M DEVELOPMENT LTD
(Company Registration No. 200201764D)

Unaudited Half Year Financial Statement and Dividend Announcement for the period ended 30 June 2017

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 17 to 30 Jun 17 S$'000	1 Jan 16 to 30 Jun 16 S$'000	Increase / (Decrease) %
Revenue	2	349	nm
Other income	4	28	(86%)
Expenses	(647)	(1,008)	(36%)
Loss before tax	(641)	(631)	
Income tax credit	-	17	nm
Loss for the period	(641)	(614)	
Other comprehensive income, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation	(61)	(52)	
Total comprehensive loss	(702)	(666)	
Loss for the period attributable to			
Owners of the Company			
Loss attributable to owners of the Company	(639)	(496)	
Non-controlling interests			
Loss attributable to non-controlling interests	(2)	(118)	
	(641)	(614)	
Total comprehensive loss attributable to			
Owners of the Company			
Comprehensive loss attributable to owners of the Company	(700)	(548)	
Non-controlling interests			
Comprehensive loss attributable to non-controlling interests	(2)	(118)	
	(702)	(666)	

(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		Company	
	30 Jun 17 S$'000	31 Dec 16 S$'000	30 Jun 17 S$'000	31 Dec 16 S$'000
ASSETS				
Non–current assets				
Property, plant and equipment	-	1	-	1
Investments in subsidiaries	-	-	159	159
Total non-current assets	-	1	159	160
Current assets				
Other receivables and deposits	28	39	28	39
Prepayments	7	6	7	6
Cash and cash equivalents	8,774	9,781	7,443	8,381
Total current assets	8,809	9,826	7,478	8,426
Total assets	8,809	9,827	7,637	8,586
LIABILITIES				
Current liabilities				
Other payables and accruals	929	1,224	38	330
Income tax payable	9	30	9	30
Total current liabilities	938	1,254	47	360
Net current assets	7,871	8,572	7,431	8,066
EQUITY				
Share capital	46,226	46,226	46,226	46,226
Accumulated losses	(36,831)	(36,192)	(38,636)	(38,000)
Foreign currency translation reserve	58	119	-	-
	9,453	10,153	7,590	8,226
Non–controlling interests	(1,582)	(1,580)	-	-
	7,871	8,573	7,590	8,226
Total liabilities and equity	8,809	9,827	7,637	8,586

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

Amount repayable in one year or less, or on demand

As at 30 Jun 17		As at 31 Dec 16	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 30 Jun 17		As at 31 Dec 16	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
Nil	Nil	Nil	Nil

Details of any collateral

As at 30 June 2017, the Group have no loans payable.

(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 17 to 30 Jun 17 S$'000	1 Jan 16 to 30 Jun 16 S$'000
Operating activities		
Loss, before tax	(641)	(631)
Adjustments for:		
Depreciation of property, plant and equipment	1	1
Total adjustments	1	1
Operating cash flows before changes in working capital	(640)	(630)
Changes in working capital		
Decrease in other receivables and deposits	11	5
Increase in prepayments	(1)	-
Decrease in trade payables	-	(6)
Decrease in other payables and accruals	(296)	(31)
Cash flows used in from operations	(926)	(662)
Tax (paid)/refund	(21)	29
Net cash flows used in operating activities	(947)	(633)
Net decrease in cash and cash equivalents	(947)	(633)
Effect of exchange rate changes	(60)	(52)
Cash and cash equivalents at beginning of the period	9,781	3,735
Cash and cash equivalents at end of the period	8,774	3,050

(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.

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Share capital S$'000	Accumulated losses S$'000	Foreign currency translation reserve S$'000	Total S$'000	S$'000	S$'000
GROUP						
Balance as at 1 Jan 17	46,226	(36,192)	119	10,153	(1,580)	8,573
Total comprehensive loss for the period	-	(639)	(61)	(700)	(2)	(702)
Balance as at 30 Jun 17	46,226	(36,831)	58	9,453	(1,582)	7,871
Balance as at 1 Jan 16	46,226	(35,133)	82	11,175	(1,594)	9,581
Total comprehensive loss for the period	-	(496)	(52)	(548)	(118)	(666)
Balance as at 30 Jun16	46,226	(35,629)	30	10,627	(1,712)	8,915

	Share capital S$'000	Accumulated losses S$'000	Total equity S$'000
COMPANY			
Balance as at 1 Jan 17	46,226	(38,000)	8,226
Total comprehensive loss for the period	-	(636)	(636)
Balance as at 30 Jun 17	46,226	(38,636)	7,590
Balance as at 1 Jan 16	46,226	(36,725)	9,501
Total comprehensive loss for the period	-	(377)	(377)
Balance as at 30 Jun 16	46,226	(37,102)	9,124

(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 (31 December 2016).

(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.

	30 Jun 17 Number of ordinary shares	31 Dec 16 Number of ordinary shares
Balance at beginning and end of period	1,921,637,787	1,921,637,787

(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:-

	30 Jun 17	30 Jun 16
Loss attributable to ordinary shareholders (S$'000)	(700)	(548)
Weighted average and fully diluted ordinary shares for the purpose of calculating basic loss per share ('000)	1,921,638	1,921,638
Loss per share (cents)	(0.04)	(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 30 June 2017 and 31 December 2016.

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	
	30 Jun 17	31 Dec 16	30 Jun 17	31 Dec 16
Net asset value per ordinary share (cents)	0.41	0.45	0.39	0.43

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.

Statement of Comprehensive Income

For the six months ended 30 June 2017, the revenue of the Group dropped from $349,000 to $2,000 as compared to 1H2016. The revenue in 1H2016 was mainly generated from the interest income on the loan receivable of $7 million which has since been repaid.

Other income has decreased by $22,000 due to lower currency exchange gain from fluctuating exchange rates.

Expenses decreased by $361,000 mainly due to lower professional fees.

The Group recorded a net loss of S$702,000 for 1H2017 as compared to a net loss of S$666,000 for the same period in 2016. The increase in net loss was due to lower interest income.

Statements of Financial Position

Group

Current assets decreased by $1,017,000 mainly due to the reduction of cash used for payments of expenses.

Current liabilities decreased by $316,000 mainly due to the payment made for accrued payables.

Company

Current assets decreased by $948,000 mainly due to the reduction of cash used for payments of expenses.

Current liabilities decreased by $313,000 mainly due to the payment made for accrued payables.

Statement of Cash Flows

The Group reported a net cash of $947,000 used in operating activities for expenses incurred.

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 Board and management continue to look for and identify the right business for the Company in the next 12 months. The Company is currently evaluating several proposals and will make appropriate announcement in due course.

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.

There are no IPT mandate during the financial period.

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

To the best knowledge of the Board of Directors, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the half year ended 30 June 2017 to be false or misleading in any material respect.

15 Undertakings confirmation pursuant to Rule 720 (1) of the listing manual.

The Board of Directors of the Company hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

BY ORDER OF THE BOARD

Huang Wen-Lai
Executive Chairman

Li Liping
Executive Director

10 August 2017