



MDR Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 200009059G)

(A) PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE

(B) PROPOSED DIVERSIFICATION OF THE GROUP'S CORE BUSINESSES TO INCLUDE THE NEW BUSINESSES

- RECEIPT OF IN-PRINCIPLE APPROVAL

1. INTRODUCTION

1.1 The board of directors (the "**Board**") of mDR Limited (the "**Company**") refers to the Company's announcements dated 11 August 2017, 25 October 2017 and 12 December 2017 (the "**Previous Announcements**") in relation to the Rights cum Warrants Issue, the Proposed Diversification and the Revised Rights cum Warrants Issue.

1.2 Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Previous Announcements.

1.3 As stated in the announcement dated 12 December 2017, the Company had, on the same day, submitted an application for the dealing in, listing of and quotation for the Rights Shares, the Warrants and the Warrant Shares on the Mainboard of the SGX-ST under the Revised Rights cum Warrants Issue, to the SGX-ST.

2. RECEIPT OF IN-PRINCIPLE APPROVAL

2.1 The Board is pleased to announce that the Company has today received the in-principle approval ("**AIP**") of the SGX-ST for the dealing in, listing of and quotation for, up to 25,056,482,168 Rights Shares, 225,508,339,512 Warrants and 225,508,339,512 Warrant Shares on the Mainboard of the SGX-ST. The AIP of the SGX-ST is subject to the following:

- (a) Compliance with the SGX-ST's listing requirements;
- (b) Shareholders' approval for the Revised Rights cum Warrants Issue and the Proposed Diversification;
- (c) A written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Revised Rights cum Warrants Issue and from the exercise of the Warrants and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on the use of proceeds and in the annual report;

- (d) A written undertaking from the Company that it will comply with the confirmation given under Listing Rule 877(10) with regards to the allotment of any excess Rights Shares;
- (e) A written undertaking from the Company that it will implement the internal controls as follows:
- (1) On a quarterly basis until such time the entire proceeds from the issue of the Rights Shares and the exercise of the Warrants have been used up ("**Rights and Warrants Expiry Timeline**"), announce:
- (a) the number of Tranche 1 Warrants, Tranche 2 Warrants and Tranche 3 Warrants that have been exercised;
- (b) the proceeds raised from the exercise of the Warrants; and
- (c) the status of the use of such proceeds,
- together with a confirmation from the external auditors of the Company that the information set out in such announcement has been verified.
- (2) Further, in relation to the use of proceeds the external auditors of the Company will, on a quarterly basis during the Rights and Warrants Expiry Timeline, verify:
- (a) the cash balance in the designated bank account holding the proceeds from the Revised Rights cum Warrants Issue (which will be a separate bank account), based on bank statement(s);
- (b) for acquisitions and investments made pursuant to the Property Business, with the Singapore Land Authority ("**SLA**") the ownership of the land titles of the properties that the Company has acquired ("**Property Verification**") via SLA's online searches; and
- (c) for investments made pursuant to the Investment Business, securities with the custodian banks that the Company holds its securities through, based on bank statement(s),
- and notify the Audit Committee and the Board of the Company and the SGX-ST, if the SGX-ST so requires, of the results of such verification. The Company will announce the information that has been verified by the external auditors and if so required by the SGX-ST, release the reports prepared by the external auditors in respect of such verification.
- (3) As an additional measure upon the commencement of the New Businesses, for withdrawals of amounts above S\$5.0 million, an Independent Director shall be one of the dual signatories. Also, for transactions of a quantum of above S\$10.0 million, such transaction shall be conditional upon the positive recommendation of the Audit Committee.
- (f) A written confirmation from financial institution(s) as required under Listing Rule 877(9) that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under its undertakings;
- (g) For the listing and quotation of the Warrants, a written confirmation from the Company that there is a satisfactory spread of warrant holders to provide an orderly market for the warrants in compliance with Listing Rule 826;

- (h) A written confirmation from the Company that the terms of the warrant issue do not permit revision of the exercise price/ratio in any form, other than in compliance with Listing Rule 829(1); and
 - (i) A written undertaking from the Company that Listing Rules 830 and 831 will be complied with.
- 2.2 The receipt of the AIP is not to be taken as an indication of the merits of the Revised Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company and/or its subsidiaries.

Cautionary Statement

3. Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The completion of the Revised Rights cum Warrants Issue and the Proposed Diversification are subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Revised Rights cum Warrants Issue and the Proposed Diversification will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Madan Mohan
Company Secretary

26 March 2018