BM MOBILITY LTD.

Company Registration No. 200800853Z

UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED

31 DECEMBER 2018

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), 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.

The Group's current operations are principally conducted in the People's Republic of China ("PRC") and Malaysia. Accordingly, the consolidated financial statements have been prepared in Chinese Renminbi ('RMB"), being the functional currency of the Group.

		GROUP 4th Quarter Ended			GROUP 12 months Ended		
		Unaudited 31-Dec-18	Audited 31-Dec-17	Increase/ (Decrease)	Unaudited 31-Dec-18	Audited 31-Dec-17	Increase/ (Decrease)
	Note	RMB' 000	RMB' 000	%	RMB' 000	RMB' 000	%
Revenue	8(a)(i)	941	433	117.4%	4,541	22,401	-79.7%
Cost of sales	8(a)(ii)	(410)	(477)	-14.1%	(2,096)	(21,736)	-90.4%
Gross profit/(loss)	8(a)(iii)	531	(44)	-1307.6%	2,445	665	267.7%
Other income		26	122	-78.9%	45	134	-66.7%
Selling and distribution expenses	8(a)(iv)	(137)	(503)	-72.7%	(1,342)	(3,725)	-64.0%
Administrative expenses	8(a)(v)	(1,803)	(1,789)	0.8%	(9,447)	(12,300)	-23.2%
Other operating expenses	8(a)(vi)	(350)	(47,379)	-99.3%	(2,843)	(91,800)	-96.9%
Share of associates'results		-	398	-100.0%	-	(996)	-100.0%
Loss before taxation		(1,735)	(49,195)	-96.5%	(11,144)	(108,022)	-89.7%
Taxation		-	286	-100.0%	-	286	-100.0%
Net loss for the period		(1,735)	(48,909)	-96.5%	(11,144)	(107,736)	-89.7%
Other comprehensive income							
Foreign currency translation		(469)	-	n.m.	(73)	-	n.m.
				n.m.			n.m.
Total comprehensive loss for the period		(2,204)	(48,909)	-95.5%	(11,217)	(107,736)	-89.6%
Net loss attributable to:							
Equity holders of the Company		(1,388)	(48,909)	-97.2%	(10,189)	(107,736)	-90.5%
Non-controlling interests		(347)	-	n.m.	(955)	-	n.m.
		(1,735)	(48,909)	-96.5%	(11,144)	(107,736)	-89.7%
Total comprehensive loss attributable to:							
Equity holders of the Company		(1,866)	(48,909)	-96.2%	(10,333)	(107,736)	-90.4%
Non-controlling interests		(338)	-	n.m.	(884)	-	n.m.
	8(a)(vii)	(2,204)	(48,909)	-95.5%	(11,217)	(107,736)	-89.6%

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.

	Note	GROUP		COMPANY	
		Unaudited	Audited	Unaudited	Audited
		31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
		RMB' 000	RMB' 000	RMB' 000	RMB' 000
ASSETS					
Non-current assets					
Goodwill		3,384	-	-	-
Intangible asset		8,235	-	-	-
Property, plant and equipment		3,800	1,237	-	-
Investment in subsidiaries		-	-	8,927	-
Investment in associated company		-	4,847	-	5,843
Investment in Sichuan Heng Rui Industrial		180	-	-	-
Deferred tax assets		676	-	-	-
	8(b)(i)	16,275	6,084	8,927	5,843
Current assets					
Inventories		967	116	-	-
Trade and other receivables		12,583	12,825	12,706	1,468
Other current assets		9	193	-	21
Cash and cash equivalents		2,746	3,157	761	440
	8(b)(ii)	16,305	16,291	13,467	1,929
TOTAL ASSETS		32,580	22,375	22,394	7,772
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital		212,149	195,561	212,149	195,561
Statutory reserve		42,794	42,794	-	-
Accumulated losses		(260,358)	(250,169)	(196,240)	(194,736)
Other reserves		(73)	-	170	-
Non-controlling interest		3,640	-	-	-
Total equity		(1,848)	(11,814)	16,079	825
LIABILITIES					
Current					
Trade and other payables		34,428	34,189	6,315	6,947
Total liabilities	8(b)(iii)	34,428	34,189	6,315	6,947
TOTAL EQUITY AND LIABILITIES		32,580	22,375	22,394	7,772

1 (b)(ii) In relation to the aggregate amount of the 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:

A. The amount repayable in one year or less, or on demand;

None

B. The amount repayable after one year;

None

C. whether the amounts are secured or unsecured; and

None

D. Details of any collaterals.

Not Applicable

BM MOBILITY LTD.

