



MANHATTAN RESOURCES LIMITED
Company Registration No : 199006289K

Unaudited Financial Statement Announcement for the financial year ended 31 December 2018

- 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.

Unaudited Consolidated Income Statement for the Four Quarter ("4Q 2018) and year ended 31 December 2018

	Group S\$'000			Group S\$'000		
	4Q 2018	4Q 2017	% Change +/(−)	FY 2018	FY 2017	% Change +/(−)
Revenue*	6,628	8,129	(18)	28,149	27,432	3
Other income *	14,446	1,361	961	15,817	1,697	832
Employee benefits expenses	(1,132)	(1,354)	(16)	(4,856)	(4,862)	-
Depreciation and amortisation ⁽¹⁾	(1,255)	(4,911)	(74)	(7,333)	(9,463)	(23)
Other expenses *	(4,347)	(2,433)	79	(21,577)	(19,895)	8
Finance costs on loans and borrowings ⁽²⁾	(405)	(933)	(57)	(3,056)	(3,896)	(22)
Share of results of associate, net of tax	(2)	(2)	-	(8)	(11)	(27)
Share of results of joint venture company, net of tax	4	(9)	n.m.	(104)	49	n.m.
Profit/(loss) before tax	13,937	(152)	n.m.	7,032	(8,949)	n.m.
Income tax ⁽³⁾	(3,707)	110	n.m.	(3,672)	(7,354)	(50)
Profit/(loss) for the period	10,230	(42)	n.m.	3,360	(16,303)	n.m.
Profit/(loss) attributable to:						
Owners of the Company	9,663	47	20,460	3,744	(14,443)	n.m.
Non-controlling interests	567	(89)	n.m.	(384)	(1,860)	(79)
	10,230	(42)	n.m.	3,360	(16,303)	n.m.

Unaudited Consolidated Statement of Comprehensive Income for 4Q 2018 and FY 2018

	Group S\$'000			Group S\$'000		
	4Q 2018	4Q 2017	% Change +/(−)	FY 2018	FY 2017	% Change +/(−)
Profit/(loss) for the period	10,230	(42)	n.m.	3,360	(16,303)	n.m.
Other comprehensive income:						
Item that may be reclassified subsequently to profit or loss:						
Foreign currency translation	(2,813)	(41)	6,761	(4,060)	(6,192)	(34)
Other comprehensive income for the period, net of tax	(2,813)	(41)	6,761	(4,060)	(6,192)	(34)
Total comprehensive income for the period	7,417	(83)	n.m.	(700)	(22,495)	(97)
Total comprehensive income attributable to:						
Owners of the Company	6,889	(268)	n.m.	(1,348)	(19,674)	(93)
Non-controlling interests	528	185	185	648	(2,821)	n.m.
	7,417	(83)	n.m.	(700)	(22,495)	(97)

Notes:

n.m. - not meaningful, * - Refer to item 1(a)(ii) for details.

- (1) In August 2018, a subsidiary entered into a conditional sale and purchase agreement for the sale of 27 tugs and 25 barges (the "Vessels"). The Company ceased to depreciate the Vessels and has reclassified the Vessels from "Property, plant and equipment" to "Assets held for sale" under the proposed disposal in September 2018. The transaction was completed in 4Q 2018.
- (2) Finance costs pertain to the interest expenses incurred on the bank loans. The decrease was due to repayment of principal.
- (3) Income tax expense for FY2018 arises mainly from the disposal of the Vessels. Income tax expense for FY2017 included forfeiture of utilised tax losses amounting to approximately S\$7.6m as certain subsidiaries participated in the Tax Amnesty Programme introduced by the Indonesia Tax Office.

- 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.

