M DEVELOPMENT LTD
(Company Registration No. 200201764D)

Unaudited Full Year Financial Statement and Dividend Announcement for the year ended 31 December 2016

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 16 to 31 Dec 16 S$'000	1 Jan 15 to 31 Dec 15 S$'000	Increase / (Decrease) %
Continuing operations			
Revenue	527	700	(25%)
Other income	21	85	(75%)
General and administrative expenses	(581)	(688)	(16%)
Other expenses	(1,029)	(1,012)	2%
Loss before tax from continuing operations	(1,062)	(915)	
Income tax income/(expense)	17	(49)	nm
Loss from continuing operations, net of tax	(1,045)	(964)	
Discontinued operations			
Loss from discontinued operation, net of tax	-	(2,266)	
Loss for the year	(1,045)	(3,230)	
Other comprehensive income, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation	37	83	
Total comprehensive loss	(1,008)	(3,147)	
Attributable to			
Owners of the Company			
Loss for the year attributable to owners of the Company	(1,022)	(1,866)	
Non-controlling interests			
Profit for the year attributable to non-controlling interests	14	(1,281)	
	(1,008)	(3,147)	

(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	
	31 Dec 16 S$'000	31 Dec 15 S$'000	31 Dec 16 S$'000	31 Dec 15 S$'000
ASSETS				
Non–current assets				
Property, plant and equipment	1	2	1	-
Investments in subsidiaries	-	-	159	159
Total non-current assets	1	2	160	159
Current assets				
Other receivables and deposits	39	202	39	202
Loan receivable	-	7,000	-	7,000
Prepayments	6	-	6	-
Income tax recoverable	-	12	-	-
Cash and cash equivalents	9,781	3,735	8,381	2,334
Total current assets	9,826	10,949	8,426	9,536
Total assets	9,827	10,951	8,586	9,695
LIABILITIES				
Current liabilities				
Trade payables	-	334	-	145
Other payables and accruals	1,224	987	330	-
Income tax payable	30	49	30	49
Total current liabilities	1,254	1,370	360	194
Net current assets	8,572	9,579	8,066	9,342
EQUITY				
Share capital	46,226	46,226	46,226	46,226
Accumulated losses	(36,192)	(35,133)	(38,000)	(36,725)
Foreign currency translation reserve	119	82	-	-
	10,153	11,175	8,226	9,501
Non–controlling interests	(1,580)	(1,594)	-	-
	8,573	9,581	8,226	9,501
Total liabilities and equity	9,827	10,951	8,586	9,695

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

Amount repayable in one year or less, or on demand

As at 31 Dec 16		As at 31 Dec 15	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 31 Dec 16		As at 31 Dec 15	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
Nil	Nil	Nil	Nil

Details of any collateral

As at 31 December 2016, 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 16 to 31 Dec 16 S$'000	1 Jan 15 to 31 Dec 15 S$'000
Operating activities		
Loss from continuing operations, before tax	(1,062)	(915)
Loss from discontinued operations, before tax	-	(2,269)
Loss before tax, total	(1,062)	(3,184)
Adjustments for:		
Depreciation of property, plant and equipment	2	377
Property, plant and equipment written off	-	13
Gain arising from liquidated subsidiaries	-	(1,808)
Interest expense	-	28
Interest income	(527)	(700)
Realised currency translation gain	-	(1)
Provision for reinstatement costs	-	112
Total adjustments	(525)	(1,979)
Operating cash flows before changes in working capital	(1,587)	(5,163)
Changes in working capital		
Decrease in trade receivables	-	5,546
Decrease in other receivables and deposits	163	122
(Increase)/decrease in prepayments	(6)	37
Decrease in amounts due from related companies	-	7,504
Decrease in trade payables	(334)	(6,639)
Increase/(decrease) in other payables and accruals	237	(3,013)
Decrease in provisions and advances	-	(112)
Cash flows used in from operations	(1,527)	(1,718)
Interest paid	-	(28)
Interest received	527	677
Tax refund/(paid)	10	(101)
Net cash flows used in operating activities	(990)	(1,170)
Investing activities		
Purchase of property, plant and equipment	(1)	(11)
Net cash outflow arising from liquidated subsidiaries	-	(259)
Receipt of loan receivable's principal amount	7,000	-
Net cash flows generated from/(used in) investing activities	6,999	(270)
Financing activities		
Proceeds from loans and borrowings	-	665
Repayment of loans and borrowings	-	(1,119)
Net cash flows used in from financing activities	-	(454)
Net increase/(decrease) in cash and cash equivalents	6,009	(1,894)
Effect of exchange rate changes	37	83
Cash and cash equivalents at beginning of the year	3,735	5,546
Cash and cash equivalents at end of the year	9,781	3,735

