



mDR Limited

Fourth Quarter Financial Statements for the Period Ended 31 December 2018

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

In S\$'000	Notes	4Q-18	4Q-17	Inc/(Dec) %	YTD-18	YTD-17	Inc/(Dec) %
Continuing operations							
Revenue	1	72,437	73,223	-1%	264,869	275,030	-4%
Cost of sales	1	(65,328)	(66,599)	-2%	(238,107)	(247,747)	-4%
Gross profit	1	<u>7,109</u>	<u>6,624</u>	7%	<u>26,762</u>	<u>27,283</u>	-2%
Other income	2	59	944	-94%	351	2,435	-86%
Administrative expenses	3	(5,244)	(4,480)	17%	(18,291)	(18,383)	-1%
Other operating expenses	4	(1,290)	(1,363)	-5%	(5,795)	(6,115)	-5%
Finance costs	5	(138)	(85)	62%	(422)	(311)	36%
Total expenses		<u>(6,672)</u>	<u>(5,928)</u>	13%	<u>(24,508)</u>	<u>(24,809)</u>	-1%
Operating profit before share of (loss) profit of associate and income tax		<u>496</u>	<u>1,640</u>	-70%	<u>2,605</u>	<u>4,909</u>	-47%
Share of (loss) profit of associate		<u>(11)</u>	<u>4</u>	N.M.	<u>(9)</u>	<u>9</u>	N.M.
Profit before income tax		<u>485</u>	<u>1,644</u>	-70%	<u>2,596</u>	<u>4,918</u>	-47%
Income tax credit (expense)	6	<u>278</u>	<u>(3)</u>	N.M.	<u>(13)</u>	<u>(260)</u>	-95%
Profit for the period from continuing operations		<u>763</u>	<u>1,641</u>	-54%	<u>2,583</u>	<u>4,658</u>	-45%
Discontinued operations							
Loss for the period from discontinued operations	7	<u>(28)</u>	<u>(106)</u>	-74%	<u>(91)</u>	<u>(440)</u>	-79%
Profit for the period		<u>735</u>	<u>1,535</u>	-52%	<u>2,492</u>	<u>4,218</u>	-41%
Other comprehensive income							
Items that will not be reclassified subsequently to profit or loss							
Revaluation on leasehold land and building		-	(733)	N.M.	-	751	N.M.
Net fair value changes in equity securities carried at fair value through other comprehensive income		(1,052)	(615)	71%	(4,018)	(1,850)	N.M.
		<u>(1,052)</u>	<u>(1,348)</u>	-22%	<u>(4,018)</u>	<u>(1,099)</u>	-41%
Items that may be reclassified subsequently to profit or loss							
Currency translation differences arising on consolidation		<u>(11)</u>	<u>153</u>	N.M.	<u>10</u>	<u>159</u>	-94%
Other comprehensive loss for the period, net of tax		<u>(1,063)</u>	<u>(1,195)</u>	-11%	<u>(4,008)</u>	<u>(940)</u>	N.M.
Total comprehensive (loss) income for the period		<u>(328)</u>	<u>340</u>	N.M.	<u>(1,516)</u>	<u>3,278</u>	N.M.
Profit (Loss) attributable to:							
Owners of the Company		<u>776</u>	<u>1,317</u>	-41%	<u>2,536</u>	<u>4,102</u>	-38%
Non-controlling interests		<u>(41)</u>	<u>218</u>	N.M.	<u>(44)</u>	<u>116</u>	N.M.
Total comprehensive income		<u>735</u>	<u>1,535</u>	-52%	<u>2,492</u>	<u>4,218</u>	-41%
Total comprehensive (loss) income attributable to:							
Owners of the Company		<u>(268)</u>	<u>105</u>	N.M.	<u>(1,530)</u>	<u>3,090</u>	N.M.
Non-controlling interests		<u>(60)</u>	<u>235</u>	N.M.	<u>14</u>	<u>188</u>	-93%
		<u>(328)</u>	<u>340</u>	N.M.	<u>(1,516)</u>	<u>3,278</u>	N.M.

