



M M P RESOURCES LIMITED

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

VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

In compliance with Rule 704(5) of the SGX-ST Listing Manual of The Singapore Exchange Securities Trading Limited ("SGX-ST"), the Board of Directors of MMP Resources Limited (the "Company" or the "Group") refers to its full year financial results announcement for the financial year ended 31 December 2019 ("FY2019") made on 28 February 2020 via the SGXNET (the "Preliminary Unaudited Results")

Pursuant to Rule 704 (6) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Company wishes to announce that subsequent to the release of the Preliminary Unaudited Results on 28 February 2020, the details of the variances between the Preliminary Unaudited Results and Audited Financial Statements of the Company are shown below:

<u>Consolidated Statement of Comprehensive Income</u>	Per Audited Financial Statements	Per Preliminary Unaudited Results	Variance	Note
	\$'000	\$'000	\$'000	
Revenue	573	693	(120)	1
Cost of sales	(315)	(315)	-	
Gross Profit/(Loss)	258	378	(120)	
Other Income				
- Interest income	102	-	102	2
- Others	163	-	163	1
Other Gains and Losses				
- Others	(39)	(187)	148	3
Expenses				
- Administrative	(2,098)	(2,009)	(89)	4
- Finance	(606)	(121)	(485)	5
Loss before income tax	(2,220)	(1,939)	(281)	
Income tax expense	-	-	-	
Net loss attributable to equity holders of the Company	(2,220)	(1,939)	(281)	
Other Comprehensive Loss:				
Items that may be reclassified subsequently to profit or loss:				
- Currency translation difference arising from consolidation loss	(56)	(89)	33	6
	(56)	(89)	33	6
Total comprehensive loss attributable to equity holders of the Company	(2,276)	(2,028)	(248)	
Loss per share attributable to equity holders of the Company (cents per				
- Basic and diluted	(0.09)	(0.10)		

Notes:

1. Reclassification of subsidiary office rent being recharged and consulting fees as other income including reversal of liabilities for accruals that are no longer required.
2. Recognition of interest income for loan receivable that was omitted.
3. Audit adjustment pertained to the loss on sale of fixed asset and the recognition of unrealised loss from subsidiary.
4. Additional and late entries recorded arising from the late receipt of supporting documents due to COVID-19 situation at subsidiary. Further accruals of professional fees for the year.
5. Additional interest expenses registered for loans undertaken by the Group and that pertaining to FRS116.
6. Mainly due to currency conversion based on audited figures.

<u>Balance Sheet - Group</u>	Per Audited Financial Statements	Per Preliminary Unaudited Results	Variance	Note
	\$'000	\$'000	\$'000	
ASSETS				
Current Assets				
Cash and bank balances	261	261		
Financial assets, at fair value through profit or loss	*	*		
Trade and other receivables	1,141	1,020	121	1
Inventories	25	25		
Other current assets	82	89	(7)	1
	1,509	1,395	114	
Non-Current Assets				
Property, plant and equipment	887	594	293	2
Total Assets	2,396	1,989	407	
LIABILITIES				
Current Liabilities				
Trade and other payables	2,750	2,190	560	3
Borrowings	7,749	7,920	(171)	4
Lease liabilities	155	-	155	2
	10,654	10,110	544	
Non-Current Liabilities				
Lease liabilities	143	-	143	2
Total Liabilities	10,797	10,110	687	
NET LIABILITIES	(8,401)	(8,121)	(280)	
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share Capital	125,783	125,783		
Currency translation reserve	(66)	(89)	23	5
Accumulated losses	(134,118)	(133,815)	(303)	
Total Equity	(8,401)	(8,121)	(280)	

Notes:

1. Reclassification of prior year impairment adjustment and the reclassification of other receivables to other current assets.
2. Adjusted for the Rights-of-Use assets and lease liabilities under SFRS(I) 16 leases.
3. Additional accruals relating to interest expenses and professional fees for the year.
4. Reclassification of interest payable from loan to other payables.
5. Mainly due to currency conversion based on audited figures.

