M M P RESOURCES LIMITED

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

The QR announcement is mandatory, made pursuant to the Exchange's requirements, as required under Listing Rule 705(2C).

UNAUDITED FINANCIAL STATEMENT FOR THE SECOND QUARTER PERIOD ENDED 30 JUNE 2020

PART 1 – 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/year of the immediately preceding financial period/year.

(In S$'000) Description	Group					
	Unaudited 2nd Quarter Ended			Unaudited (Year Ended)		
	30 Jun 2020 2Q2020	30 Jun 2019 2Q2019	Change %	30 Jun 2020 6M2020	30 Jun 2019 6M2019	Change %
Revenue	8	82	(90.2)	65	549	(88.2)
Cost of sales	-	(132)	N.M	-	(299)	N.M
Gross profit	8	(50)	N.M	65	250	(74.0)
Other income	26	-	N.M	51	-	N.M
Administrative expenses	(558)	(425)	31.2	(1,094)	(888)	23.1
Finance costs	(380)	(29)	N.M	(565)	(59)	N.M
Other expenses	(95)	46	N.M	(122)	(15)	N.M
Profit/(loss) before tax	(999)	(458)	118.1	(1,665)	(712)	133.7
Tax expense	-	-	-	-	-	-
Profit/(loss) after tax for the financial period/year	**(999)**	**(458)**	118.1	**(1,665)**	**(712)**	133.7
Other comprehensive income/(loss) for the financial period/year						
Foreign currency translation difference	106	(46)	N.M	57	(59)	N.M
Other comprehensive income/(expense) for the period/year, net of tax	106	(46)	N.M	57	(59)	N.M
Total comprehensive income/(loss) for the period/year	**(893)**	**(504)**		**(1,608)**	**(771)**	

Note:
N.M denotes not meaningful where there is no comparative or the fluctuation is more than 200%

SECOND QUARTER AND HALF-YEAR RESULTS ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 JUNE 2020

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					
	Unaudited 2nd Quarter Ended			Unaudited (Year Ended)		
(In S$'000) Description	**30 Jun 2020 2Q2020**	**30 Jun 2019 2Q2019**	**Change %**	**30 Jun 2020 6M2020**	**30 Jun 2019 6M2019**	**Change %**
(Loss) before tax is arrived after charging the following items:						
Depreciation of property, plant and equipment	(29)	(42)	(30.9)	(86)	(77)	11.7
Other expenses:						
Unrealised exchange gain / (loss), net	(95)	25	N.M	(95)	(17)	N.M
Other expenses	-	21	N.M	(28)	2	N.M

Note:
NM denotes not meaningful where there is no comparative or the fluctuation is more than 200%

SECOND QUARTER AND HALF-YEAR RESULTS ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 JUNE 2020

1(b)(i) A statement of financial position (for the company and Group), together with a comparative statement for the corresponding periods of the immediately preceding financial year.

(In S$'000)	Group		Company	
Description	Unaudited 30 Jun 2020	Audited 31 Dec 2019	Unaudited 30 Jun 2020	Audited 31 Dec 2019
ASSETS				
Non-current assets				
Investment in subsidiary corporations	-	-	1	1
Property, plant and equipment	827	887	192	80
Total non-current assets	827	887	193	81
Current assets				
Cash and bank balances	471	261	355	78
Trade and other receivables	1,309	1,141	2,474	2,352
Financial asset, at fair value through profit & loss	*	*	*	*
Inventories	25	25	-	-
Other current assets	270	82	258	64
Total current assets	2,075	1,509	3,087	2,494
TOTAL ASSETS	**2,902**	**2,396**	**3,280**	**2,575**
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	3,295	2,750	3,053	2,475
Loans and borrowings	9,362	7,749	8,037	6,641
Lease liabilities	158	155	58	58
Total current liabilities	12,815	10,654	11,148	9,194
Non-current liabilities				
Lease liabilities	30	143	130	20
Total non-current liabilities	30	143	130	20
TOTAL LIABILITIES	**12,845**	**10,797**	**11,278**	**9,214**
NET LIABILITIES	**(9,943)**	**(8,401)**	**(7,998)**	**(6,639)**
EQUITY				
Equity attributable to owners of the Company				
Share capital	125,783	125,783	125,783	125,783
Other reserves	57	(66)	-	-
Accumulated (losses)	(135,783)	(134,118)	(133,781)	(132,422)
Total equity	**(9,943)**	**(8,401)**	**(7,998)**	**(6,639)**
TOTAL EQUITY AND LIABILITIES	**(9,943)**	**(8,401)**	**(7,998)**	**(6,639)**