N.M. : Not Meaningful

1(a)(i) Breakdown and explanatory notes to the income statement

Note 1 Revenue, cost of sales and gross profit

The Group operates in four business segments – After Market Services (AMS), Distribution Management Solutions (DMS), Digital Inkjet Printing for Out-Of-Home Advertising Solutions (DPAS) and Investment.

The Group has added the Investment Business as a separate business segment in its quarterly results from 2Q-18, after shareholders' approval of the diversification of the Group's business to include, *inter alia*, the Investment Business, at the EGM held on 27 April 2018.

The breakdown of revenue and cost of goods sold are as follows:

In S\$'000	4Q-18	4Q-17	YTD-18	YTD-17
Revenue				
AMS	5,263	5,940	24,240	26,027
DMS	65,309	65,557	232,847	241,755
DPAS	1,460	1,726	6,153	7,248
Investment	405	-	1,629	-
	<u>72,437</u>	<u>73,223</u>	<u>264,869</u>	<u>275,030</u>
Cost of goods sold				
AMS	(3,874)	(4,592)	(18,138)	(19,533)
DMS	(60,458)	(60,821)	(215,716)	(223,111)
DPAS	(996)	(1,186)	(4,253)	(5,103)
Investment	-	-	-	-
	<u>(65,328)</u>	<u>(66,599)</u>	<u>(238,107)</u>	<u>(247,747)</u>
Gross profit				
AMS	1,389	1,348	6,102	6,494
DMS	4,851	4,736	17,131	18,644
DPAS	464	540	1,900	2,145
Investment	405	-	1,629	-
	<u>7,109</u>	<u>6,624</u>	<u>26,762</u>	<u>27,283</u>
GP%				
AMS	26%	23%	25%	25%
DMS	7%	7%	7%	8%
DPAS	32%	31%	31%	30%
Investment	100%	N.M.	100%	N.M.
	<u>10%</u>	<u>9%</u>	<u>10%</u>	<u>10%</u>

Dividend income and interest income from loan to a third party have been classified as Investment revenue, effective from 1 January 2018.

N.M. : Not meaningful

Note 2 Other income consists of the following:

In S\$'000	4Q-18	4Q-17	YTD-18	YTD-17
Interest income				
- Fixed deposits	13	13	134	98
- Loan to a third party	-	510	-	1,103
Dividend income				
- Investment in marketable securities	-	9	-	393
- Associate	12	-	12	-
Rental income	5	5	20	11
Bad debts recovered - trade	-	27	-	253
(Reversal of) liabilities written back	-	212	(50)	213
Wage credit	-	-	113	121
PIC payout	-	52	-	65
Third party compensation	-	99	-	99
Others	29	17	122	79
	<u>59</u>	<u>944</u>	<u>351</u>	<u>2,435</u>

Dividend income from investment in marketable securities and interest income from loan to a third party were classified as other income in FY2017.

Note 3 Administrative expenses

The administrative expenses comprise mainly staff cost.

In S\$'000	4Q-18	4Q-17	YTD-18	YTD-17
Staff Cost				
AMS	1,049	1,105	4,152	4,606
DMS	1,911	1,865	7,160	7,400
DPAS	170	157	676	784
Management and HQ support staff costs (including Directors' fees)	1,325	753	3,389	2,712
	<u>4,455</u>	<u>3,880</u>	<u>15,377</u>	<u>15,502</u>

Note 4 Other operating expenses

Other operating expenses consist of the following:

In S\$'000	4Q-18	4Q-17	YTD-18	YTD-17
Rental expenses	1,109	1,109	4,393	4,693
Depreciation expenses	224	197	878	743
Plant and equipment written off	7	19	49	61
(Gain) Loss on disposal of plant and equipment	-	4	(3)	(42)
Reversal of impairment on plant and equipment	-	(3)	-	(3)
Reversal of loss allowance for trade receivables	(25)	(72)	(16)	(67)
Reversal of loss allowance for other receivables	(8)	-	(8)	-
Bad debts written off - trade	68	1	68	3
Bad debts written off - non-trade	8	-	8	-
Allowance for inventories	9	148	360	525
Foreign exchange (gain) loss	(102)	(40)	66	202
	<u>1,290</u>	<u>1,363</u>	<u>5,795</u>	<u>6,115</u>

Note 5 Finance costs

Finance costs comprise interests on finance leases and bank borrowings.

