

CIRCULAR DATED 6 SEPTEMBER 2018

THIS CIRCULAR TO SHAREHOLDERS (“CIRCULAR”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by MDR Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”). **If you are in any doubt about the contents of this Circular or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.**

If you have sold or transferred all your ordinary shares in the capital of the Company (“**Shares**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s) which are not deposited with the CDP, you should immediately forward this Circular, together with the notice of Extraordinary General Meeting and the accompanying Proxy Form (as defined herein) to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.



MDR Limited

MDR LIMITED

(Company Registration No. 200009059G)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to

THE SPECIFIC APPROVAL FOR THE PROPOSED ACQUISITION(S) (AS DEFINED HEREIN) WHICH WILL RESULT IN THE VOLUME OF THE INVESTMENT BUSINESS (AS DEFINED HEREIN) CROSSING 20% OF THE RELEVANT THRESHOLDS UNDER CHAPTER 10 OF THE LISTING MANUAL SO AS TO CONSTITUTE A MAJOR TRANSACTION (AS DEFINED HEREIN).

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	26 September 2018 at 2.00 p.m.
Date and time of Extraordinary General Meeting	:	28 September 2018 at 2.00 p.m.
Place of Extraordinary General Meeting	:	Hilton Singapore, 581 Orchard Road, Panorama 2, Level 24, Singapore 238883

TABLE OF CONTENTS

DEFINITIONS	1
LETTER TO SHAREHOLDERS	5
1. INTRODUCTION	5
2. THE SPECIFIC APPROVAL FOR THE PROPOSED ACQUISITION(S) WHICH WILL RESULT IN THE VOLUME OF THE INVESTMENT BUSINESS CROSSING 20% OF THE RELEVANT THRESHOLDS UNDER CHAPTER 10 OF THE LISTING MANUAL SO AS TO CONSTITUTE A MAJOR TRANSACTION	6
3. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING RULES IN RELATION TO THE PROPOSED ACQUISITION(S) AND THE EXISTING AGGREGATED TRANSACTIONS	9
4. RATIONALE FOR THE PROPOSED ACQUISITION(S)	11
5. FINANCIAL INFORMATION	11
6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION(S)	12
7. INTERESTS OF DIRECTORS AND/OR SUBSTANTIAL SHAREHOLDERS	12
8. SERVICE AGREEMENTS	13
9. DIRECTORS' RECOMMENDATIONS	13
10. EXTRAORDINARY GENERAL MEETING	14
11. ACTIONS TO BE TAKEN BY SHAREHOLDERS	14
12. DIRECTORS' RESPONSIBILITY STATEMENT	14
13. DOCUMENTS AVAILABLE FOR INSPECTION	14
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1
PROXY FORM	

DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

“1H2018”	:	Financial period ended 30 June 2018
“Aggregated Transactions”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“Audit Committee”	:	The audit committee of the Company as at the date of this Circular
“Board” or “Directors”	:	The directors of the Company as at the date of this Circular
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 6 September 2018
“Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
“Company”	:	mDR Limited
“Consideration”	:	Has the meaning ascribed to it in Section 2.3 of this Circular
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly 15% or more of the Shares of the Company (unless the SGX-ST determines that such a person is not a controlling shareholder of the Company); or (b) in fact exercises control over the Company
“CPF”	:	The Central Provident Fund
“Diversification Circular”	:	The circular dated 10 April 2018 issued by the Company to its Shareholders to seek approval for, <i>inter alia</i> , the diversification of its business to include the New Businesses
“EGM”	:	The extraordinary general meeting of Shareholders to be held on 28 September 2018, notice of which is set out on page N-1 of this Circular
“Existing Transactions”	Aggregated :	Has the meaning ascribed to it in Section 2.3 of this Circular
“First Major Transaction”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“FY2017”	:	Financial year ended on 31 December 2017
“Group”	:	The Company and its subsidiaries