Note:
**-value is less than S$1,000*

SECOND QUARTER AND HALF-YEAR RESULTS ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 JUNE 2020

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:

	Group	
Description (in S$'000)	**Unaudited 30 Jun 2020**	**Audited 31 Dec 2019**
Amount repayable in one year or less, or on demand		
- Secured	-	-
- Unsecured	9,362	7,749
TOTAL	**9,362**	**7,749**

SECOND QUARTER AND HALF-YEAR RESULTS ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 JUNE 2020

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:

(In S$'000)	6 months ended	
Description	**30 Jun 2020**	**30 Jun 2019**
Cash flows from operating activities		
Net loss for the period/year	**(1,665)**	**(771)**
Adjustments for:		
Depreciation of property, plant and equipment	86	77
Interest expense	565	59
Net unrealised foreign exchange (gain)/loss	95	9
	746	145
Operating profit before working capital changes	**(919)**	**(626)**
Changes in working capital:		
Changes in inventories	-	-
(Increase)/decrease in trade and other receivables	(168)	(13)
(Increase)/decrease in other current assets	(188)	50
Increase/(decrease) in trade and other payables	545	44
Cash generated from operations	**(730)**	**(545)**
Interest paid/(received)	(565)	(57)
Income tax paid	-	-
Net cash used in operating activities	**(1,295)**	**(602)**
Cash flows from investing activities		
Addition of property, plant and equipment	-	-
Proceeds from disposal of property, plant & equipment	-	-
Net cash used in investing activities	**-**	**-**
Cash flows from financing activities		
Proceeds from borrowings	1,613	476
(Repayment of)/proceeds from finance lease liabilities	(108)	**-**
Net cash generated from financing activities	**1,505**	**476**
Net increase/(decrease) in cash and cash equivalents	**210**	**(126)**
Cash and cash equivalents at beginning of the period/year	261	194
Cash and cash equivalents at end of financial period/year	**471**	**68**
Represented by:		
Cash at bank and on hand	471	68
Cash and cash equivalents in the consolidated statement of cash flows	**471**	**68**

SECOND QUARTER AND HALF-YEAR RESULTS ANNOUNCEMENT FOR THE PERIOD/YEAR ENDED 30 JUNE 2020

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.

COMPANY Description (in S$'000)	Share Capital	Accumulated (Losses)	Total Equity
As at 1 January 2020	**125,783**	**(132,422)**	**(6,639)**
Loss for the period	-	(569)	(569)
As at 31 March 2020	**125,783**	**(132,991)**	**(7,208)**
Loss for the period	-	(790)	(790)
As at 30 June 2020	**125,783**	**(133,781)**	**(7,998)**
As at 1 January 2019	**125,783**	**(130,602)**	**(4,819)**
Loss for the period	-	(264)	(264)
As at 31 March 2019	**125,783**	**(130,866)**	**(5,083)**
Loss for the period	-	(308)	**(308)**
As at 30 June 2019	**125,783**	**(131,174)**	**(5,391)**