Note 6 Income tax expense

The tax expense provision is calculated for profitable subsidiaries.

Note 7 Income statement for discontinued operations

In S\$'000	4Q-18	4Q-17	YTD-18	YTD-17
Revenue	-	-	-	10,246
Cost of sales	-	-	(40)	(9,936)
Gross (loss) profit	-	-	(40)	310
Other operating income	-	-	-	9
Administrative expenses	-	-	-	(378)
Other operating expenses	(28)	(106)	(51)	(381)
Loss before income tax	(28)	(106)	(91)	(440)
Income tax expense	-	-	-	-
Loss for the period from discontinued operations	(28)	(106)	(91)	(440)
(Loss) Profit attributable to:				
Owners of the Company	(1)	(113)	(36)	(303)
Non-controlling interests	(27)	7	(55)	(137)
	(28)	(106)	(91)	(440)

The comparative figures have been re-presented to report separately profit and loss items for continuing and discontinued operations.

Discontinued operations relate to operations in Myanmar inclusive of MDR Myanmar Co., Ltd, Golden Myanmar Sea Co., Ltd, Pixio Myanmar Co., Ltd and MDR Golden Myanmar Sea Co., Ltd, with the latter 2 entities having ceased their business operations in March 2017.

1(b)(i) Statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year

In S\$'000	Notes	Group			Company	
		31-Dec-18	31-Dec-17 Restated	1-Jan-17 Restated	31-Dec-18	31-Dec-17
ASSETS						
Current assets						
Cash and bank balances		8,447	11,579	30,817	1,082	3,015
Trade receivables	1	23,768	22,230	20,867	1,522	2,450
Other receivables and prepayments	2	5,621	8,362	5,401	28,917	19,052
Inventories	3	29,921	18,925	20,232	1,174	1,535
Total current assets		<u>67,757</u>	<u>61,096</u>	<u>77,317</u>	<u>32,695</u>	<u>26,052</u>
Non-current assets						
Investment in subsidiaries		-	-	-	20,835	20,835
Investment in an associate		14	24	14	-	-
Property, plant and equipment	4	11,097	11,199	4,271	885	497
Goodwill		2,798	2,798	2,798	-	-
Investment securities	5	79,054	13,234	-	79,054	13,234
Cash pledged		49	1,440	-	-	1,400
Other receivables and prepayments		-	-	839	-	-
Total non-current assets		<u>93,012</u>	<u>28,695</u>	<u>7,922</u>	<u>100,774</u>	<u>35,966</u>
Total assets		<u>160,769</u>	<u>89,791</u>	<u>85,239</u>	<u>133,469</u>	<u>62,018</u>
Current liabilities						
Bank loans	6	14,626	5,485	-	8,986	-
Trade payables	7	10,779	11,868	13,572	1,515	1,968
Other payables	8	5,450	6,704	7,341	1,372	2,159
Current portion of finance leases		335	461	570	36	68
Income tax payable		8	69	7	-	-
Total current liabilities		<u>31,198</u>	<u>24,587</u>	<u>21,490</u>	<u>11,909</u>	<u>4,195</u>
Non-current liabilities						
Finance leases		411	645	991	71	74
Deferred tax liabilities		364	441	118	-	-
Total non-current liabilities		<u>775</u>	<u>1,086</u>	<u>1,109</u>	<u>71</u>	<u>74</u>
Capital, reserves and non-controlling interests						
Share capital		220,312	153,652	153,652	220,312	153,652
Capital reserve		(325)	(859)	(859)	22	22
Investment revaluation reserve		(5,868)	(1,850)	-	(5,868)	(1,850)
Property revaluation reserve		751	751	-	-	-
Share options reserve		-	145	311	-	145
Foreign currency translation reserve		39	87	-	-	-
Accumulated losses		(84,609)	(86,290)	(88,758)	(92,977)	(94,220)
Equity attributable to owners of the Company		<u>130,300</u>	<u>65,636</u>	<u>64,346</u>	<u>121,489</u>	<u>57,749</u>
Non-controlling interests		(1,504)	(1,518)	(1,706)	-	-
Total equity		<u>128,796</u>	<u>64,118</u>	<u>62,640</u>	<u>121,489</u>	<u>57,749</u>
Total liabilities and equity		<u>160,769</u>	<u>89,791</u>	<u>85,239</u>	<u>133,469</u>	<u>62,018</u>