“Investee Companies”	:	Has the meaning ascribed to it in Section 2.3 of this Circular
“Investment Business”	:	The investment business, which is described in Section 2.2 of this Circular
“Investment Proposals Policy and Guidelines to Prevent Issues of Conflicts”	:	Has the meaning ascribed to it in the Diversification Circular
“Latest Practicable Date”	:	30 August 2018, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST and its relevant rules, as amended, modified or supplemented from time to time
“Major Transaction”	:	A transaction where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20%
“New Businesses”	:	The Property Business and the Investment Business
“Notice of EGM”	:	The notice of the EGM as set out on pages N-1 to N-2 of this Circular
“Original Core Businesses”	:	<p>The Group’s original core businesses undertaken by the Company and its subsidiaries, being the businesses of:</p> <ul style="list-style-type: none"> (a) retail and distribution of products and services of telecommunication service providers, Singtel and M1, in Singapore; (b) retail and distribution of mobile devices, gadgets and lifestyle accessories in Singapore; (c) after-market services for mobile devices and consumer electronic goods in Singapore; and (d) digital inkjet printing for Point-Of-Sale and Out-Of-Home advertising solutions in Malaysia
“Property Business”	:	The property business, which is described in Section 8.2.1 of the Diversification Circular
“Proposed Acquisition(s)”	:	Has the meaning ascribed to it in Section 2.3 of this Circular
“Proxy Form”	:	The proxy form in respect of the EGM as attached to this Circular
“Register of Members”	:	Register of members of the Company
“Resolution”	:	The resolution to be passed by Shareholders at the EGM as set out in the Notice of EGM
“Securities Account”	:	Securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)

“SFA”	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person who holds directly and/or indirectly five per cent. (5.0%) or more of the total issued share capital of the Company
“%” or “per cent.”	:	Percentage or per centum

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in section 81SF of the SFA. The term “**subsidiary**” shall have the same meaning ascribed to it in section 5 of the Companies Act.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall, where applicable, include corporations.

The words “**written**” and “**in writing**” include, where the context requires, any means of visible reproduction.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA or the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA or the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in tables included herein between the amounts in the columns of the tables and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Cautionary Note on Forward-looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual results, performance and achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Accordingly, actual results

may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Company disclaims any responsibility and does not undertake any obligation to update publicly or revise any forward-looking statements contained in this Circular to reflect any change in the Group's expectations with respect to such statements after the date of this Circular or to reflect any change in events, conditions or circumstances on which the Company based any such statements subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any regulatory or supervisory body or agency.

MDR LIMITED

(Company Registration No. 200009059G)
(Incorporated in the Republic of Singapore)

LETTER TO SHAREHOLDERS

Board of Directors

Mr. Edward Lee Ewe Ming (Executive Chairman and Non-Independent Executive Director)
Mr. Ong Ghim Choon (Chief Executive Officer and Non-Independent Executive Director)
Ms. Zhang Yanmin (Non-Independent Executive Director)
Mr. Mark Leong Kei Wei (Lead Independent Non-Executive Director)
Mr. Oei Su Chi, Ian (Independent Non-Executive Director)
Mr. Lai Yew Fei (Independent Non-Executive Director)

Registered Office:

53 Ubi Crescent
Singapore 408594

6 September 2018

To: The Shareholders of mDR Limited

Dear Sir/Madam

THE SPECIFIC APPROVAL FOR THE PROPOSED ACQUISITION(S) WHICH WILL RESULT IN THE VOLUME OF THE INVESTMENT BUSINESS CROSSING 20% OF THE RELEVANT THRESHOLDS UNDER CHAPTER 10 OF THE LISTING MANUAL SO AS TO CONSTITUTE A MAJOR TRANSACTION

1. INTRODUCTION

On 10 April 2018, the Company issued the Diversification Circular to its Shareholders, and subsequently obtained approval from its Shareholders at an extraordinary general meeting held on 27 April 2018 to, *inter alia*, diversify its business to include the New Businesses.

The Directors are convening an EGM to be held at Hilton Singapore, 581 Orchard Road, Panorama 2, Level 24, Singapore 238883 on 28 September 2018 at 2.00 p.m. to seek Shareholders' approval for the Company and/or the Group to enter into the Proposed Acquisition(s) which will result in the volume of the Investment Business crossing 20% of the relevant thresholds under Chapter 10 of the Listing Manual so as to constitute a Major Transaction.

