BM MOBILITY LTD.

Company Registration No. 200800853Z

UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2018

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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.

The Group's current operations are principally conducted in the People's Republic of China ("PRC") and Malaysia. Accordingly, the consolidated financial statements have been prepared in Chinese Renminbi ('RMB"), being the functional currency of the Group.

		GROUP		
		3-months ended		
		Unaudited 31-Mar-18	Unaudited 31-Mar-17	Increase/ (Decrease)
	Note	RMB' 000	RMB' 000	%
Revenue	8(a)(i)	1,724	8,062	-78.6%
Cost of sales	8(a)(ii)	(801)	(7,611)	-89.5%
Gross profit	8(a)(iii)	923	451	104.6%
Other income		-	3	-100.0%
Selling and distribution expenses	8(a)(iv)	(714)	(1,111)	-35.7%
Administrative expenses	8(a)(v)	(2,863)	(2,314)	23.7%
Other operating expenses	8(a)(vi)	(1,426)	(4,344)	-67.2%
Loss before taxation		(4,080)	(7,315)	-44.2%
Taxation		-	-	n.m.
Net loss for the period		(4,080)	(7,315)	-44.2%
Other comprehensive income				
Foreign currency translation		437	-	n.m.
				n.m.
Total comprehensive loss for the period		(3,643)	(7,315)	-50.2%
Net loss attributable to:				
Equity holders of the Company		(4,092)	(7,315)	-44.1%
Non-controlling interests		12	-	n.m.
		(4,080)	(7,315)	-44.2%
Total comprehensive loss attributable to:				
Equity holders of the Company		(3,628)	(7,315)	-50.4%
Non-controlling interests		(15)	-	n.m.
	8(a)(vii)	(3,643)	(7,315)	-50.2%

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1 (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.

	Note	GROUP		COMPANY	
		Unaudited	Audited	Unaudited	Audited
		31-Mar-18	31-Dec-17	31-Mar-18	31-Dec-17
		RMB' 000	RMB' 000	RMB' 000	RMB' 000
ASSETS					
Non-current assets					
Goodwill		3,303	-	-	-
Intangible asset		9,264	-	-	-
Property, plant and equipment		2,429	1,237	-	-
Investment in subsidiaries		-	-	8,493	-
Investment in associated company		-	4,847	-	5,843
Investment in Sichuan Heng Rui Industrial		180	-	-	-
Deferred tax assets		740	-	-	-
	8(b)(i)	15,916	6,084	8,493	5,843
Current assets					
Inventories		599	116	-	-
Trade and other receivables		12,544	12,825	8,004	1,468
Other current assets		22	193	21	21
Cash and cash equivalents		9,861	3,157	3,734	440
	8(b)(ii)	23,026	16,291	11,758	1,929
TOTAL ASSETS		38,942	22,375	20,251	7,772
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital		209,578	195,561	209,578	195,561
Statutory reserve		42,794	42,794	-	-
Accumulated losses		(253,799)	(250,169)	(195,454)	(194,736)
Non-controlling interest		4,438	-	-	-
Total equity		3,011	(11,814)	14,124	825
LIABILITIES					
Current					
Trade and other payables		35,931	34,189	6,127	6,947
Income tax payable		-	-	-	-
Total liabilities	8(b)(iii)	35,931	34,189	6,127	6,947
TOTAL EQUITY AND LIABILITIES		38,942	22,375	20,251	7,772

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:

A. The amount repayable in one year or less, or on demand;

None

B. The amount repayable after one year;

None

C. whether the amounts are secured or unsecured; and

None

D. Details of any collaterals.

Not Applicable

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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.