	Group S\$'000	% Change	Group S\$'000	% Change
	4Q 2018	4Q 2017	4Q 2017	4Q 2016
Revenue				
Coal transportation income ⁽¹⁾	2,718	4,301	(37)	15,002
Sale of electricity ⁽²⁾	3,910	3,828	2	13,147
	<u>6,628</u>	<u>8,129</u>	<u>(18)</u>	<u>28,149</u>
Other income				
Interest income on cash and bank deposits ⁽³⁾	(127)	64	n.m.	109
Gain on disposal of property, plant and equipment ⁽⁴⁾	10,880	-	n.m.	11,961
Writeback of allowance for impairment of other receivables	-	5	n.m.	88
Miscellaneous income ⁽⁵⁾	3,693	1,292	186	3,747
	<u>14,446</u>	<u>1,361</u>	<u>961</u>	<u>15,817</u>

Group S\$'000	% Change	Group S\$'000	% Change
4Q 2018	4Q 2017	4Q 2017	4Q 2016
FY 2018	FY 2017	FY 2017	FY 2016

Other expenses include the following:

Operating expenses (excluding payroll and depreciation):

Coal and fuel ⁽⁶⁾	(2,695)	(1,912)	41	(10,490)	(12,437)	(16)
Operations and maintenance ⁽⁷⁾	(761)	(154)	394	(3,353)	(3,578)	(6)
Agent fees and port handling charges ⁽⁸⁾	(148)	(461)	(68)	(1,413)	(1,549)	(9)
Certificate, license and other compliance expenses ⁽⁸⁾	(85)	(106)	(20)	(405)	(359)	13
Charter expenses/Equipment leasing ⁽⁸⁾	(60)	(310)	(81)	(1,279)	(543)	136
Other expenses ⁽⁹⁾	(301)	789	n.m.	(1,659)	(1,030)	61
	<u>(4,050)</u>	<u>(2,154)</u>	<u>88</u>	<u>(18,599)</u>	<u>(19,496)</u>	<u>(5)</u>
Legal and professional fees ⁽¹⁰⁾	(258)	(444)	(42)	(754)	(801)	(6)
Office and other rental expenses ⁽¹¹⁾	(94)	(105)	(10)	(366)	(460)	(20)
Impairment loss on receivables	(10)	(3)	233	(10)	(16)	(38)
Foreign exchange gain/(loss) ⁽¹²⁾	407	69	490	(953)	1,180	n.m.

Notes:

- (1) The increase in coal transportation income in FY2018 was due to greater coal carrying activities as compared to FY2017. The decrease in coal transportation income in 4Q 2018 was due to the disposal of the Vessels in 4Q 2018.
- (2) The decrease in sales of electricity were due to the lower sales volume of electricity in FY2018 as compared to FY2017.
- (3) The decrease in interest income in FY2018 was due decrease in fixed deposits. There was a reversal of over accrual of interest receivables in Q4 2018.
- (4) This is due to the disposal of the Vessels in 4Q and FY2018.
- (5) Miscellaneous income included a fair value gain of approximately S\$3.7m from the uplift of investment property under construction in Ningbo in FY2018. In FY2017, it included income arising from trading activity and interest income arising from claim to debtor.
- (6) The decrease in coal and fuel price in FY2018 was mainly due to decrease in coal carrying activities after the disposal of the Vessels and the decrease in sale of electricity. The overall decrease was offset by the increase in fuel price and coal price in FY2018 compared to FY 2017. The Q4 2017 coal expenses included adjustment for under accrual of coal in prior year 2016.
- (7) The decrease in operations and maintenance expenses in FY2018 was mainly due to less repair and maintenance costs incurred for the vessels and the power plant units. In Q4 2017, the operations and maintenance expenses were reduced due to an one-off warranty claim.
- (8) The increase in certificate and other charter expenses was due to increase in coal carrying activities in FY2018. The Company chartered vessels from a third party since 4Q 2017 to operate and serve its customers. The decrease in agent fees, port handling charges and certificate fees in 4Q 2018 was mainly due the decrease coal carrying activities after the disposal of the Vessels. In addition, the Company has more transshipment in FY2018, which incurred less agent fees and port handling charges.
- (9) Other expenses increase mainly due to higher other vessel expenses incurred from the greater coal carrying activities in FY2018. In FY2017, other expenses were reduced due to an one-off warranty claim.
- (10) Legal and professional fees decrease was due to settlement of the MRN legal proceeding in 3Q 2018.
- (11) Office and other rental expenses decrease due to decrease in rental rate following renewal of the rental agreement.
- (12) The foreign exchange loss in FY2018 was mainly due to the movement of Singapore Dollar ("SGD") against United States Dollar ("USD"), Renminbi ("RMB") and Indonesian Rupiah ("IDR").