GROUP Description (in S$'000)	Share Capital	Currency Translation Reserves	Accumulated (Losses)	Total Equity
As at 1 January 2020	**125,783**	**(66)**	**(134,118)**	**(8,401)**
Loss for the period	-	-	(666)	**(666)**
Foreign currency translation reserve	-	(50)	-	**(50)**
As at 31 March 2020	**125,783**	**(116)**	**(134,784)**	**(9,117)**
Loss for the period	-	-	(999)	**(999)**
Foreign currency translation reserve	-	173	-	**173**
As at 30 June 2020	**125,783**	**57**	**(135,783)**	**(9,943)**
As at 1 January 2019	**125,783**	**(10)**	**(131,898)**	**(6,125)**
Loss for the period	-	-	(255)	**(255)**
Foreign currency translation reserve	-	(12)	-	**(12)**
As at 31 March 2019	**125,783**	**(22)**	**(132,153)**	**(6,392)**
Loss for the period	-	-	(516)	**(516)**
Foreign currency translation reserve	-	(37)	-	**(37)**
As at 30 June 2019	**125,783**	**(59)**	**(132,669)**	**(6,945)**

**SECOND QUARTER AND HALF-YEAR RESULTS ANNOUNCEMENT
FOR THE PERIOD/YEAR ENDED 30 JUNE 2020**

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 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 current financial period/year reported on and as at the end of the corresponding period of the immediately preceding financial year.

As at 30 June 2020, the Company's issued and fully paid up capital comprises of 2,343,527,950 (31 December 2019: 2,343,527,950) ordinary shares. The changes in the company's share capital in 6M2020 and FY2019 are set out below.

Description	As at 30 Jun 2020		As at 31 Dec 2019	
	Number of Shares	Share Capital (S$'000)	Number of Shares	Share Capital (S$'000)
Balance at beginning of period/year	2,343,527,950	125,783	2,343,527,950	125,783
Issue of new shares		-		-
Balance at end of period/year	**2,343,527,950**	**125,783**	**2,343,527,950**	**125,783**

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial year reported on and as at the end of the corresponding period of the immediately preceding financial year.

Description	30 Jun 2020	31 Dec 2019	30 Jun 2019
Total number of shares issued	2,343,527,950	2,343,527,950	2,343,527,950

1(d)(iv) A statement showing all sales, transfer, 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 standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by auditors.

**SECOND QUARTER AND HALF-YEAR RESULTS ANNOUNCEMENT
FOR THE PERIOD/YEAR ENDED 30 JUNE 2020**

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

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

The Company had on 2 August 2019 entered into an Settlement Agreement with Maiora Asset Management Pte. Ltd. ("MAM") (acting in the capacity and for and on behalf of Maiora Asian Structured Finance Segregated Portfolio ("MASFF") and Solar Founders Limited ("Solar Founders") and together with MAM and MASFF, the "Creditors") in respect of, among others, the settlement of certain amounts owing by the Company to the Creditors.

The Company's entry into the Settlement Agreement will enable the Group to: -

a) Reduce its liabilities and settle all outstanding loans owed by the Company to the Creditors;
b) Eliminate the need for any cash repayment or payment in view of the current financial and cash position of the Group; and
c) Eliminate one of the competing requirements for working capital and improve the Company's net tangible assets value and reduce its loss per share.

On 28 April 2020, the Company had also entered into a conditional sale and purchase agreement with Majesty Asset Management Ltd in respect of the acquisition by the Company of all the shares in the entire issued and paid up share capital of GCM Ltd. for a purchase consideration of S$118,000,000. Following completion of the proposed acquisition, GCM Ltd. will be wholly-owned by the Company.

Accordingly, the Company had commenced the proposed acquisition process, any key milestones be announced progressively.

In addition, the Company had on 4 August 2020 provided an update on a mediation in relation a litigation suit filed by Edward Lee against the Company for, inter alia, the sum of approximately S$5.2 million (the "Suit"). Following this mediation, Edward Lee, the Company, Quintestellar and Andy Chee (the "Parties") have reached an amicable out-of-court settlement without admission of liability in relation to the foregoing claims and proceedings in connection with the Suit and the Third Party Proceedings, on a full and final settlement basis. The Company has entered into a settlement agreement dated 30 July 2020 (the "Settlement Agreement") with the relevant parties. Following entry into the Settlement Agreement and subject to payment of the relevant sums in accordance with the terms therein, the Parties shall discontinue their respective claims, and have no further claims against the other Parties.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

The Board confirmed that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

**SECOND QUARTER AND HALF-YEAR RESULTS ANNOUNCEMENT
FOR THE PERIOD/YEAR ENDED 30 JUNE 2020**

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

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period as compared with the audited consolidated financial statements for the financial year ended 31 December 2019.