	Quarter ended	
	Unaudited 31-Mar-18	**Unaudited 31-Mar-17**
	RMB'000	**RMB'000**
Cash flows used in operating activities:		
Loss before taxation	(4,080)	(7,315)
Adjustments for:		
Interest income	-	(2)
Depreciation of property, plant and equipment	233	1,024
Amortisation of intangible assets	343	134
Allowance for impairment of inventories	1	-
Bad debts written-off	1	-
(Gain) / loss on disposal of property, plant and equipment	-	59
Allowance for impairment loss of trade and other receivables	-	4,285
Loss of deemed disposal of asssociate	1,397	-
Operating cash flow before working capital changes:	(2,105)	(1,815)
Changes in working capital		
Inventories	413	298
Trade and other receivables	1,189	(3,744)
Other current assets	171	(127)
Trade and other payables	(3,370)	4,388
Cash (used in)/generated operations	(3,702)	(1,000)
Interest received	-	2
Net cash (used in)/generated operating activities	(3,702)	(998)
Cash flows for investing activities:		
Net cash outflow on acquisition of subsidiaries	(3,431)	-
Purchase of property, plant and equipment	(31)	-
Purchase of intangible assets	(2)	-
Proceed from disposal of property, plant and equipment	-	119
Net cash flows (used in)/generated from investing activities	(3,464)	119
Cash flows from financing activities:		
Net proceeds from shares issued	14,017	-
Net cash flows (used in)/generated from financing activities	14,017	-
Net decrease in cash and cash equivalents	6,851	(879)
Cash and cash equivalents at beginning of financial period	3,157	2,798
Effects of exchange rate changes on cash and cash equivalent	(147)	-
Net increase/(decrease) in Cash and cash equivalents at end of financial period	9,861	1,919

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1 (d)(i) A statement (for the Group and Company) 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.

2018 The Group	Share capital RMB'000	Statutory reserve RMB'000	Accumulated losses RMB'000	Foreign currency translation reserve RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
Balance at 1 January 2018	195,561	42,794	(250,169)	-	(11,814)	-	(11,814)
Loss for the year	-	-	(4,092)	-	(4,092)	12	(4,080)
Other comprehensive income for the year							
- Foreign currency translation				462	462	(27)	435
- Share of other comprehensive income of associates					-		-
- Other comprehensive income for the year, net of tax					-		-
Total comprehensive loss for the year	-	-	(4,092)	462	(3,630)	(15)	(3,645)
Contributions by and distributions to owners							
- Rights issue of warrants, net of expenses	14,017				14,017		14,017
Total contributions by and distributions to owners	14,017	-	-	-	14,017		14,017
Changes in ownership interests in subsidiaries							
- Acquisition of subsidiary	-	-	-	-	-	4,453	4,453
Closing balance at 31 March 2018	**209,578**	**42,794**	**(254,261)**	**462**	**(1,427)**	**4,438**	**3,011**
2017 **The Group**							
Balance at 1 January 2017	185,637	42,794	(142,433)	-	85,998	-	85,998
Loss for the year	-	-	(7,315)	-	(7,315)		(7,315)
Other comprehensive income for the year							
- Foreign currency translation					-		-
- Share of other comprehensive income of associates					-		-
- Other comprehensive income for the year, net of tax					-		-
Total comprehensive loss for the year	-	-	(7,315)	-	(7,315)	-	(7,315)
Contributions by and distributions to owners							
- Issuance of shares, net of expenses	5,976				5,976		5,976
- Shares issuance expenses					-		-
Total contributions by and distributions to owners	5,976	-	-	-	5,976		5,976
Closing balance at 31 March 2017	**191,613**	**42,794**	**(149,748)**	**-**	**84,659**	**-**	**84,659**
2018 **The Company**							
Balance at 1 January 2018	195,561	-	(194,736)	-	825	-	825
Profit for the year	-	-	(709)	(9)	(718)	-	(718)
Contributions by and distributions to owners							
- Rights issue of warrants, net of expenses	14,017				14,017	-	14,017
- Shares issuance expenses					-		
Total contributions by and distributions to owners	14,017	-	-	-	14,017	-	14,017
Closing balance at 31 March 2018	**209,578**	**-**	**(195,445)**	**(9)**	**14,125**	**-**	**14,125**
2017 **The Company**							
Balance at 1 January 2017	185,637	-	(127,453)	-	58,184	-	58,184
Profit for the year		-	(272)	-	(272)	-	(272)
Contributions by and distributions to owners							
- Issuance of shares, net of expenses	5,976				5,976	-	5,976
- Shares issuance expenses					-	-	-
Total contributions by and distributions to owners	5,976	-	-	-	5,976	-	5,976
Closing balance at 31 March 2017	**191,613**	**-**	**(127,725)**	**-**	**63,888**	**-**	**63,888**

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 also the number of shares that may be issue 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 immediately preceding financial year.