1(b)(i). A statement of financial position (for the issuer and the group), together with a comparative statement as at the end of the immediately preceding financial year.

Unaudited Balance Sheets as at 31 December 2018

	Group S\$'000		Company S\$'000	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Non-current assets				
Property, plant and equipment	49,890	60,803	102	202
Land use rights	11,049	12,084	-	-
Intangible assets	17,666	20,466	-	-
Investment property under construction	14,759	10,319	-	-
Property under development	48,980	45,218	-	-
Goodwill	82	82	-	-
Prepayments	3,310	3,218	-	-
Interests in subsidiaries	-	-	76,489	76,489
Investment in associate	26,148	26,154	26,148	26,154
Interests in joint venture company	1,814	1,854	-	-
Trade and other receivables	7,183	7,160	-	-
Loan to subsidiary	-	-	24,538	31,462
	180,881	187,358	127,277	134,307
Current assets				
Trade and other receivables	5,901	12,079	65	45
Prepayments	640	614	22	6
Due from subsidiaries (trade)	-	-	1,448	859
Due from subsidiaries (non-trade)	-	-	2,858	3,969
Inventories	84	112	-	-
Cash and bank deposits	66,222	44,201	28,743	2,557
	72,847	57,006	33,136	7,436
Current liabilities				
Loans and borrowings	(20,163)	(13,915)	-	(9,249)
Trade and other payables	(53,436)	(45,142)	(3,372)	(486)
Due to subsidiaries (non-trade)	-	-	(29,011)	(18,325)
Advance from joint venture company	(1,432)	(750)	(1,432)	(750)
Income tax payable	(3,260)	(90)	-	-
	(78,291)	(59,897)	(33,815)	(28,810)
Net current liabilities	(5,444)	(2,891)	(679)	(21,374)
Non-current liabilities				
Trade and other payables	(25,107)	(26,634)	-	-
Deferred tax liabilities	(8,966)	(9,065)	(14)	(14)
Loans and borrowings	-	(20,971)	-	-
	(34,073)	(56,670)	(14)	(14)
Net assets	141,364	127,797	126,584	112,919
Equity				
Share capital	202,932	189,004	202,932	189,004
Accumulated losses	(105,271)	(109,015)	(76,422)	(76,159)
Capital reserve	353	14	-	-
Other reserve	(320)	(320)	-	-
Foreign currency translation reserve	(8,659)	(3,567)	-	-
Acquisition revaluation reserve	5,392	5,392	-	-
Employee share option reserve	74	74	74	74
Equity attributable to owners of the Company	94,501	81,582	126,584	112,919
Non-controlling interests	46,863	46,215	-	-
Total equity	141,364	127,797	126,584	112,919

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

Amount repayable in one year or less, or on demand:

31 December 2018	
Unsecured	Secured
-	20,163

31 December 2017	
Unsecured	Secured
-	13,915

Amount repayable after one year:

31 December 2018	
Unsecured	Secured
-	-

31 December 2017	
Unsecured	Secured
-	20,971

The borrowings were secured by (i) the mortgage on the land and certain property, plant and equipment; (ii) fiduciary security over receivables arising out of operational transaction, claims of performance guarantee from certain suppliers and insurance claims; (iii) security over certain receivables and bank accounts.