<u>Balance Sheet - Company</u>	Per Audited Financial Statements	Per Preliminary Unaudited Results	Variance	Note
	\$'000	\$'000	\$'000	
ASSETS				
Current Assets				
Cash and bank balances	78	78	-	
Financial assets, at fair value through profit or loss	*	*	-	
Trade and other receivables	2,352	2,246	106	1
Other current assets	64	59	6	n.m.
	2,494	2,383	111	
Non-Current Assets				
Investments in subsidiary corporations	1	1	-	
Property, plant and equipment	80	3	77	2
	81	4	77	
Total Assets	2,575	2,387	188	
LIABILITIES				
Current Liabilities				
Trade and other payables	2,495	2,048	447	3
Borrowings	6,641	6,641	-	
Lease liabilities	58	-	58	2
	9,164	8,689	505	
Non-Current Liabilities				
Lease liabilities	20	-	20	2
Total Liabilities	9,214	8,689	525	
NET LIABILITIES	(6,639)	(6,302)	(337)	
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share Capital	125,783	125,783	-	
Accumulated losses	(132,422)	(132,085)	(337)	
Total Equity	(6,639)	(6,302)	(377)	

Notes:

1. Reclassification of prior year impairment adjustment and the reclassification of other receivables to other current assets.
2. Adjusted for the Rights-of-Use assets and lease liabilities under SFRS(I) 16 leases.
3. Additional accruals relating to interest expenses and professional fees for the year.

<u>Consolidated Statement of Cash Flows</u>	Per Audited Financial Statements	Per Preliminary Unaudited Results	Variance	Note
	\$'000	\$'000	\$'000	
Cash flows from operating activities				
Net Loss	(2,220)	(1,939)	(281)	1
Adjustments for:				
Depreciation of property, plant and equipment	292	131	161	2
Finance expenses	606	121	485	3
Interest income	(102)	-	(102)	4
Loss on disposal of property, plant and equipment	45	-	45	5
Unrealised currency translation losses	(77)	(20)	(57)	6
	(1,456)	(1,707)	251	

Consolidated Statement of Cash Flows	Per Audited Financial Statements	Per Preliminary Unaudited Results	Variance	Note
	\$'000	\$'000	\$'000	
Continued from previous page				
<u>Changes in working capital:</u>				
Trade and other receivables	(35)	(17)	(19)	7
Inventories	(6)	(6)	-	
Other current assets	64	57	7	n.m.
Trade and other payables	291	326	35	
Cash used in operations	(1,143)	(1,347)	204	
Interest paid	(4)	(116)	112	4
Income tax paid	-	-	-	
Net cash used in operating activities	(1,147)	(1,463)	316	
Cash flows from investing activities				
Additions to property, plant and equipment	(4)	(2)	(2)	n.m.
Process from disposal of property, plant and equipment	27	28	(1)	n.m.
Net cash provided by/(used in) investing activities	23	26	(3)	
Cash flow from financing activities				
Proceeds from borrowings	1,333	1,504	(171)	8
Principal payment of lease liabilities	(135)	-	(135)	3
Interest paid	(7)	-	(7)	n.m.
Net cash provided by financing activities	1,191	1,504	(313)	
Net increase/(decrease) in cash and bank balance	67	67		
Cash and bank balances				
Beginning of financial year	194	194	-	
End of financial year	261	261	-	

Notes:

- Changes made pertained to the consolidated statement of comprehensive income.
- Additional accruals relating to interest expenses and professional fees for the year.
- Adjusted for the Rights-of-Use assets and lease liabilities under SFRS(I) 16 leases, together with its corresponding entries.
- Additional interest expenses registered for loans undertaken by the Group pertaining to FRS116
- Being disposal of property, plant and equipment, together with its corresponding entries.
- Mainly due to currency conversion based on audited figures.
- Reclassification of interest payable from loan to other payables.
- Accounted for the proceeds and interest element on borrowings quantum.

BY ORDER OF THE BOARD

Drew Ethan Madacsi
Non-Executive Chairman
14 May 2020