Company Registration No. 200800853Z

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.

	4th Quarter Ended		12 months ended	
	Unaudited 31-Dec-18	Audited 31-Dec-17	Unaudited 31-Dec-18	Audited 31-Dec-17
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows used in operating activities:				
Loss before tax	(1,735)	(49,195)	(11,144)	(108,022)
Adjustments for:				
Interest income	-	(2)	-	(9)
Depreciation of property, plant and equipment	(295)	(1,654)	276	1,437
Amortisation of intangible assets	342	-	1,371	-
Amortisation of land use rights	-	40	-	308
Write down of Inventories	-	4,033	1	4,033
Allowance for impairment of property, plant and equipment	-	4,378	-	19,110
Allowance for impairment of Land use rights	-	(40)	-	13,799
Loss/(gain) on disposal of property, plant and equipment	6	(179)	11	(120)
Allowance for impairment loss of trade and other receivables	-	9,500	-	25,289
Loss of deemed disposal of asssociate	-	-	1,397	-
Reversal of impairment of trade receivables		(500)		(500)
Written off advance payments to suppliers		28,000		28,000
Share of results of associate		996		996
Bad debts written off		2,008		2,008
Operating cash flow before working capital changes:	(1,682)	(2,615)	(8,088)	(13,671)
Changes in working capital				
Inventories	(70)	577	45	1,883
Trade and other receivables	(475)	598	1,151	(6,676)
Other current assets	1	144	184	881
Trade and other payables	863	(853)	(4,873)	13,909
Cash (used in) operations	(1,362)	(2,149)	(11,580)	(3,674)
Interest received	-	2	-	9
Income tax (paid)	-	14	-	
Net cash (used in) operating activities	(1,362)	(2,133)	(11,580)	(3,665)
Cash flows for investing activities:				
Investment in associated company	-	1,541	-	(5,843)
Net cash outflow on acquisition of subsidiaries	-	-	(3,431)	-
Purchase of property, plant and equipment	(456)	-	(1,899)	(177)
Purchase of intangible assets	-	-	(2)	-
Proceed from disposal of property, plant and equipment	-	1	8	120
Net cash flows (used in) from investing activities	(456)	1,542	(5,324)	(5,900)
Cash flows from financing activities:				
Net proceeds from shares issued	641	-	16,588	9,924
Net cash flows generated from financing activities	641	-	16,588	9,924
Net (decrease) / increase in cash and cash equivalents	(1,177)	(591)	(316)	359
Cash and cash equivalents at beginning of financial period	3,836	3,748	3,157	2,798
Effects of exchange rate changes on cash and cash equivalent held	87	-	(95)	-
Cash and cash equivalents at end of financial period	2,746	3,157	2,746	3,157

BM MOBILITY LTD.

Company Registration No. 200800853Z

1 (d)(i) A statement (for the Group and Company) 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.