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

	Group	
	S\$'000 FY 2018	S\$'000 FY 2017
Cash flows from operating activities		
Profit/(loss) before tax	7,032	(8,949)
Adjustments:		
Depreciation of property, plant and equipment	4,831	6,744
Amortisation of land use rights	514	559
Amortisation of intangible assets	1,924	2,092
Amortisation of prepayments	64	69
Change in fair value of land	(3,683)	-
Impairment loss on receivables	10	16
Writeback of allowance for impairment of other receivables	-	(5)
Gain on disposal of property, plant and equipment	(11,961)	(88)
Unrealised foreign exchange differences	1,073	(1,053)
Finance costs	3,056	3,896
Interest income	(109)	(289)
Share of results of associate	8	11
Share of results of joint venture company	104	(49)
Operating cash flows before working capital changes	2,863	2,954
Decrease in inventories	24	1,008
Increase in property under development	(5,364)	(11,995)
Decrease/(increase) in trade and other receivables	6,022	(6,748)
Increase in prepayments	(52)	(1,802)
Increase in trade and other payables	2,907	10,785
Cash flows generated from/(used in) operations	6,400	(5,798)
Interest received	109	357
Finance costs paid	(2,951)	(3,698)
Net cash flows generated from/(used in) operating activities	3,558	(9,139)
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,239)	(2,541)
Proceeds from sale of property, plant and equipment	18,013	150
Expenditure on investment property under construction	(1,224)	(2,741)
Increase in fixed deposits	-	(113)
Net cash flows generated from/(used in) investing activities	13,550	(5,245)
Cash flows from financing activities		
Repayment of bank loans	(13,818)	(3,128)
Capital injection in a subsidiary by a non-controlling interest	3,582	-
Advances from joint venture	662	-
Restricted cash	36	5
Proceeds from rights issue	13,928	-
Net cash flows generated from/(used in) financing activities	4,390	(3,123)
Net increase/(decrease) in cash and cash equivalents	21,498	(17,507)
Effect of exchange rate changes on cash and cash equivalents	904	(2,890)
Cash and cash equivalents at beginning of the period	33,573	53,970
Cash and cash equivalents at end of the period ⁽¹⁾	55,975	33,573

Note:

- (1) For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash at bank and on hand and short term deposits.

	S\$'000 FY 2018	S\$'000 FY 2017
Cash and cash equivalents	55,975	33,573
Fixed deposits	10,019	10,353
Restricted cash	228	275
Cash and bank deposits	66,222	44,201

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.

(in S\$'000s)

GROUP - 4Q 2017 and 2018

At 1 October 2017

Loss for the period, net of tax

Other comprehensive income

Foreign currency translation

Other comprehensive income for the period, net of tax

Total comprehensive income for the period

At 31 December 2017

At 1 October 2018

Profit for the period, net of tax

Other comprehensive income

Foreign currency translation

Other comprehensive income for the period, net of tax

Total comprehensive income for the period

Proceeds from rights issue

At 31 December 2018

Total attributable to owners of the Company								Non-controlling interests	Total Equity
Share capital	Accumulated losses	Capital reserve	Other reserve	Foreign currency translation reserve	Acquisition revaluation reserve	Employee share option reserve	Total		
189,004	(109,062)	14	(320)	(3,252)	5,392	74	81,850	46,030	127,880
-	47	-	-	-	-	-	47	(89)	(42)
-	-	-	-	(315)	-	-	(315)	274	(41)
-	-	-	-	(315)	-	-	(315)	274	(41)
-	47	-	-	(315)	-	-	(268)	185	(83)
189,004	(109,015)	14	(320)	(3,567)	5,392	74	81,582	46,215	127,797
189,004	(114,934)	353	(320)	(5,885)	5,392	74	73,684	46,335	120,019
-	9,663	-	-	-	-	-	9,663	567	10,230
-	-	-	-	(2,774)	-	-	(2,774)	(39)	(2,813)
-	-	-	-	(2,774)	-	-	(2,774)	(39)	(2,813)
-	9,663	-	-	(2,774)	-	-	6,889	528	7,417
13,928	-	-	-	-	-	-	13,928	-	13,928
202,932	(105,271)	353	(320)	(8,659)	5,392	74	94,501	46,863	141,364

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.