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 Singapore Financial Reporting Standards (International) ("SFRS(I)") and all new and revised standards does not have any material financial impact on the Group's and Company's financial statements for the current financial period.

6. Earnings per ordinary share ("EPS") 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; (b) On a fully diluted basis (detailing any adjustments made to the earnings).

Description	6 months ended	
	30 Jun 2020	30 Jun 2019
EPS (based on consolidated net profit attributable to owners): -		
a) Basic (cents)	(0.071)	(0.030)
b) Diluted (cents)	(0.071)	(0.030)
Basic	2,343,527,950	2,343,527,950
Diluted	2,343,527,950	2,343,527,950

The basic and diluted EPS is computed using loss attributable to shareholders in the relevant periods over the weighted average number of shares as shown in the table.

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 year reported on; and (b) immediately preceding financial year.

Description	Group		Company	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Net asset value per ordinary share based on existing share capital (cents)	(0.424)	(0.358)	(0.341)	(0.283)
Number of shares at end of the year	2,343,527,950	2,343,527,950	2,343,527,950	2,343,527,950

Net asset value per ordinary share of the Group and the Company was calculated based on the share capital of 2,343,527,950 (FY2019: 2,343,527,950) 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:

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.

STATEMENT OF COMPREHENSIVE INCOME REVIEW

Quarter ended 30 June 2020 ("2Q2020") vs quarter ended 30 June 2019 ("2Q2019)

The Group reported a net loss of approximately $1.0 million for 2Q2020. An analysis of the statement of comprehensive income as follows:

(i) Revenue

Revenue decreased by approximately S$74,000 or 90.2% from S$82,000 in to S$8,000 in 2Q2019 and 1Q2020 respectively. The decrease was due mainly to the global pandemic which greatly affected worldwide travels including tourism in Niseko, Japan with many lockdowns exercised and restricted travels by affected countries.

(ii) Cost of Sales and Gross Profit Margin

Arising from the Group's swift response to addressing lowering revenue due to the pandemic, no direct costs and labour being charged to cost of sales until most businesses in general recovers. Accordingly, gross profit margin registered was at 100% in 2Q2020.

(iii) Other Income

Other income of approximately S$26,000 in 2Q2020was due mainly loan interest receivable recognized for the loan granted, and interest to accrue effectively from 1 January 2020.

(iv) Administrative Expenses

Administrative expenses increased by approximately S$133,000 or 31.2% from S$425,000 in 2Q2019 to S$558,000 in 2Q2020. This was due mainly to higher (i) payroll expenses; (ii) legal and professional fees; and (iii) offset by lower depreciation and travelling expenses.

(v) Finance Costs

Finance costs of S$380,000 was accrued in relation to loans granted to the Group in 2Q2020 as compared to S$29,000 in 2Q2019. This higher finance costs were primarily due to interest costs were accounted for at year end for FY2019.

(v) Other Expense

Other expenses comprise mainly realized and unrealized foreign exchange gains and losses in net position. Higher unrealized foreign exchange loss recorded in 2Q2020 was primarily due to the outstanding balances due from a subsidiary at reporting date with conversion rate against the Company's book balance.

Half yearly or six months ended 30 June 2020 ("6M2020") vs half yearly or six months ended 30 June 2019 ("6M2019")

The Group reported a net loss of approximately $1.7 million for 6M2020 as compared to previous corresponding period at net loss of approximately $$0.8 million. An analysis of the statement of comprehensive income as follows:

(i) Revenue

Revenue decreased by approximately S$484,000 or 88.2% from S$549,000 in 6M2020 to S$65,000 in 2Q2020. The decrease was the effect from lesser travels to the Company's operating subsidiary in Niseko, Japan.

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(ii) Cost of Sales and Gross Profit Margin

In line with the Company's directives to eliminate all direct costs and staff directly attributable to the business operations in Japan, no cost of sales was recorded in 2Q2020 as compared to the previous corresponding period of approximately S$299,000 in 2Q2019. Therefore, gross profit margin was at 100% and 45.5% in 2Q2020 and 2Q2019 respectively.

