Development Limited

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

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(1) INTENTION TO TRANSFER LISTING TO THE CATALIST SPONSORED REGIME

(2) APPROVAL FOR EXTENSION OF TIME FOR THE REVIEW M DEVELOPMENT LTD BASED ON THE MINIMUM TRADING PRICE ("MTP") CRITERION

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1. INTRODUCTION

The board of directors (the "**Board**") of M Development Ltd (the "**Company**") wishes to announce that the Company intends to undertake the proposed transfer ("**Proposed Transfer**") of the listing of the Company from the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") to Catalist, the sponsor-supervised listing platform of the SGX-ST ("**Catalist**"). In connection therewith, on 23 February 2016, the Company applied to the SGX-ST to seek a waiver ("**Waiver**") from the application of Rule 1311(2) of the Listing Manual of the SGX-ST ("**MTP Entry Criterion**").

2. PROPOSED TRANSFER

2.1 The Board believes that the Proposed Transfer will provide the Company with a more suitable platform for the listing and trading of shares as the Catalist provides a more conducive listing platform for companies who require a flexible regulatory system to float their shares. In light of this, the Board is of the view that the Proposed Transfer and a listing on the Catalist will position the Company appropriately and better allow the Company to attract investors in the future.

2.2 The Proposed Transfer is subject to, *inter alia*, the following:

(a) the approval of the shareholders of the Company ("**Shareholders**") for the Proposed Transfer at an extraordinary general meeting ("**EGM**") to be convened; and

(b) the in-principle approval of the SGX-ST for the Proposed Transfer.

The Company will make an application to the SGX-ST in relation to the Proposed Transfer in due course. The Company will provide updates to the Shareholders on the outcome of the application in respect of the Proposed Transfer and as and when there are any material developments.

3. WAIVER

3.1 Pursuant to the Company's application for the Waiver, the SGX-ST had on 26 February 2016 informed the Company that it had no objection to granting an extension of time of six (6) months to the Company for the date of its watch-list review for the MTP Entry Criterion review date to be extended to 1 September 2016 subject to the Company making this announcement and the following:

(a) the Company announcing the Proposed Transfer and the indicative timeline of the Proposed Transfer;

(b) the Company announcing the period of extension granted, the reasons for seeking the extension of time and the conditions as required under Rule 107 of the Listing Manual of the SGX-ST;

(c) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company; and

(d) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company.

The Company will be providing the above confirmations to the SGX-ST shortly.

3.2 The Company had requested for the Waiver for the following reasons:

(a) Pursuant to Paragraph 3.1 of Practice Note 13.2 of the Listing Manual of the SGX-ST, an issuer placed on the watch-list under the MTP Entry Criterion can exit from the watch-list by a transfer to Catalist. The Company's proposed sponsor is presently in the process of conducting its sponsorship due diligence on the Company. The sponsorship due diligence as at 23 February 2016 (being the date of the application for the Waiver) included *inter alia*, (a) conducting litigation searches on the Company and its Singapore-incorporated subsidiaries and certain of the Company's directors and key executive officers, (b) conducting interview meetings with the Company's directors and key executive officers, and (c) furnishing to the company a checklist containing requests for information and documents for the proposed sponsor's review to satisfy itself that, amongst others, Rule 226(1) and Practice Note 2B of Section B: Listing Manual of the SGX-ST have been complied with.

(b) Furthermore, it is envisaged that the sponsorship due diligence exercise will be completed in early March 2016, such that the application to SGX-ST for the Proposed Transfer shall be made by then. The Company intends to hold the EGM to seek Shareholders' approval for the Proposed Transfer together with its annual general meeting by end-April 2016. Accordingly, subject to the sponsorship due diligence being satisfactory and with the approval of the SGX-ST and Shareholders, it is likely that the transfer would take place by end-April 2016, which is a short time of two (2) months after the intended date of its inclusion into the watch-list.

4. CAUTION IN TRADING

Shareholders are advised to exercise caution when trading their shares as there is no certainty or assurance as at the date of this announcement that approval for the Proposed Transfer will be obtained or if the Proposed Transfer will be undertaken at all. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities. When in doubt, Shareholders and potential investors of the Company are advised to seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers.

BY ORDER OF THE BOARD
M DEVELOPMENT LIMITED

Huang Wen-Lai
Executive Chairman and Director
29 February 2016