	Total attributable to owners of the Company							Non-controlling interests	Total Equity	
(in S\$'000s) GROUP - 12M 2017 and 2018	Share capital	Accumulated losses	Capital reserve	Other reserve	Foreign currency translation reserve	Acquisition revaluation reserve	Employee share option reserve	Total		
At 1 January 2017	189,004	(94,572)	14	(320)	1,664	5,392	74	101,256	49,036	150,292
Loss for the period, net of tax	-	(14,443)	-	-	-	-	-	(14,443)	(1,860)	(16,303)
Other comprehensive income										
Foreign currency translation					(5,231)			(5,231)	(961)	(6,192)
Other comprehensive income for the period, net of tax	-	-	-	-	(5,231)	-	-	(5,231)	(961)	(6,192)
Total comprehensive income for the period	-	(14,443)	-	-	(5,231)	-	-	(19,674)	(2,821)	(22,495)
At 31 December 2017	189,004	(109,015)	14	(320)	(3,567)	5,392	74	81,582	46,215	127,797
At 1 January 2018	189,004	(109,015)	14	(320)	(3,567)	5,392	74	81,582	46,215	127,797
Loss for the period, net of tax	-	3,744	-	-	-	-	-	3,744	(384)	3,360
Other comprehensive income										
Foreign currency translation	-	-	-	-	(5,092)	-	-	(5,092)	1,032	(4,060)
Other comprehensive income for the period, net of tax	-	-	-	-	(5,092)	-	-	(5,092)	1,032	(4,060)
Total comprehensive income for the period	-	3,744	-	-	(5,092)	-	-	(1,348)	648	(700)
Changes in ownership interests in subsidiaries										
Capital injection by a non-controlling interest	-	-	339	-	-	-	-	339	-	339
Total changes in ownership interests in subsidiaries	-	-	339	-	-	-	-	339	-	339
Total transactions with owners in their capacity as owners	-	-	339	-	-	-	-	339	-	339
Proceeds from rights issue	13,928	-	-	-	-	-	-	13,928	-	13,928
At 31 December 2018	202,932	(105,271)	353	(320)	(8,659)	5,392	74	94,501	46,863	141,364

- 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.

(in S\$'000)	Total attributable to owners of the Company			
	Share capital	Accumulated losses	Employee share option reserve	Total
Company - 4Q 2017 and 2018				
At 1 October 2017	189,004	(76,675)	74	112,403
Loss for the period, net of tax	-	516	-	516
At 31 December 2017	189,004	(76,159)	74	112,919
At 1 October 2018				
Proceeds from shares issued pursuant to a rights issue exercise	189,004	(77,780)	74	111,298
Profit for the period, net of tax	13,928	-	-	13,928
At 31 December 2018	202,932	(76,422)	74	126,584
Company - FY 2017 and 2018				
At 1 January 2017	189,004	(74,251)	74	114,827
Loss for the period, net of tax	-	(1,908)	-	(1,908)
At 31 December 2017	189,004	(76,159)	74	112,919
At 1 January 2018				
Effect of adopting SFRS(I) 9	189,004	(76,159)	74	112,919
At 1 January 2018 (Restated)	-	(94)	-	(94)
At 1 January 2018 (Restated)	189,004	(76,253)	74	112,825
Proceeds from shares issued pursuant to a rights issue exercise	13,928	-	-	13,928
Loss for the period, net of tax	-	(169)	-	(169)
At 31 December 2018	202,932	(76,422)	74	126,584

- 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 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.

	No. of outstanding options	No. of outstanding warrants	No. of unissued shares	Issuance of shares pursuant to a rights issue exercise completed in December 2018	No. of shares issued
As at 30 September 2018 and 31 December 2017	275,000	-	275,000	-	568,490,975
As at 31 December 2018	275,000	-	275,000	568,490,975	1,136,981,950

Each option entitles the option holder to subscribe for one new ordinary share in the Company at the exercise price of S\$0.48 per share. All of options had expired on 23 February 2019 and none of them were exercised.

- 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.

	31 Dec 2018	31 Dec 2017
Total number of ordinary shares issued	1,136,981,950	568,490,975

- 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 external 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.