Notes

1 Trade receivables

The Group's trade receivables turnover as at 31 December 2018 is 31 days (31 December 2017: 27 days).

2 Other receivables and prepayments

The Group's other receivables and prepayments consist mainly of the following:

S\$'000	31-Dec-18	31-Dec-17
Rental deposits	1,105	1,362
Other receivables	3,509	5,752
Prepayments	319	425

Other receivables of \$3.5 million as at 31 December 2018 comprised mainly of \$2.4 million to be received from principals in relation to sell through, advertising and promotion support.

Prepayments of \$0.3 million as at 31 December 2018 comprised mainly of prepayment of road tax and insurance of \$0.1 million and deposits for the purchase of raw materials and equipment spare parts, prepayment of maintenance contract for equipment and for the last 2 instalments of equipment hire purchase, of \$0.1 million for DPAS operation.

3 Inventories

The Group's inventory turnover for the quarter ended 31 December 2018 is 37 days (31 December 2017: 27 days).

Group inventories as at 31 December 2018 stood at \$29.9 million (31 December 2017: \$18.9 million) with the increase in inventory holding mainly due to the higher volume of handsets purchased in Dec 18 for an incentive programme.

4 Property, plant and equipment

Property, plant and equipment as at 31 December 2018 mainly pertain to leasehold land and building of \$7.4 million in Malaysia for DPAS operation.

5 Investment securities

Investment securities pertain to the investment in marketable securities during the period.

The securities are of companies broadly categorised within the following business sectors:

Business Sectors	% of Holdings
Real estate	28.6%
Infrastructure	28.3%
Telecommunications	24.9%
Sports	8.6%
Leisure and hospitality	5.9%
Transportation	1.9%
Agriculture	1.0%
Commodities	0.8%
TOTAL	100%

6 Bank loans

Bank loans comprised mainly of bank loans of \$4.2 million secured for the financing of property in Malaysia for DPAS operations and term loans of \$9.0 million for the investment in marketable securities.

7 Trade payables

The Group's trade payables turnover as at 31 December 2018 is 17 days (31 December 2017: 18 days).

8 Other payables

The Group's other payables consist of the following:

S\$'000	31-Dec-18	31-Dec-17
Advertising, promotion and sell through funds from principals	1,372	1,568
Accrued staff costs	1,390	1,078
Other accrued operating expenses	874	717

1(b)(ii) Aggregate amount of Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31-Dec-18		As at 31-Dec-17	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
14,961	-	5,946	-

Amount repayable after one year

As at 31-Dec-18		As at 31-Dec-17	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
411	-	645	-

Details of collateral

The secured borrowings comprise mainly of outstanding finance lease of \$0.7 million on certain motor vehicles and machinery, bank loan of \$4.2 million secured against an open legal mortgage over a commercial property in Malaysia and term loan of \$9.0 million secured against the investment securities.