2018 The Group	Share capital RMB'000	Statutory reserve RMB'000	Accumulated losses RMB'000	Foreign currency translation reserve RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
Balance at 1 January 2018	195,561	42,794	(250,169)	-	(11,814)	-	(11,814)
Loss for the period	-	-	(10,189)	-	(10,189)	(955)	(11,144)
Other comprehensive income for the period							
- Foreign currency translation	-	-	-	(73)	(73)	73	0
- Share of other comprehensive income of associates					-		-
- Other comprehensive income for the period, net of tax					-		-
Total comprehensive loss for the period	-	-	(10,189)	(73)	(10,261)	(882)	(11,144)
Contributions by and distributions to owners							
- Rights issue of warrants, net of expenses	16,588	-	-	-	16,588		16,588
Total contributions by and distributions to owners	16,588	-	-	-	16,588		16,588
Changes in ownership interests in subsidiaries							
- Acquisition of subsidiary	-	-	-	-	-	4,524	4,524
Closing balance at 31 December 2018	**212,149**	**42,794**	**(260,358)**	**(73)**	**(5,487)**	**3,640**	**(1,848)**
2017 **The Group**							
Balance at 1 January 2017	185,637	42,794	(142,433)	-	85,998	-	85,998
Loss for the period	-	-	(107,736)	-	(107,736)	-	(107,736)
Other comprehensive income for the period							
- Foreign currency translation	-	-	-	-	-	-	-
- Share of other comprehensive income of associates					-	-	-
- Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(107,736)	-	(107,736)	-	(107,736)
Contributions by and distributions to owners							
- Issuance of shares, net of expenses	9,924	-	-	-	9,924	-	9,924
Total contributions by and distributions to owners	9,924	-	-	-	9,924	-	9,924
Closing balance at 31 December 2017	**195,561**	**42,794**	**(250,169)**	**-**	**(11,814)**	**-**	**(11,814)**
2018 **The Company**							
Balance at 1 January 2018	195,561	-	(194,736)	-	825	-	825
Loss for the period	-	-	(1,505)	-	(1,505)	-	(1,505)
Other comprehensive income for the period							
- Foreign currency translation	-	-	-	170	170	-	170
- Share of other comprehensive income of associates					-	-	-
- Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(1,505)	170	(1,335)	-	(1,335)
Contributions by and distributions to owners							
- Rights issue of warrants, net of expenses	16,588	-	-	-	16,588	-	16,588
Total contributions by and distributions to owners	16,588	-	-	-	16,588	-	16,588
Closing balance at 31 December 2018	**212,149**	**-**	**(196,240)**	**170**	**16,079**	**-**	**16,079**
2017 **The Company**							
Balance at 1 January 2017	185,637	-	(127,453)	-	58,184	-	58,184
Loss for the period	-	-	(67,283)	-	(67,283)	-	(67,283)
Other comprehensive income for the period							
- Foreign currency translation	-	-	-	-	-	-	-
- Share of other comprehensive income of associates					-	-	-
- Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(67,283)	-	(67,283)	-	(67,283)
Contributions by and distributions to owners							
- Issuance of shares, net of expenses	9,924	-	-	-	9,924	-	9,924
Total contributions by and distributions to owners	9,924	-	-	-	9,924	-	9,924
Closing balance at 31 December 2017	**195,561**	**-**	**(194,736)**	**-**	**825**	**-**	**825**

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 issue 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 immediately preceding financial year.

	31 December 2018		31 December 2017	
	Number of ordinary shares	Share capital (RMB'000)	Number of ordinary shares	Share capital (RMB'000)
At the end of the period	524,412,732	212,306	467,926,732	195,561

The Company's share capital increased since the end of the previous reporting period due to the conversion of warrants. There were no outstanding convertible or treasury shares held as at 31 December 2018 and 31 December 2017.

	Company	
	31 December 2018	31 December 2017
No. of ordinary shares in issue	524,412,732	467,926,732

The Company issued new ordinary shares of 56,486,000 pursuant to a conversion of 56,486,000 warrants by its shareholder in 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.

Same as above 1 (d) (ii).

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.

These 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 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.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year as compared with the audited financial statements for the year ended 31 December 2017, except for the adoption of the new Singapore Financial Reporting Standards (International) ("SFRS(I)") which became effective for financial periods beginning on or after 1 January 2018.

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 SFRS(I) does not have any material impact on the financial statements of the Group and the Company.

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. (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).

	Group	
	Unaudited 31-Dec-18	Audited 31-Dec-17
Loss after taxation (in RMB'000)	(11,144)	(107,736)
Weighted average number of ordinary shares in issue (in '000)	490,222	452,332
Loss per share (RMB cents)		
- Basic	(2.27)	(23.82)
- Fully diluted	(2.27)	(23.82)

7. Net asset value (for the Group and the Company) 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	
	Unaudited 31-Dec-18	Audited 31-Dec-17	Unaudited 31-Dec-18	Audited 31-Dec-17
Net asset value (in RMB'000)	(1,848)	(11,814)	16,079	825
Number of ordinary shares in issue at end of the period (in '000)	524,413	467,297	524,413	467,927
Net asset value per share (in RMB cents)	(0.35)	(2.53)	3.07	0.18

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

Commentary on Financial Results

The result for Q4 FY2019 under review, as below;

(i) Revenue

For the period ended 31 December 2018, the Company posted revenue of RMB 0.9 million from the Green energy business, which represents a 9% improvement as compared to the quarter ended 30 September 2018. Year-to-date, the Group has recorded a total revenue of RMB 4.5 million, all of which are contributed by its Green energy Business.