Except as disclosed in Section 5 below, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared with those used in the audited financial statements for the financial year ended 31 December 2017.

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 consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"). For all periods up to and including the year ended 31 December 2017, the Group prepared its financial statements in accordance with Financial Reporting Standards in Singapore ("FRSs"). These financial statements for the year ended 31 December 2018 are the first the Group has prepared in accordance with SFRS(I). The Group and the Company have adopted the following new and revised SFRS(I) that are mandatory for the financial periods beginning on 1 January 2018:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
<i>Amendments to SFRS(I) 1 - 40 Transfers of Investment Property</i>	1 January 2018
<i>Amendments to SFRS(I) 2 Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
<i>SFRS(I) 9 Financial Instruments</i>	1 January 2018
<i>SFRS(I) 15 Revenue from Contracts with Customers</i>	1 January 2018
<i>Improvements to SFRS(I)s (December 2018)</i>	
<i>-SFRS(I) 1 - 28 Investment in Associate and Joint Ventures</i>	1 January 2018
<i>SFRS(I) INT 22 Foreign Currency Transactions and Advance Consideration</i>	1 January 2018

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

6. Earnings/(Loss) 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			
		4Q 2018	4Q 2017	FY 2018	FY 2017
<i>Earnings/(Loss) per share</i>					
i) Based on the weighted average number of ordinary shares on issue	Cents	1.50	0.01	0.64	(2.54)
ii) On a fully diluted basis	Cents	1.50	0.01	0.64	(2.54)

Note to item 6 (i)

The basic earnings/(loss) per ordinary share ("EPS") of the Group is computed based on net profit attributable to owners of the Company for FY 2018 amounting to S\$3,744,000 (FY 2017: loss of S\$14,443,000) and weighted average number of 587,181,089 ordinary shares in issue during FY 2018 (FY 2017: 568,490,975).

The basic earnings per ordinary share ("EPS") of the Group is computed based on net profit attributable to owners of the Company for 4Q 2018 amounting to S\$9,663,000 (4Q 2017: S\$47,000) and weighted average number of 642,641,972 ordinary shares in issue during 4Q 2018 (4Q 2017: 568,490,975).

Note to item 6 (ii)

The basic earnings/(loss) per ordinary share ("EPS") of the Group is computed based on net profit attributable to owners of the Company for FY 2018 amounting to S\$3,744,000 (FY 2017: loss of S\$14,443,000) and weighted average number of 587,181,089 ordinary shares in issue during FY 2018 (FY 2017: 568,490,975).

The basic earnings per ordinary share ("EPS") of the Group is computed based on net profit attributable to owners of the Company for 4Q 2018 amounting to S\$9,663,000 (4Q 2017: S\$47,000) and weighted average number of 642,641,972 ordinary shares in issue during 4Q 2018 (4Q 2017: 568,490,975).

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	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Net asset value per ordinary share (cents)	8.31	14.35	11.14	19.86

Note:

Net asset value per ordinary share of the Group and of the Company are computed based on 1,136,981,950 ordinary shares (31 December 2017: 568,490,975) in issue at the respective balance sheet dates.

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.

Turnover, costs and net loss

The Group recorded a higher turnover in FY 2018 of S\$28.1m as compared to S\$27.4m in FY2017. The higher turnover was mainly due to greater coal carrying activities during the year. The shipping revenue increased from S\$10.8m in FY 2017 to S\$ 15.0m in FY 2018. Subsequent to the disposal of vessels in November 2018, the shipping revenue decreased from S\$4.3m in Q4 2017 to S\$2.7m in Q4 2018.