	31 March 2018		31 March 2017	
	Number of ordinary shares	Share capital (RMB'000)	Number of ordinary shares	Share capital (RMB'000)
At the end of the period	468,268,732	209,578	437,517,184	191,613

The Company's share capital increased since the end of the previous reporting period due to the rights issue of warrants in Q1 FY2018. There were no outstanding convertible or treasury shares held as at 31 March 2018 and 31 December 2017

	Company	
	31 March 2018	31 December 2017
No. of ordinary shares in issue	468,268,732	467,926,732

The Company issued new ordinary shares of 342,000 pursuant to a conversion of 342,000 warrants by its shareholder in Q1 FY2018.

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.

The Company does not have treasury shares as at 31 March 2018 and 31 December 2017.

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.

These figures have not been audited or reviewed by the Company's 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.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year as compared with the audited financial statements for the year ended 31 December 2017, except for the adoption of the new Singapore Financial Reporting Standards (International) ("SFRS(I)") which became effective for financial periods beginning on or after 1 January 2018.

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

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. (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).

	Quarter ended	
	Unaudited 31-Mar-18	**Unaudited 31-Mar-17**
Loss after taxation (in RMB'000)	(3,643)	(7,315)
Weighted average number of ordinary shares in issue (in '000)	467,988	404,908
Loss per share (RMB cents)		
- Basic	(0.78)	(1.81)
- Fully diluted	(0.78)	(1.81)

7. Net asset value (for the Group and the Company) 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	
	Unaudited 31-Mar-18	**Audited 31-Dec-17**	**Unaudited 31-Mar-18**	**Audited 31-Dec-17**
Net asset value (in RMB'000)	3,011	(11,814)	14,124	825
Number of ordinary shares in issue at end of the period (in '000)	468,269	467,297	468,269	467,927
Net asset value per share (in RMB cents)	0.64	(2.53)	3.02	0.18

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

Commentary on Financial Results

(i) Revenue

Following the approval by shareholders on 2 January 2018 for the diversification into the Green Energy business, in Q1 FY2018, the Company posted a revenue of RMB 1.7 million from the Green Energy business.

In Q1 FY2018, the Company's revenue decreased by approximately RMB 6.3 million or 78.6% from RMB 8.1 million in Q1 FY2017 to RMB 1.7 million. During this period, the Company's existing business of producing raw materials ("raw materials business") yielded no revenue. There was no production in Q1 FY2018.

(ii) Cost of Sales

In Q1 FY2018 the cost of sales declined by approximately RMB 6.8 million or 89.5% from RMB 7.6 million in Q1 FY2017 to RMB 0.8 million in Q1 FY2018.

The Cost of sales in this quarter is from the Green Energy business which comprise mainly service and maintenance costs, parts and accessories costs, cost of goods, utility costs, direct labour costs and other direct overheads.

The cost structure for the Green Energy business is lower as compared to the raw materials business.

(iii) Gross Profit

In Q1 FY2018, the Company's gross profit increased by approximately RMB 472 thousand or 104.6% from RMB 451 thousand in Q1 FY2017 to RMB 923 thousand. The Company's gross profit of 53.5% is attributed to the Green Energy business. The Electric Charging and the bike sharing business are the major contributors to the profit in this quarter.

(iv) Selling and Distribution Expenses

Selling and distribution expenses comprise mainly transportation costs, salaries, entertainment expenses, advertisement expenses, sales related tax, travelling expenses and depreciation expenses. Selling and distribution expenses decreased by approximately RMB 0.4 million or 35.7% to RMB 0.7 million in Q1 FY2018, inclusive of RMB 350 thousand expenses from the raw material business due to fixed recurring costs.