Since the launch of the e-bike sharing service in August 2018 at University of Malaya, the Company now has approximately 7,000 registered members. Total mileage travelled by members was approximately 72,000 kilometres across a total of 63,000 rides.

(ii) Gross Profit

In the period ended 31 December 2018, the Group's gross profit margin was 56.4% as compared to the year-to-date gross profit margin of 53.8%. For the 12 months ended 31 December 2018, the Group's gross profit increased by 267.7% from RMB 665,000 in FY2017 to RMB 2.4 million for the 12 months period ended 31 December 2018.

The improvement in gross profit margin was mainly due to the Company's focus on developing the e-bikes sharing business which has a higher margin as compared to the raw materials business.

(iii) Other Income

Other income comprises mainly interest income from fixed deposits. For the 12 months ended 31 December 2018, the Group's interest income declined by 66.7% from RMB 134,000 in FY2017 to RMB 45,000 for the 12 months period ended 31 December 2018.

(iv) Selling and Distribution Expenses

Selling and distribution expenses comprise mainly transportation costs, salaries, entertainment expenses, advertisement expenses, sales related tax, travelling expenses and depreciation expenses. Selling and distribution expenses decreased by approximately RMB 366,000 from RMB 503,000 to RMB 137,000 for the comparable period. The decrease was mainly due to no sales activity in the raw material business.

(v) Administrative Expenses

Administrative expenses comprise mainly salaries, staff welfare, general office expenses, insurance, professional fees, travelling expenses and depreciation expenses. Administrative expenses remained relatively unchanged for the comparable period.

(vi) Other Operating Expenses

Amortisation cost of RMB 342,000 was incurred for the quarter ended 31 December 2018. There were no provisions for impairments or write downs in this quarter. Other operating expenses of RMB 47.4 million for Q4 FY2017 was mainly due to impairment of trade and other receivables.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Commentary on Financial Position

(i) Non-Current Assets

Non-current assets as at 31 December 2018 was RMB 16.3 million compared to RMB 6.1 million for the year ended 31 December 2017.

The increase were mainly from the recognition of RMB 3.4 million of goodwill and RMB 8.2 million (after amortisation) of intellectual property rights of the non-patented technology of Beijing E-star Electric Technology Co. Ltd.

(ii) Current Assets

Current assets remained relatively unchanged as at 31 December 2018 at RM16.3 million as compared to 31 December 2017.

(iii) Equity and Liabilities

Trade and other payables remained relatively unchanged from 31 December 2017 to 31 December 2018 at RM34.4 million.

With the consolidation of the Green energy business, the rights issue of warrants, as well as the conversion of warrants led the Group to reduce negative equity to RMB 1.8 million as at 31 December 2018 compared to negative equity of RMB 11.8 million as at 31 December 2017.

(iv) Commentary on Statement of Cashflows

The Group's Cash and cash equivalents declined to RMB 2.7 million for the quarter under review as compared against RMB 3.2 million as at 31 December 2017. Cash was utilised for the expansion of the green energy business.

(v) Use of Proceeds – Rights issue of warrants

Description	RMB
Balance carried forward as at 1 October 2018	**3,297,658**
Coversion of Warrants *Coversion of warrants*	*814,093*
Use of proceeds Operating Expenses (Professional fee, Administrative expenses, Salaries, etc.)	(1,818,034)
Balance as at 31 December 2018	**2,293,717**

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

Not applicable.

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 Company entered into an equity transfer agreement in August 2018 for the disposal of the raw materials business; the said disposal of the raw materials business is pending shareholders' approval. The circular for the proposed disposal of the raw materials business is currently pending review by SGX. The Company will update Shareholders via announcement as and when appropriate.

The Company has announced on 20 December 2018 the change of financial year end from 31 December to 31 March. Therefore, the next full financial period reporting would be for the fifteen months ending 31 March 2019.

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

Not applicable.

(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)

None.

(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 for the period ended 30 September 2018.

13. Interested Person Transactions ("IPT")

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.

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)
Nil	Nil	Nil

The Company does not have a general mandate from shareholders for IPT.

14. Negative confirmation pursuant to Rule 705(5).

The Board of Directors of the Company hereby confirm that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results of the Company and of the Group for the fourth quarter and three months ended 31 December 2018 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

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

BY ORDER OF THE BOARD

Lim Gwo Bin
Group Financial Controller
8 February 2019