The shipping segment recorded a net profit of S\$8.7m and S\$8.2m in 4Q 2018 and FY2018 as compared to a net loss of S\$3.6m and S\$4.3m in 4Q 2017 and FY2017. The vessel expenses such as fuel, certificate, charter fee, license fee and other expenses increase in line with the increase in revenue. The Company chartered vessels from a third party since 4Q 2017 to operate and serve its customers. In addition, the Group recognised a gain on disposal of approximately S\$12.0m and recorded an estimated tax of approximately S\$3.2m in relation to the disposal of vessels. The power plant segment recorded a net loss of S\$0.1m in 4Q 2018 and a net loss of \$3.5m in FY2018, as compared to net profit of S\$4.7m and S\$0.3m in 4Q and FY2017, mainly due to increase in coal price in FY 2018. The 4Q and FY2017 profits were mainly due to an one-off warranty claims made. The property segment recorded a net profit of S\$1.9m and S\$3.3m in 4Q 2018 and FY2018 as compared to a loss S\$0.4 and S\$1.1m in 4Q 2017 and FY2017. The gain in FY 2018 was mainly due to a fair value uplift of investment property under construction of approximately S\$3.7m, offset by tax expenses amounting to S\$0.9m.

As a whole, the Group recorded a net profit attributable to owners of the Company of S\$9.7m in 4Q 2018 and a net profit attributable to owners of the Company of S\$3.7m for FY2018 as compared to S\$0.05m profit and S\$14.4m losses for 4Q 2017 and FY2017.

Cash flow, working capital, assets and liabilities

The Group's cash and bank deposits increased to S\$66.2m as at 31 December 2018 as compared to S\$44.2m as at 31 December 2017. The movement in cash flow was mainly due to repayment of principal and interest expenses on bank loans, expenditure for fixed assets and properties under development. This is accompanied by disposal of fixed assets, proceeds from rights issue, increase in sales, increase in paid up capital in PT Kariangau Power, advances from joint venture, and the changes in working capital during the period. Proceeds raised from rights issue have not been disbursed yet as of the date of this announcement.

The increase in property under development and investment property under construction in 4Q and FY2018 was due to capitalisation of development expenditure for the property development in Ningbo, as well as a \$3.7m fair value gain on the investment property under construction. The decrease in land use rights and intangible assets was mainly due to the depreciation and amortisation charges incurred, accompanied with foreign exchange differences in 4Q and FY2018. The decrease in trade and other receivables was mainly attributable to collections from debtors and the increase in trade and other payables was mainly due to longer repayment terms.

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**

The operating environment remains challenging amidst the uncertainties in the global economy. The Group shall continue to concentrate its resources and efforts towards the existing businesses and will focus our effort on creating stable revenue base and optimising operational efficiency and cost effectiveness.

11. **If a decision regarding dividend has been made: -**

- a **Whether an interim (final) ordinary dividend has been declared (recommended); and**
No.
- b (i) **Amount per share (cents)**
Not applicable.
(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 5:00pm) 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 and the reason(s) for the decision.**

No dividend has been declared or recommended as the Group still has accumulated losses.

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.**

Name of Interested Person	Aggregate value (S\$'000) of all IPTs during the period ended 31 December 2018 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
KaiYi Investment Pte. Ltd. - Lease of office premises	-	(178)
PT Muji Lines - Coal transportation income	-	8,785
PT Dermaga Perkasapratama - Sale of electricity	5,036	-
PT Bara Tabang - Purchase of coal	-	(3,128)
Gallant Power - Subscription of additional issued shares in PT KP	3,582	-

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

Not required for announcement on full year results.