This Circular has been prepared to provide Shareholders with information relating to the Proposed Acquisition(s), which will be tabled at the EGM, notice of which is set out on page N-1 of this Circular.

Shareholders are advised that the SGX-ST assumes no responsibility for the correctness of any of the statements or opinions made or reports contained in this Circular.

2. THE SPECIFIC APPROVAL FOR THE PROPOSED ACQUISITION(S) WHICH WILL RESULT IN THE VOLUME OF THE INVESTMENT BUSINESS CROSSING 20% OF THE RELEVANT THRESHOLDS UNDER CHAPTER 10 OF THE LISTING MANUAL SO AS TO CONSTITUTE A MAJOR TRANSACTION

2.1 Shareholders' Approval for First Major Transaction or last of the Aggregated Transactions

On 10 April 2018, the Company issued the Diversification Circular to its Shareholders, and subsequently obtained approval from its Shareholders in the extraordinary general meeting held on 27 April 2018 to, *inter alia*, diversify its business to include the New Businesses.

Upon the approval by Shareholders of the diversification into the New Businesses, any acquisition which is in, or in connection therewith, may be deemed to be in the Group's ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Listing Manual. Notwithstanding the foregoing, it is stated in Section 8.3(b) of the Diversification Circular that, *inter alia*, where the Group enters into the first Major Transaction ("**First Major Transaction**") involving each of the Property Business and the Investment Business, or where the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual in respect of several aggregated transactions (the "**Aggregated Transactions**") over the course of the last 12 months exceeds 20%, such First Major Transaction or last of the Aggregated Transactions, as the case may be, will be made conditional upon approval by Shareholders in a general meeting.

Accordingly, the Company wishes to seek Shareholders' approval for the Company to enter into the Proposed Acquisition(s), which will result in the aggregate value of the Existing Aggregated Transactions (as defined herein) crossing 20% of the relevant thresholds under Chapter 10 of the Listing Manual. The purpose of this Circular is to provide information to Shareholders on the Proposed Acquisition(s) and the Aggregated Transactions in respect of the Investment Business undertaken after the approval by Shareholders of the diversification into the New Businesses on 27 April 2018. The Notice of EGM is set out on pages N-1 to N-2 of this Circular.

2.2 Description of the Investment Business

The Company has obtained Shareholders' approval for diversification of the Group's Original Core Businesses to include, amongst others, the Investment Business.

As disclosed in Section 8.2 of the Diversification Circular, the Investment Business includes the following activities:

- (a) investing in quoted and/or unquoted securities and various aspects of investment such as providing seed, mezzanine and other forms of capital to listed companies and/or private companies with potential of business growth and trade sales as an integral part of mergers and acquisitions, which may also include undertaking business incubation and angel investments as part of the corporate strategies and business development of the investee companies;
- (b) trading in quoted securities (including equities trading), buying and selling of unquoted securities and/or other marketable securities;
- (c) trading in cryptocurrencies and/or cryptographic tokens, and/or buying and selling of cryptocurrencies and/or cryptographic tokens;

- (d) pre-initial public offer investments, which involve investing in shares of companies which may proceed to be listed on any internationally recognised stock exchange via initial public offerings or reverse takeovers (or similar process);
- (e) trading and/or investing directly or indirectly in futures, commodities, bonds, notes, funds and other securities, derivatives and financial products (whether quoted on any stock exchange or unquoted);
- (f) investing in real estate investment trusts (REITs);
- (g) investing in private equity funds, hedge funds and funds of funds;
- (h) providing financing and loans to corporate entities; and
- (i) any other activity related to or ancillary to the above-mentioned activities.

The Group does not plan to restrict the diversification into the Investment Business to any specific business sector, industry or geographical market as each major allocation of funds (for a certain investment class) or major investment under the Investment Business will be evaluated and assessed by the Board on its merits. In making its assessment on each such allocation or investment, the Group will consider the relevant market conditions, rationale for investment, growth potential, projected returns and value enhancements, valuation and acquisition price and potential risks of such allocation/investment to the Group. The Group will remain prudent by taking into account the financial condition and cash flow requirements of the Group in deciding the amount for each allocation/investment and to ensure that the financial exposure of the Group is monitored and managed.