(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 15	46,226	(33,184)	(1)	13,041	(313)	12,728
Liquidation of subsidiaries	-	-	-	-	886	886
Total comprehensive loss for the year	-	(1,949)	83	(1,866)	(2,167)	(4,033)
Balance as at 31 Dec 15 and 1 Jan 16	46,226	(35,133)	82	11,175	(1,594)	9,581
Total comprehensive loss for the year	-	(1,059)	37	(1,022)	14	(1,008)
Balance as at 31 Dec 16	46,226	(36,192)	119	10,153	(1,580)	8,573

	Share capital S$'000	Accumulated losses S$'000	Total equity S$'000
COMPANY			
Balance as at 1 Jan 15	46,226	(32,895)	13,331
Total comprehensive loss for the year	-	(3,830)	(3,830)
Balance as at 31 Dec 15 and 1 Jan 16	46,226	(36,725)	9,501
Total comprehensive loss for the year	-	(1,275)	(1,275)
Balance as at 31 Dec 16	46,226	(38,000)	8,226

(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 2015).

(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.

	31 Dec 16	31 Dec15
	Number of ordinary shares	Number of ordinary shares
Balance at beginning and end of year	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:-

	31 Dec 16	31 Dec 15
Loss attributable to ordinary shareholders (S$'000)	(1,059)	(1,866)
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)	(0.06)	(0.10)

(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 31 December 2016 and 31 December 2015.

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	
	31 Dec 16	31 Dec 15	31 Dec 16	31 Dec 15
Net asset value per ordinary share (cents)	0.45	0.50	0.43	0.49

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

On 3 August 2015 and 4 August 2015, the subsidiaries of Winsta Holding Pte Ltd ("Winsta Holding") were placed under creditors' voluntary liquidation. Accordingly, the performances of Winsta Holding's subsidiaries for FY2015 were classified as discontinued operations.

For the year ended 31 December 2016, the revenue of the Group decreased from $700,000 to $527,000. Revenue in FY2016 was interest income derived from the loan receivable of $7 million for the period from 1 January 2016 to 29 September 2016 while revenue for FY2015 was for interests derived from the same loan for the full financial year.

Other operating income has decreased by $64,000 due to lower currency exchange gain from fluctuating exchange rates.

Administrative and other expenses decreased by $90,000 mainly due to lower staff costs.

The Group narrowed its loss to $1,045,000 from $3,230,000 a year ago, due mainly to management decision to discontinue its loss making hostel management business.

Statements of Financial Position

Group

Current assets decreased by $1,123,000 mainly due to the reduction of cash used for payments of its expenses.

Current liabilities decreased by $116,000 mainly due to the payment of trade and other payables such as accrued expenses for FY2015 and corporate expenses.

Company

Current assets decreased by $1,110,000 mainly due to the reduction of cash used for payments of its expenses.

Current liabilities increased by $166,000 mainly due to the accrual of professional fees.

Statement of Cash Flows

The Group reported a net cash increase of $6,009,000 mainly due to receipt of repayment of Visualedge loan of $7 million offset by payment of professional fees and corporate expenses.

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 are determined to 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 year.

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

Not applicable for full-year financial results announcement.

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.

Part 2 ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCMENT

16 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

In FY2016, the Group derived its revenue from interest income received on Visualedge loan which was fully repaid on 29 September 2016.

In FY2015, most of the Group's revenues were derived from the accommodation services provided by the subsidiaries of Winsta Holding in Singapore, which have been reclassified to discontinued operations following the commencement of liquidation of the subsidiaries.

17 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable, please refer to Section 16 above.

18 A breakdown of sales as follows:-

Not applicable, please refer to Section 16 above.

19 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Not applicable.

20 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Huang Tzu-Ting	25	Daughter of Huang Wen-Lai	• Business Development Manager • Director in subsidiaries	Resigned as Business Development Manager and Director in subsidiaries with effect from 8 April 2016

BY ORDER OF THE BOARD

Huang Wen Lai
Executive Chairman
28 February 2017

Li Liping
Executive Director