Development Limited

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

RULE 1018(2) – UPDATE TO SHAREHOLDERS

The Board of Directors ("**Board**") of M Development Ltd ("**Company**") refers to its announcements dated 7 September 2017, 7 September 2018, 15 September 2018 and 28 November 2018.

1. Background

Following the Company's announcement on 7 September 2017, the Company was designated as a cash company as defined by Rule 1018 of the Listing Manual and trading in the Company's securities was suspended after 5.05 p.m. on 11 September 2017.

On 7 September 2018, the Company announced that it had on 15 August 2018 entered into a non-binding memorandum of understanding ("**MOU**") in relation to the proposed acquisition by the Company of no less than 51% of the issued and paid-up share capital in Hao Yuan Leather (Taishan) Co., Ltd from H.Y. Holdings Limited ("**Vendor**") (hereinafter referred to as the "**RTO**").

On 15 September 2018, the Company announced that the Singapore Exchange Limited ("**SGX-ST**") had granted the Company an extension of time to meet the requirements for a new listing under Rule 1018(2) of the Listing Manual ("**Extension**"). The Extension was granted until 7 March 2019 ("**Waiver**") subject to, *inter alia*, the following conditions ("**Waiver Conditions**"):

(a) the Company announcing the signing of a definitive sale and purchase agreement in respective of the RTO no later than 30 November 2018;

(b) the appointment of a financial advisor for the RTO by 30 November 2018;

(c) the submission of the circular to be issued to the shareholders of the Company ("**Shareholders**") containing information in respect of the RTO ("**Circular**") to SGX-ST no later than 31 January 2019; and

(d) the despatch of the Circular no later than 31 March 2019.

On 28 November 2018, the Company announced that after further due diligence and negotiations following the signing of the MOU, the Company and the Vendor have mutually agreed not to proceed with the RTO, and have ceased discussions in relation to the RTO.

2. Rule 1018(2)

On 5 December 2018, the Company was informed by SGX-ST that as the Waiver Conditions will not be met, the Waiver was no longer effective.

Pursuant to Rule 1018(2) of the listing manual of SGX-ST ("**Listing Manual**"), no further extension will be granted and the Company will be removed from the Official List of SGX-ST, and a cash exit offer in accordance with Rule 1309 of the Listing Manual ("**Cash Exit Offer**") should be made to Shareholders within 6 months.

The Company is considering all available options and will, in compliance with the relevant requirements under the Listing Manual, make further announcement(s) to update Shareholders on any material developments, including the Cash Exit Offer.

BY ORDER OF THE BOARD
M DEVELOPMENT LIMITED

Huang Wen-Lai
Executive Chairman and Director
7 December 2018