The Group may also collaborate with external consultants and/or advisors for the Investment Business. These collaborations may be on a profit-sharing basis, fee-based, or on such other terms acceptable to the Group, including in respect of profit distribution and investment realisation. In agreeing on the terms with the external consultants and/or advisors, the Group will take into consideration various factors including the adequacy of the Group's working capital and the projected returns.

In order to undertake the Investment Business more effectively and efficiently, the Group may also explore joint ventures and/or strategic alliances with third parties as and when the opportunity arises.

2.3 Information on the Aggregated Transactions

Further to the approval by Shareholders of the diversification into the Investment Business on 27 April 2018, the Group has acquired, by way of on-market purchases, shares of seven (7) companies ("**Existing Aggregated Transactions**") amounting to an aggregate consideration of S\$7,361,709, with approximately 98.7% of the aggregate consideration paid in respect of the Existing Aggregated Transactions being securities listed on the Mainboard of the SGX-ST and the remainder comprising securities listed on the Main Board of The Stock Exchange of Hong Kong Limited (HKEX). The securities are of companies broadly categorised to be within the following business sectors:

- Real estate

- Infrastructure
- Sports
- Leisure, entertainment and hospitality
- Transportation
- Commodities
- Telecommunications

As at the Latest Practicable Date, the Group's investments in securities of the companies constituting the Existing Aggregated Transactions range up to 0.21% of the relevant company's total issued share capital. The Group has not disposed of any of the securities constituting the Existing Aggregated Transactions.

The Company is proposing to acquire, whether directly or through an entity of the Group (whether existing or to be incorporated), through a series of on-market purchases, additional shares ("**Proposed Acquisition(s)**") in one or more of the companies ("**Investee Companies**") constituting the Existing Aggregated Transactions that are listed on the Mainboard of the SGX-ST. As the acquisition(s) will be undertaken by way of on-market purchases, no sale and purchase agreements will be entered into.

The consideration for the Proposed Acquisition(s) is expected to be in the region of Singapore Dollars Five Million (S\$5,000,000) ("**Consideration**"), which shall be paid by the Company in cash. The Consideration will be based on the trading prices of the respective shares of the Investee Companies on the SGX-ST as at the respective date(s) of acquisition of each of the shares of these Investee Companies. Barring any major changes in the trading prices of the respective shares of the Investee Companies and the business prospects of the Investee Companies, as at the date of this Circular, the Company intends to allocate approximately 25% (S\$1.25 million) of the Consideration to Investee Company(ies) in the telecommunications sector, approximately 50% (S\$2.5 million) to the Investee Company(ies) in the transport and infrastructure sector and approximately 25% (S\$1.25 million) to the Investee Company(ies) in the real estate sector.

As no sale and purchase agreement will be entered into, there are no conditions precedent for the completion of the Proposed Acquisition(s), and there are no material conditions attaching to the Proposed Acquisition(s).

The Consideration will be funded using internal cash of the Company and/or the net proceeds raised from the rights cum warrants issue undertaken by the Company as approved by the Shareholders at the extraordinary general meeting of the Company on 27 April 2018.

The Company will not set up an investment fund managing third party monies or undertake any business in investment fund management that advises third party investors, which in aggregate, exceeds 50% of the Company's net asset value, unless and until the Company can demonstrate to the SGX-ST that it satisfies the listing requirements for investment funds stipulated in Chapter 4 of the Listing Manual.

2.4 Further announcements

Rule 704(17)(b) of the Listing Manual states that an issuer which is not a bank, finance company, securities dealing company or approved financial institution must announce any acquisition of quoted securities resulting in the issuer's aggregate cost of investment exceeding each multiple of 5% of the issuer's latest audited consolidated net tangible assets.

Rule 704(18)(b) of the Listing Manual states that an issuer which is not a bank, finance company, securities dealing company or approved financial institution must announce any sale of quoted securities resulting in the issuer's aggregate cost of investment in quoted securities falling below each multiple of 5% of the issuer's latest audited consolidated net tangible assets.

In the event that the Group makes any acquisition or sale that exceeds the thresholds stipulated in Rules 704(17)(b) or 704(18)(b) of the Listing Manual, the Company will make the necessary announcements and provide details of such acquisition or sale as required under the Listing Manual.

3. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING RULES IN RELATION TO THE PROPOSED ACQUISITION(S) AND THE EXISTING AGGREGATED TRANSACTIONS

3.1 The relative figures for the Proposed Acquisition(s) and the aggregate of the Proposed Acquisition(s) and the Existing Aggregated Transactions under the Investment Business, computed on the bases set out in Rule 1006 of the Listing Manual and the unaudited consolidated financial statements of the Group for 1H2018 are as follows:

Rule 1006	Bases	Relative figures (%) in respect of the Proposed Acquisition(s)	Relative figures (%) in respect of the Proposed Acquisition(s) and the Existing Aggregated Transactions
(a)	The net asset value of the assets to be disposed of, compared with the net asset value of the Group	N.A. ⁽¹⁾	N.A. ⁽¹⁾
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	-(²)	6.11% ⁽³⁾
(c)	The aggregate value of the consideration given or received compared with the Company's market capitalisation based on the total number of issued Shares excluding treasury shares	8.57% ⁽⁴⁾	21.18% ⁽⁵⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	N.A. ⁽⁶⁾	N.A. ⁽⁶⁾

(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	N.A. ⁽⁷⁾	N.A. ⁽⁷⁾
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Notes:

- (1) Not applicable.
- (2) This is currently not capable of ascertainment as this depends on which of the Investee Companies the securities of which the Company ultimately acquires, and the quantities acquired.
- (3) Based solely on the net profits attributable to the Existing Aggregated Transactions comprising dividend income of S\$91,741 and the Group's net profits of S\$1,502,085 for 1H2018. Please see Section 5.1(b) of this Circular for the deficit amount in the cost of investments (less dividends) as compared to the market value of the securities constituting the Existing Aggregated Transactions.
- (4) Based on the Consideration of S\$5,000,000 and the Company's market capitalisation of S\$58,359,006. The market capitalisation of the Company has been computed based on 29,179,503,243 issued Shares and the volume weighted average price of S\$0.002 per Share on the Latest Practicable Date.
- (5) Based on the aggregate consideration of S\$12,361,709 and the Company's market capitalisation of S\$58,359,006 as at the Latest Practicable Date.
- (6) Not applicable as no new Shares will be issued.
- (7) Not applicable as the Company is not a mineral, oil or gas company.

3.2 As set out in the Diversification Circular and Section 2.1 of this Circular, Section 8.3(b) of the Diversification Circular states that where the Group enters into the First Major Transaction involving each of the Property Business and the Investment Business, or where the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual in respect of several Aggregated Transactions over the course of the last 12 months exceeds 20%, such First Major Transaction or last of the Aggregated Transactions will be made conditional upon approval by Shareholders in general meeting.

The Proposed Acquisition(s), if approved by Shareholders, will result in the aggregate value of the consideration given for the Existing Aggregated Transactions together with the Proposed Acquisition(s) exceeding 20% of the Company's market capitalisation computed under Rule 1006(c). Accordingly, while none of the relative figures computed on the bases set out in Rule 1006 in respect of the Proposed Acquisition(s) exceeds 20%, the Company is seeking Shareholders' approval for the Company to enter into the Proposed Acquisition(s) as set out in the Diversification Circular. Following approval from Shareholders of the Proposed Acquisition(s), the Company will no longer be required to seek further Shareholders' approval for further transactions carried out as part of its Investment Business, including but not limited to purchases of securities. In particular, Shareholders should note that the Consideration, which is in the region of S\$5,000,000, for the Proposed Acquisition(s) is not the maximum value of consideration to be given for further transactions to be carried out by the Company under the Investment Business.

As the relative figures computed in respect of each of the Proposed Acquisition(s) of the share purchases in respect of each Investee Company are not meaningful, the Company has presented the relative figures computed on the bases set out in Rule 1006 in respect of the aggregate of the Proposed Acquisition(s) and the Existing Aggregated Transactions to provide Shareholders with information relating to the Aggregated Transactions entered into pursuant to the Investment Business.

4. RATIONALE FOR THE PROPOSED ACQUISITION(S)

The Company had diversified into the Investment Business for the reasons as stated under Section 8.3 of the Diversification Circular entitled "Rationale for the Proposed Diversification".