(iii) Other Income

Other income of approximately S$51,000 in 6M2029 was due mainly loan interest receivable accrued for loan granted, and interest to accrue effectively from 1 January 2020.

(iv) Administrative Expenses

Administrative expenses increased by approximately S$206,000 or 23.1% from S$888,000 in 6M2020 to S$1.1 million in 6M2020. This was primarily from higher (i) payroll expenses; (ii) legal and professional fees; and (iii) offset by lower depreciation and travelling expenses.

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(v) Finance Expense

Finance costs of S$565,000 was accrued in relation to loans granted to the Group in 6M2020 as compared to S$59,000 in 6M2019. This higher finance costs were primarily due to such finance costs were accounted for at year end for FY2019.

(vi) Other Expense

Other expenses comprise mainly realized and unrealized foreign exchange gains and losses, in net position. Higher unrealized foreign exchange loss was recorded at approximately S$22,000 in 6M2020 as compared to previous corresponding period at $15,000 and this was primarily due to the outstanding balances due from a subsidiary at reporting date against the Company's book balance.

STATEMENT OF FINANCIAL POSITION REVIEW

The Group's net liabilities stood at approximately S$9.9 million as at 30 June 2020 as compared to net liabilities of approximately S$8.4 million at the end of the immediately preceding financial year end, 31 December 2019. Key statement of financial position review as follows:

(i) Property, plant and equipment

All items of property, plant and equipment (including a freehold land and building in Japan) are initially recorded at cost, and subsequently measured at cost less accumulated depreciation. As at 30 June 2020, it stood at S$827,000 and the decrease of approximately S$60,000 was mainly due to depreciation of assets, offset by an increase in a corporate apartment as lease assets in the Company.

(ii) Trade and other receivables

Trade and other receivables increased by approximately S$168,00 from S$1.1 million as at 31 December 2019 to S$1.3 million as at 30 June 2020 mainly due to the loan interest receivables accrued as compared to previous corresponding period. Other current assets also increased by approximately S$188,000 from S$82,000 as at 31 December 2019 to S$270,000 as at 30 June 2020 was due to professional fees set aside for the proposed corporate exercise.

(iii) Trade and other payables

Trade and other payables stood at approximately S$3.3 million and S$2.8 million as at 30 June and 31 December 2019 respectively. The increase was due mainly to finance costs being accrued for the reporting period.

(iv) Loans and borrowings

Loans and borrowings stood at approximately S$9.4 million as at 30 June 2020, an increase of approximately S$1.7 million from S$7.7 million as at 31 December 2019. The increase was due mainly to additional loans granted by Solar Founder Ltd to provide for the Company's working capital requirements.

STATEMENT OF CASH FLOW REVIEW

Net cash used in operating activities was approximately S$1.3 million in 6M2020 as per previous corresponding period of S$602,000 in 6M2019. An increase by approximately S$693,000 and this was due mainly to higher loss recorded for the period.

Net cash generated from financing activities was approximately S$1.5 million in 6M2020. This was due mainly to increased loans undertaken for working capital requirements.

Accordingly, overall net increase in cash was approximately S$210,00 in 6M2020 while a net decrease of S$126,000 in 6M2019.

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.

10. A commentary on the significant trends and the 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.

With the global COVID outbreak still ongoing, tourism had been badly affected worldwide. Further to our 1Q2020 update, most countries have not lifted their travel restrictions and the Group believes that this pandemic will drastically affect the Group's performance for FY2020.

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

a) Any interim/(final) ordinary dividend has been declared/(recommended); and

None.

b) (i) Amount per share; and (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 dividends are determined.

No 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 2020 as the Company has incurred a net loss for 2Q2020.

13. If the Company has obtained a general mandate from shareholders for interested person transactions (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.

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.

16. Negative assurance confirmation of interim financial results pursuant to Rule 705(5) of the Listing Manual.

The Directors 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 2020 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Chong Chee Meng Gerard
Lead Independent Director

Singapore
12 August 2020