Development Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 200201764D)

UPDATE ON NOTIFICATION OF INTERNAL AUDIT OF SUBSIDIARIES

On 9 April 2015, the Board of Directors of M Development Ltd (the "Company") announced that we have taken steps to conduct an inquiry into the operations and affairs of the Company's subsidiary, Winsta Holdings Pte Ltd and its group of companies (collectively referred to as "Winsta Group").

The accounting firm of KordaMentha Pte Ltd ("KordaMentha") was appointed to review the records and documents of the Winsta Group. KordaMentha has yet to complete its review, but has provided an interim report on their preliminary findings. KordaMentha has highlighted several suspected undisclosed interested party transactions which require further investigations. KordaMentha has been instructed to expedite and complete its review.

The Company and the Winsta Group have appointed the law firm of Rajah & Tann Singapore LLP to act for and advise them on taking all necessary steps to protect their interests and those of their stakeholders. In the meantime, the Company has put in place measures to closely monitor the operations and finances of the Winsta Group.

The Company would like to notify all its shareholders and business partners that the business and operations of the Company are not affected by the ongoing inquiry and shall continue as usual.

BY ORDER OF THE BOARD
M DEVELOPMENT LIMITED

Huang Wen-Lai
Executive Chairman and Director
5 May 2015