Further, the Board considers that the Proposed Acquisition(s) in the securities of the Investee Companies is in the interest of the Company and its Shareholders. The Company has identified the Investee Companies after taking into consideration one or more of the following factors:

- (a) the nature, scale and stability of business(es);
- (b) economic analysis in terms of price-to-book ratios, price-earnings ratios, competitive advantages and barriers to entry;
- (c) stable and regular distribution of dividends as well as long-term distribution of dividends per unit growth;
- (d) cashflow and potential for growth;
- (e) dividend yield; and
- (f) potential buyout target.

5. FINANCIAL INFORMATION

5.1 Value of the assets being acquired

(a) Book value

The book values, being (i) the consideration to be paid for the securities constituting the Proposed Acquisition(s) and (ii) the consideration paid for the Existing Aggregated Transactions, are S\$5,000,000 (assuming the securities are purchased as at the Latest Practicable Date) and S\$7,361,709 respectively.

(b) Latest available open market value

The open market value of the securities constituting the Existing Aggregated Transactions, is S\$5,987,812 as at the Latest Practicable Date. No latest available open market value of the securities constituting the Proposed Acquisition(s) is yet available as the Proposed Acquisition(s) has yet to be undertaken, and the choice of which Investee Company the securities of which are to be acquired has yet to be crystallised.

The deficit amount in the cost of investments (less dividends) as compared to the market value of the securities constituting the Existing Aggregated Transactions is S\$1,282,156.

As the securities constituting the Proposed Acquisition(s) and the Existing Aggregated Transactions are publicly traded, no valuation of these securities was commissioned.

5.2 Net profit attributable to the assets being acquired

The net profits, being the dividend income attributable to the Existing Aggregated Transactions, is S\$91,741 as at the Latest Practicable Date. The net profits, being the dividend income attributable to the Proposed Acquisition(s), is currently not capable of ascertainment as this depends on which of the Investee Companies the securities of which the Company ultimately acquires, and the quantities acquired.

6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION(S)

6.1 Share Capital

The Proposed Acquisition(s) does not involve the allotment and issue of any new Shares. Accordingly, there will be no impact on the share capital of the Company.

6.2 NTA and EPS

The financial effects of the Proposed Acquisition(s) on the NTA and EPS of the Company is currently not capable of ascertainment as this depends on which of the Investee Companies the securities of which the Company ultimately acquires, and the quantities acquired.

7. INTERESTS OF DIRECTORS AND/OR SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and the Substantial Shareholders in the Shares are as follows:

	Direct interest	Deemed interest	Total interest	
	Number of Shares	Number of Shares	Number of Shares	%⁽¹⁾
<u>Directors</u>				
Edward Lee Ewe Ming	100	7,922,520,660 ⁽²⁾	7,922,520,760	27.15
Ong Ghim Choon	2,633,919,990	-	2,633,919,990	9.03
Zhang Yanmin	-	4,310,202,800 ⁽³⁾	4,310,202,800	14.77
Mark Leong Kei Wei	16,600,000	10,300,000 ⁽⁴⁾	26,900,000	0.09
Oei Su Chi, Ian	31,320,600	6,800,000 ⁽⁵⁾	38,120,600	0.13
Lai Yew Fei	-	-	-	-

**Substantial
Shareholder(s) (other than
Directors)**

Chong Shin Leong	2,070,000,000	-	2,070,000,000	7.09
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Notes:

- (1) Based on the issued and paid-up share capital of the Company of 29,179,503,243 Shares as at the Latest Practicable Date.
- (2) Mr. Edward Lee Ewe Ming is deemed interested in 7,922,520,660 Shares held via nominee and financial institutions, out of which 4,310,202,800 Shares are jointly held with his spouse, Ms. Zhang Yanmin.
- (3) Ms. Zhang Yanmin is deemed interested in 4,310,202,800 Shares held via nominee and financial institutions, which are jointly held with her spouse, Mr. Edward Lee Ewe Ming.
- (4) Mr. Mark Leong Kei Wei is deemed interested in 10,300,000 shares held by his spouse.
- (5) Mr. Oei Su Chi, Ian is deemed interested in 6,800,000 shares held by his spouse.