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.**

	Power plant		Shipping		Property development		Mineral resources		Corporate and others		Eliminations		Per consolidated financial statements	
	S\$'000		S\$'000		S\$'000		S\$'000		S\$'000		S\$'000		S\$'000	
	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017
Turnover														
External Client	13,147	16,677	15,002	10,755	-	-	-	-	-	-	-	-	28,149	27,432
Inter-segment	-	-	-	-	-	-	-	-	24	24	(24)	(24)	-	-
	<u>13,147</u>	<u>16,677</u>	<u>15,002</u>	<u>10,755</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>24</u>	<u>(24)</u>	<u>(24)</u>	<u>28,149</u>	<u>27,432</u>
Result														
Interest income	26	16	56	38	8	233	-	-	19	2	-	-	109	289
Depreciation and amortisation	(4,804)	(5,204)	(2,423)	(4,146)	-	(11)	-	-	(106)	(102)	-	-	(7,333)	(9,463)
Share of results of associate	-	-	-	-	-	-	(8)	(11)	-	-	-	-	(8)	(11)
Share of results of joint venture company	-	-	-	-	-	-	-	-	(104)	49	-	-	(104)	49
Impairment loss of trade and other receivables	-	(1)	-	(3)	-	-	-	-	(10)	(12)	-	-	(10)	(16)
Gain on disposal of property, plant and equipment	-	-	11,961	88	-	-	-	-	-	-	-	-	11,961	88
Write back of allowance for impairment of trade and other receivables	-	-	-	-	-	-	-	-	-	5	-	-	-	5
Segment (loss)/profit before tax	<u>(4,520)</u>	<u>266</u>	<u>11,524</u>	<u>(4,313)</u>	<u>4,291</u>	<u>(2,199)</u>	<u>(8)</u>	<u>(11)</u>	<u>(994)</u>	<u>(2,692)</u>	<u>(3,261)</u>	<u>-</u>	<u>7,032</u>	<u>(8,949)</u>
Assets														
Investment in associate	-	-	-	-	-	-	26,148	26,154	-	-	-	-	26,148	26,154
Investment in joint venture company	-	-	-	-	-	-	-	-	1,814	1,854	-	-	1,814	1,854
Additions to property, plant and equipment	679	292	2,554	2,224	-	-	-	-	6	25	-	-	3,239	2,541
Segment assets	<u>84,555</u>	<u>95,241</u>	<u>12,440</u>	<u>19,826</u>	<u>99,734</u>	<u>98,477</u>	<u>26,148</u>	<u>26,154</u>	<u>30,851</u>	<u>4,666</u>	<u>-</u>	<u>-</u>	<u>253,728</u>	<u>244,364</u>
Segment liabilities	<u>(51,705)</u>	<u>(71,743)</u>	<u>(21,394)</u>	<u>(19,184)</u>	<u>(12,380)</u>	<u>(10,573)</u>	<u>-</u>	<u>-</u>	<u>(26,885)</u>	<u>(15,067)</u>	<u>-</u>	<u>-</u>	<u>(112,364)</u>	<u>(116,567)</u>
Geographical information														
	Revenue S\$'000		Non-current assets S\$'000											
	FY 2018	FY 2017	FY 2018	FY 2017										
Singapore	-	-	28,063	28,210										
Indonesia	28,149	27,432	83,595	98,291										
China	-	-	69,223	60,857										
	<u>28,149</u>	<u>27,432</u>	<u>180,881</u>	<u>187,358</u>										

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.

Please refer to Item 8.

17. A breakdown in sales is as follows:

	Group S\$'000		% Change
	FY 2018	FY 2017	+/(−)
(a) Sales reported for first half year	14,276	11,999	19%
(b) Operating loss after tax before deducting non-controlling interests reported for first half year	(5,479)	(4,960)	10%
(c) Sales reported for second half year	13,873	15,433	-10%
(d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	8,839	(11,343)	-178%

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:-

- (a) Ordinary - Not applicable.
(b) Preference - Not applicable.
(c) Total - Not applicable.

19. Confirmation by the Board pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

20. 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
Low Yi Ngo	40	Son of Dato' Dr. Low Tuck Kwong, Substantial shareholder and brother of Elaine Low, NENID	Current position: Chief Executive Officer ("CEO") and Managing Director Duties: Responsible for the overall business strategy, operations and day-to-day management of the affairs of the Group Position held in: November 2011	Not applicable.
Elaine Low	32	Daughter of Dato' Dr. Low Tuck Kwong, Substantial shareholder and sister of Low Yi Ngo, CEO and Managing Director	Current position: Non-Executive Director and Non-Independent Director ("NENID") Duties: Redesignated as Non-Executive Director and Non-Independent Director Position held in: April 2017	Not applicable.

For and on behalf of the Board of Directors
MANHATTAN RESOURCES LIMITED

Low Yi Ngo
Chief Executive Officer and Managing Director
28 February 2019

Tung Zhihong, Paul
Independent Director