(v) Administrative Expenses

Administrative expenses comprise mainly salaries, staff welfare, general office expenses, insurance, professional fees, travelling expenses and depreciation expenses. Administrative expenses increased by approximately RMB 0.6 million from RMB 2.3 million in Q1 FY2017 to RMB 2.9 million in Q1 FY2018. The increase in administrative cost is mainly due to the increase in professional fees.

(vi) Other Operating Expenses

Other operating expenses for the Q1 FY2018 was RMB 1.4 million as compared to RMB 4.3 million for Q1 FY2017. There is no provision for impairments or write downs in this quarter. The RMB 1.4 million is the recognition of the loss of deemed disposal of associate in accordance to IFRS 3 when the Company increased its shares in Estar Investments Pte Ltd from 45% to 65%.

(vii) Operating Results (Before allocation of common expenses)

The Company's Green Energy business posted a profit of RMB 50 thousand in Q1 FY2018. Whereas the raw materials business suffered a loss of RMB 2.0 million.

As a result of the inclusion of the Green Energy business, the Group's total comprehensive loss reduced by half from RMB 7.3 million in Q1 FY2017 to RMB 3.6 million in Q1 FY2018.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Commentary on Financial Position

(i) Non-Current Assets

Non-current assets for Q1 FY2018 was RMB 15.9 million compared to the RMB 6.08 million for the year ended 31 December 2017. The increase in non-current assets is mainly due to the recognition of RMB 9.3 million of intellectual property rights of the non-patented technology of Beijing E-star Electric Technology Co. Ltd. based on the valuation report dated 26 April 2016.

(ii) Current Assets

Current assets increased by approximately RMB 6.7 million from RMB 16.3 million as at 31 December 2017 to RMB 23.0 million as at 31 March 2018. The increase in current assets is due to the increase in Cash and cash equivalents of approximately RMB 6.7 million.

Trade and other receivables decreased by approximately RMB 281 thousand from RMB 12.8 million as at 31 December 2017 to RMB 12.5 million as at 31 March 2018, due to the collection of debt by the raw materials business.

(iii) Current Liabilities

Trade and other payables increased by approximately RMB 1.7 million from RMB 34.2 million as at 31 December 2017 to RMB 35.9 million as at Q1 FY2018. The increase was largely accounted for by the increase of professional fees in preparation for the various planned corporate actions.

(iv) Commentary on Statement of Cashflows

The Group's cash and cash equivalent increased to RMB 9.9 million as at Q1 FY2018 from RMB 1.9 million as at Q1 FY2017. The increase is due to the proceeds from the rights issue of warrants.

(v) Use of Proceeds – Rights issue of warrants

Description	RMB	RMB
Rights issue of warrants 19 February 2018		**14,819,832**
Less: Share issue expenses		819,136
SGX Listing Fee	181,758	
Professional and other fees	637,379	
Use of proceeds		
Operating Expenses (Professional fee, Administrative expenses, Salaries, etc.)		4,968,615
General corporate purposes		3,263,395
65% Acquisition of Estar Investments Pte Ltd	1,882,607	
99.99% Acquisition of Wanted Marketing Communications Sdn Bhd	1,380,788	
Balance as at 31 March 2018		**5,768,686**

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No variance.

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.

In light of the continued losses from the raw materials business, the Company will cease and discontinue this business and seek a buyer for this business.

This will allow the Company to focus on the Green Energy Business.

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

Not applicable.

(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)

None.

(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 for the period ended 31 March 2018.

13. Interested Person Transactions ("IPT")

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 of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Nil	Nil	Nil

The Company does not have a general mandate from shareholders for IPT.

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

The Board of Directors of the Company hereby confirm that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results of the Company and of the Group for the first quarter and three months ended 31 March 2018 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Wilson Chua
General Manager for Finance and Admin
9 May 2018