None of the Directors and their respective associates, and to the best of the Directors' knowledge, none of the Controlling Shareholders, as well as their respective associates, has any interest, whether direct or indirect, in the Proposed Acquisition(s) and/or the Existing Aggregated Transactions, save for shareholdings in one or more of the companies which securities constitute the Existing Aggregated Transactions. The shareholdings of the Directors and their respective associates in such companies have been acquired in compliance with the Investment Proposals Policy and Guidelines to Prevent Issues of Conflicts of the Company and the Directors have made the necessary disclosures to the Board and the Audit Committee accordingly.

8. SERVICE AGREEMENTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition(s) and/or the Existing Aggregated Transactions. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

9. DIRECTORS' RECOMMENDATIONS

The Directors having considered, *inter alia*, the rationale for the diversification into the Investment Business and the Proposed Acquisition(s), are of the opinion that the Proposed Acquisition(s) is in the interests of the Company and Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the Proposed Acquisition(s) at the EGM.

Shareholders are advised to read this Circular in its entirety and for those who may require advice in the context of their specific investment, to consult their respective bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser.

10. EXTRAORDINARY GENERAL MEETING

An EGM, notice of which is attached to this Circular at page N-1 will be held at Hilton Singapore, 581 Orchard Road, Panorama 2, Level 24, Singapore 238883 on 28 September 2018 at 2.00 p.m. for the purpose of considering and, if thought fit, passing, with or without modifications the Resolution.

11. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf should complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than 48 hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy if he finds that he is able to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM to speak and vote thereat unless his name appears in the Depository Register as at 72 hours before the time appointed for the holding of the EGM.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition(s), the Existing Aggregated Transactions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

13. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection by Shareholders at the registered office of the Company at 53 Ubi Crescent, Singapore 408594, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution of the Company; and
- (b) the annual report of the Company for FY2017.

Yours faithfully
For and on behalf of the Board of Directors of
MDR LIMITED

Edward Lee Ewe Ming
Executive Chairman and Director

MDR LIMITED

(Company Registration No. 200009059G)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise defined, all capitalised terms which are not defined herein shall bear the same meanings as used in the circular dated 6 September 2018 issued by mDR Limited (the “Circular”).

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of the Shareholders of mDR Limited (the “**Company**”) will be held at Hilton Singapore, 581 Orchard Road, Panorama 2, Level 24, Singapore 238883 on 28 September 2018 at 2.00 p.m. for the purposes of considering, and if thought fit, passing, with or without modifications, the following resolution, which will be proposed as an ordinary resolution:

ORDINARY RESOLUTION – THE SPECIFIC APPROVAL FOR THE PROPOSED ACQUISITION(S) WHICH WILL RESULT IN THE VOLUME OF THE INVESTMENT BUSINESS CROSSING 20% OF THE RELEVANT THRESHOLDS UNDER CHAPTER 10 OF THE LISTING MANUAL SO AS TO CONSTITUTE A MAJOR TRANSACTION

THAT:

- (a) approval be and is hereby given for the Company and/or any other entity (whether existing or to be incorporated) within the Group to undertake the Proposed Acquisition(s) which will result in the volume of the Investment Business crossing 20% of the relevant thresholds under Chapter 10 of the Listing Manual so as to constitute a Major Transaction; and
- (b) the Directors or any of them be and are hereby authorised to do any and all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they or he may consider necessary, desirable or expedient or in the interest of the Company to give effect to the matters referred to in this resolution and the taking of any and all actions whatsoever, by any Director on behalf of the Company in connection with the Proposed Acquisition(s) prior to the date of the EGM be and are hereby approved, ratified and confirmed.

