M M P RESOURCES LIMITED

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

RESPONSES TO QUERIES RAISED BY THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON 22 MARCH 2018 WITH RESPECT TO THE COMPANY'S ANNOUCEMENT ON 1 MARCH 2018 ON ITS FY2017 UNAUDITED FULL YEAR RESULTS

The Board of Directors ("**Board**") of MMP Resources Limited (the "**Company**" and together with its subsidiaries the "**Group**") wishes to announce the following:-

Response to Queries

The Company would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 22 March 2018 with respect to the Company's announcements on 1 March 2018 on its FY2017 unaudited full year results. Unless otherwise defined herein, terms defined in such announcements shall have the same definitions herein.

(1) In the Company's results for 3Q2017 released on 9 November 2017, the Company reported "Revenue" of S$270,000. However, "Revenue" for 12 months decreased to S$163,000 in the Company's Full Year FY2017 results. Please elaborate why accumulated for 12 months FY2017 is less than the revenue for 9 months ended 30 Sept 2017.

The Group reviewed the agreement entered by its wholly-owned subsidiary MMP Resources Japan K.K. ("**MMPRJ**") with JRT Trading Pty Ltd, its operating partner and deem it is more appropriate for the revenue generated from the joint ski operations be classified as "Other Income". Hence, the revenue from the ski operations were reclassified to Other Income, resulting in the decrease in revenue for 12 months as compared to the results for 3Q2017.

(2) The Company's "Revenue" amounted to only S$163,000. On page 12 of the Full year FY2017 Results, the Company reported that "The two (2) combined Retail and F&B businesses of the Group's subsidiary corporation MMP Resources Japan K.K. ("MMPRJ") were under construction and only opened for business in late November 2017." Please:

(i) Explain whether this information was previously disclosed; and

The Group had previously announced the completion of construction of leased building in Niseko on 1 August 2017. More developments updated were also included in the Group's half-year results released on 7 August 2017.

(ii) Disclose the cost of the renovation involved and how it was financed.

The total cost involved with the renovation was ¥18,108,360. It was financed with the US$500,000 loan the Group's subsidiary, MMPRJ undertaken with Maiora Asia Structured Finance Fund previously announced on 27 April 2017.

(3) The Company disclosed the reasons for the increase in Administrative Expenses in FY2017. Please provide:

(i) A breakdown of the increase due to each item showing a comparison with the prior year; and

The increase is due to the following expenses:

Administrative Expenses	FY2016 $'000	FY2017 $'000
Depreciation	16	56
Director benefits and fees	120	291
Professional fees	735	1,826
Rental expense	17	91
Promotional expenses	-	36

(ii) Details on whom the "fund raising success fees" are payable to.

The fund raising success fees were payable to Maiora Asset Management Pte. Ltd.

(4) On page 12 of the Full Year FY2017 Results, the Company disclosed that "The Group made a loan of S$0.856 million during FY2017." Please disclose the identity of the borrowers and the reason why the loan had to be extended by the Company.

The loan was made to Alliance Brands Limited ("**ABL**"), to be solely used by Operation Alliance Global Limited ("**OAGL**"), a company focused on brand rollouts globally. The loan is interest-bearing. The Board believed the provision of the loan will be beneficial to the Group over multiple levels:

(i) the Company will have 25% equity position in OAGL; and
(ii) would strengthen the Board's operational understanding of rollout and brand growth processes, especially with the Group's planned focus on Travel, Hospitality and Leisure industry.

The Company had on 9 February 2018 announced that the Company, ABL and OAGL have agreed that the loan(s) had been disbursed directly by the Company to OAGL, and that any obligations in relation to the loan(s), including, among others, the repayment of such loan(s), shall be directly owed by OAGL to the Company under a new funding agreement. Accordingly, the Company entered into a deed of termination with ABL to formally terminate the Funding Agreement dated 22 September 2017.

By Order of the Board

Gerard Chong Chee Meng
Lead Independent Director
27 March 2018