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year

In S\$'000	4Q-18	4Q-17	YTD-18	YTD-17
Operating activities				
Profit before income tax from continuing operations	485	1,644	2,596	4,918
Loss before income tax from discontinued operations	(28)	(106)	(91)	(440)
	<u>457</u>	<u>1,538</u>	<u>2,505</u>	<u>4,478</u>
Adjustments for:				
Depreciation expenses	401	398	1,648	1,539
Interest expenses	138	85	422	311
Interest income from fixed deposits	(13)	(13)	(134)	(98)
Interest income from loan to a third party	-	(510)	(319)	(1,103)
Dividend income	(417)	(9)	(1,322)	(393)
Loss (Gain) on disposal of plant and equipment	-	4	(3)	(115)
Plant and equipment written off	7	42	49	150
Reversal of impairment on plant and equipment	-	(3)	-	(3)
Reversal of liabilities (Liabilities) written back	-	(213)	50	(213)
Provision for shop closure costs	-	(1)	-	204
Allowance for inventories	9	231	360	592
Reversal of loss allowance for trade receivables	(25)	(67)	(16)	(39)
Reversal of loss allowance for non-trade receivables	(8)	-	(8)	-
Bad debts written off - trade	68	1	68	3
Bad debts written off - non-trade	8	-	8	-
Bad debts recovered - trade	-	(27)	-	(253)
Share of loss (profit) of an associate	11	(4)	9	(9)
Net foreign exchange (gain) loss	(97)	(149)	76	(21)
	<u>(97)</u>	<u>(149)</u>	<u>76</u>	<u>(21)</u>
Operating cash flows before movements in working capital				
	539	1,303	3,393	5,030
Trade receivables	1,034	(1,777)	(1,590)	(1,074)
Other receivables and prepayments	1,095	1,294	(1,134)	991
Inventories	(9,744)	4,241	(11,356)	715
Trade payables	(7,762)	(8,303)	(1,089)	(1,699)
Other payables	673	307	(762)	(626)
	<u>(14,165)</u>	<u>(2,935)</u>	<u>(12,538)</u>	<u>3,337</u>
Cash generated from operations	<u>(14,165)</u>	<u>(2,935)</u>	<u>(12,538)</u>	<u>3,337</u>
Income tax refund (paid)	38	(678)	(107)	(249)
Interest received	13	13	134	98
	<u>13</u>	<u>13</u>	<u>134</u>	<u>98</u>
Net cash (used in) generated from operating activities	<u>(14,114)</u>	<u>(3,600)</u>	<u>(12,511)</u>	<u>3,186</u>
Investing activities				
Proceeds from disposal of plant and equipment	16	17	20	639
Purchase of plant and equipment (Note A)	(318)	(183)	(1,504)	(6,981)
Purchase of investment securities	(62,477)	-	(69,838)	(15,084)
Loan to a third party	-	-	-	(5,000)
Repayment of loan from a third party	-	1,400	3,600	1,400
Interest received from loan to a third party	-	278	551	871
Dividend income from investment securities	405	9	1,310	393
Dividend income from an associate	12	-	12	-
	<u>12</u>	<u>-</u>	<u>12</u>	<u>-</u>
Net cash (used in) generated from investing activities	<u>(62,362)</u>	<u>1,521</u>	<u>(65,849)</u>	<u>(23,762)</u>
Financing activities				
Proceeds from issuance of ordinary shares, net	35,590	-	66,660	-
Interest paid	(137)	(85)	(379)	(311)
Repayment of obligations under finance leases	(105)	(144)	(491)	(574)
Cash pledged	(9)	-	1,391	(1,400)
Dividends paid to shareholders	-	-	(1,000)	(1,800)
Repayment of bank borrowings	(19,202)	(1,119)	(20,895)	(3,231)
Proceeds from bank borrowings	25,280	-	29,944	8,466
	<u>25,280</u>	<u>-</u>	<u>29,944</u>	<u>8,466</u>
Net cash generated from (used in) financing activities	<u>41,417</u>	<u>(1,348)</u>	<u>75,230</u>	<u>1,150</u>

In S\$'000	4Q-18	4Q-17	YTD-18	YTD-17
Net decrease in cash and cash equivalents	(35,059)	(3,427)	(3,130)	(19,426)
Cash and cash equivalents at beginning of period	43,508	14,779	11,579	30,778
Effects of exchange rate changes on the balance of cash held in foregin currencies	<u>(2)</u>	<u>227</u>	<u>(2)</u>	<u>227</u>
Cash and cash equivalents at end of period (Note B)	<u><u>8,447</u></u>	<u><u>11,579</u></u>	<u><u>8,447</u></u>	<u><u>11,579</u></u>

Notes

A. Purchase of property, plant and equipment:

In 4Q-18, the Group acquired plant and equipment with an aggregate cost of \$409,000 (4Q-17: \$ 183,000) of which \$91,000 (4Q-17: \$Nil) was acquired under finance lease arrangements.