BY ORDER OF THE BOARD

Madan Mohan
Company Secretary
Singapore
6 September 2018

Notes:

- (1) Save as provided in the Company's constitution, a member entitled to attend and vote at the EGM and who is not a relevant intermediary may appoint not more than two (2) proxies to attend and vote in his stead. A shareholder of the Company entitled to attend and vote at the EGM and who is a relevant intermediary may appoint more than two proxies provided that each proxy is appointed to exercise the rights attached to different shares held by the shareholder.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50) of Singapore.
- (2) A proxy need not be a member of the Company. Where a member appoints two (2) proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.
- (3) The instrument appointing a proxy or proxies shall be in writing in any usual or common form (including the form approved from time to time by the Depository) or in any other form which the Directors may approve and: (i) in the case of an individual, shall be signed by the appointor or his attorney; (ii) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
- (4) A Depositor's name must appear on the Depository Register maintained by CDP as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.
- (5) The instrument appointing a proxy must be deposited at the registered office of the Company at 53 Ubi Crescent, Singapore 408594 not less than 48 hours before the time appointed for holding the above EGM.
- (6) **Personal Data Privacy:** By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, or by attending the EGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. In addition, by attending the EGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for any of the Purposes.

**MDR LIMITED**

(Company Registration No. 200009059G)
(Incorporated in the Republic of Singapore)

**PROXY FORM
Extraordinary General Meeting**

IMPORTANT

- For investors who have used their CPF moneys to buy shares in the capital of mDR Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent for their information only.
- This Proxy Form is not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
- By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 6 September 2018.

I/We* _____ (Name) _____
 (NRIC/Passport No.) of _____ (Address) being a
 member/members* of MDR LIMITED (the "Company") appoint

Name	Address	NRIC/Passport number	Proportion of shareholdings to be represented by proxy	
			No. of Shares	%

and/or* failing him/her*

Name	Address	NRIC/Passport number	Proportion of shareholdings to be represented by proxy	
			No. of Shares	%

or, failing him/her/them*, the Chairman of the Extraordinary General Meeting of the Company ("EGM") as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf and, if necessary, to demand a poll, at the EGM of the Company to be held at Hilton Singapore, 581 Orchard Road, Panorama 2, Level 24, Singapore 238883 on 28 September 2018 at 2.00 p.m. and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for/against* the Resolutions to be passed at the EGM as indicated below. If no specific direction as to voting is given, my/our* proxy/proxies* will vote or abstain from voting at his/her/their* discretion. If no person is named in the above boxes, the Chairman of the EGM shall be my/our* proxy/proxies* to vote, for or against the Resolution to be passed at the EGM as indicated below, for me/us and on my/our behalf at the EGM and at any adjournment of the EGM.

Ordinary Resolution	No. of votes for**	No. of votes against**
The specific approval for the Proposed Acquisition(s) which will result in the volume of the Investment Business crossing 20% of the relevant thresholds under Chapter 10 of the Listing Manual so as to constitute a Major Transaction		

** If you wish to exercise all your votes "For" or "Against", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2018

Total number of Shares held in:	No. of Shares
CDP Register	
Register of Members	

Signature(s) of Member(s) or Common Seal

*Delete accordingly

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A shareholder of the Company who is not a relevant intermediary (as defined below) is entitled to appoint not more than two (2) proxies to attend and vote at the EGM of the Company. Where such shareholder appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. If no percentage is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.
3. A shareholder of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at the EGM of the Company, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. Where such shareholder appoints more than one proxy, the number of shares in relation to which each proxy has been appointed shall be specified in the proxy form. In such event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.

"relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act (Chapter 36) of Singapore in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 53 Ubi Crescent, Singapore 408594, not less than 48 hours before the time appointed for the EGM, failing which the instrument may be treated as invalid.
 5. The instrument appointing a proxy or proxies shall be in writing in any usual or common form (including the form approved from time to time by the Depository) or in any other form which the Directors may approve and: (i) in the case of an individual, shall be signed by the appointor or his attorney; (ii) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
 6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with section 179 of the Companies Act (Chapter 50) of Singapore.
 7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
 8. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Company.
 9. Terms not defined herein have the meanings ascribed to them in the circular to the shareholders of the Company dated 6 September 2018.
 10. The submission of an instrument or form appointing a proxy or proxies by a member of the Company does not preclude him/her from attending and voting in person at the EGM if he wishes to do so.
 11. A Depositor's name must appear on the Depository Register maintained by CDP not less than 72 hours before the time appointed for holding the EGM in order for him to be entitled to attend and vote at the EGM.
 12. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM.