103,000
Overseas Student Placement Centre Pte Ltd	Not Applicable	S\$94,000
Pegasus International Preschool Pte Ltd	Not Applicable	S\$138,200

14 Negative assurance confirmation under the SGX listing rule 705(5) of the listing manual.

Not applicable for full-year financial results announcement.

Part 2 ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 15 Segmented revenue and results for business or geographical segments (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.**

In FY2015, most of the Group’s revenues were derived from the accommodation services provided by the subsidiaries of Winsta Holding in Singapore, which have been reclassified to discontinued operations following the commencement of liquidation of the subsidiaries.

- 16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable, please refer to Section 16 above.

- 17 A breakdown of sales as follows:-**

Not applicable, please refer to Section 16 above.

- 18 A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year as follows:-**

Not applicable.

- 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 \(13\)](#) 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 and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Huang Tzu-Ting	25	Daughter of Huang Wen-Lai	<ul style="list-style-type: none"> • Business development manager • Director in subsidiaries 	Nil

BY ORDER OF THE BOARD

Huang Wen Lai
 Executive Chairman
 29 February 2016

Chin Yew Choong David
 Independent Director