In YTD-18, the Group acquired plant and equipment with an aggregate cost of \$1,627,000 (YTD17: \$ 7,081,000) of which \$123,000 (YTD-17: \$100,000) was acquired under finance lease arrangements.

B. Cash and cash equivalents at end of period comprise of:

In S\$'000	4Q-18	4Q-17
Cash	8,496	13,019
Less: Cash pledged	<u>(49)</u>	<u>(1,440)</u>
Cash and cash equivalents	<u><u>8,447</u></u>	<u><u>11,579</u></u>

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

<u>In S\$'000</u>	<u>Share capital</u>	<u>Capital reserve</u>	<u>Investment revaluation reserve</u>	<u>Property revaluation reserve</u>	<u>Share options reserve</u>	<u>Currency translation reserve</u>	<u>Accumulated losses</u>	<u>Attributable to equity holders of the Company</u>	<u>Non-controlling interests</u>	<u>Total</u>
Group										
Balance as at 31 December 2017	153,652	(859)	(1,850)	751	145	(738)	(85,465)	65,636	(1,518)	64,118
Adoption of the SFRS (I)	-	-	-	-	-	825	(825)	-	-	-
Balance as at 1 January 2018	153,652	(859)	(1,850)	751	145	87	(86,290)	65,636	(1,518)	64,118
Total comprehensive (loss) income for the period										
Profit for the period	-	-	-	-	-	-	756	756	28	784
Other comprehensive (loss) income for the period	-	-	(1,543)	-	-	122	-	(1,421)	(1)	(1,422)
Total	-	-	(1,543)	-	-	122	756	(665)	27	(638)
Balance as at 31 March 2018	153,652	(859)	(3,393)	751	145	209	(85,534)	64,971	(1,491)	63,480
Total comprehensive loss for the period										
Profit (loss) for the period	-	-	-	-	-	-	576	576	(43)	533
Other comprehensive (loss) income for the period	-	-	(1,393)	-	-	(20)	-	(1,413)	9	(1,404)
Total	-	-	(1,393)	-	-	(20)	576	(837)	(34)	(871)
Transactions with owners, recognised directly in equity										
Issue of shares pursuant to rights cum warrants issue	31,166	-	-	-	-	-	-	31,166	-	31,166
Expense in relation to issuance of right shares	(319)	-	-	-	-	-	-	(319)	-	(319)
Dividends	-	-	-	-	-	-	(1,000)	(1,000)	-	(1,000)
Transfer between reserves upon expiry of share options	-	-	-	-	(145)	-	145	-	-	-
Total	30,847	-	-	-	(145)	-	(855)	29,847	-	29,847
Balance as at 30 June 2018	184,499	(859)	(4,786)	751	-	189	(85,813)	93,981	(1,525)	92,456
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	428	428	12	440
Other comprehensive (loss) income for the period	-	-	(30)	-	-	(158)	-	(188)	69	(119)
Total	-	-	(30)	-	-	(158)	428	240	81	321
Transactions with owners, recognised directly in equity										
Issue of shares pursuant to rights cum warrants issue	232	-	-	-	-	-	-	232	-	232
Expense in relation to issuance of right shares	(9)	-	-	-	-	-	-	(9)	-	(9)
Waiver of loan from related party	-	534	-	-	-	-	-	534	-	534
Total	223	534	-	-	-	-	-	757	-	757
Balance as at 30 September 2018	184,722	(325)	(4,816)	751	-	31	(85,385)	94,978	(1,444)	93,534

<u>In S\$'000</u> Group	Share capital	Capital reserve	Investment revaluation reserve	Property revaluation reserve	Share options reserve	Currency translation reserve	Accumulated losses	Attributable to equity holders of the Company	Non-controlling interests	Total
Balance as at 30 September 2018	184,722	(325)	(4,816)	751	-	31	(85,385)	94,978	(1,444)	93,534
Total comprehensive income (loss) for the period										
Profit (Loss) for the period	-	-	-	-	-	-	776	776	(41)	735
Other comprehensive (loss) income for the period	-	-	(1,052)	-	-	8	-	(1,044)	(19)	(1,063)
Total	-	-	(1,052)	-	-	8	776	(268)	(60)	(328)
Transactions with owners, recognised directly in equity										
Issue of shares pursuant to rights cum warrants issue	35,590	-	-	-	-	-	-	35,590	-	35,590
Total	35,590	-	-	-	-	-	-	35,590	-	35,590
Balance as at 31 December 2018	<u>220,312</u>	<u>(325)</u>	<u>(5,868)</u>	<u>751</u>	<u>-</u>	<u>39</u>	<u>(84,609)</u>	<u>130,300</u>	<u>(1,504)</u>	<u>128,796</u>

<u>In S\$'000</u> Group	<u>Share capital</u>	<u>Capital reserve</u>	<u>Investment revaluation reserve</u>	<u>Property revaluation reserve</u>	<u>Share options reserve</u>	<u>Currency translation reserve</u>	<u>Accumulated losses</u>	<u>Attributable to equity holders of the Company</u>	<u>Non-controlling interests</u>	<u>Total</u>
Balance as at 31 December 2016	153,652	(859)	-	-	311	(825)	(87,933)	64,346	(1,706)	62,640
Adoption of the SFRS (I)	-	-	-	-	-	825	(825)	-	-	-
Balance as at 1 January 2017	153,652	(859)	-	-	311	-	(88,758)	64,346	(1,706)	62,640
Total comprehensive income (loss) for the period										
Profit (Loss) for the period	-	-	-	-	-	-	188	188	(201)	(13)
Other comprehensive (loss) income for the period	-	-	-	-	-	(73)	-	(73)	33	(40)
Total	-	-	-	-	-	(73)	188	115	(168)	(53)
Transactions with owners, recognised directly in equity										
Transfer between reserves upon expiry of share options	-	-	-	-	(21)	-	21	-	-	-
Total	-	-	-	-	(21)	-	21	-	-	-
Balance as at 31 March 2017	153,652	(859)	-	-	290	(73)	(88,549)	64,461	(1,874)	62,587
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	1,201	1,201	70	1,271
Other comprehensive income for the period	-	-	54	-	-	25	-	79	10	89
Total	-	-	54	-	-	25	1,201	1,280	80	1,360
Transactions with owners, recognised directly in equity										
Dividends	-	-	-	-	-	-	(1,300)	(1,300)	-	(1,300)
Transfer between reserves upon expiry of share options	-	-	-	-	(135)	-	135	-	-	-
Total	-	-	-	-	(135)	-	(1,165)	(1,300)	-	(1,300)
Balance as at 30 June 2017	153,652	(859)	54	-	155	(48)	(88,513)	64,441	(1,794)	62,647
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	1,396	1,396	29	1,425
Other comprehensive (loss) income for the period	-	-	(1,289)	1,484	-	(1)	-	194	12	206
Total	-	-	(1,289)	1,484	-	(1)	1,396	1,590	41	1,631
Transactions with owners, recognised directly in equity										
Dividends	-	-	-	-	-	-	(500)	(500)	-	(500)
Transfer between reserves upon expiry of share options	-	-	-	-	(10)	-	10	-	-	-
Total	-	-	-	-	(10)	-	(490)	(500)	-	(500)
Balance as at 30 September 2017	153,652	(859)	(1,235)	1,484	145	(49)	(87,607)	65,531	(1,753)	63,778

<u>In S\$'000</u> Group	<u>Share capital</u>	<u>Capital reserve</u>	<u>Investment revaluation reserve</u>	<u>Property revaluation reserve</u>	<u>Share options reserve</u>	<u>Currency translation reserve</u>	<u>Accumulated losses</u>	<u>Attributable to equity holders of the Company</u>	<u>Non-controlling interests</u>	<u>Total</u>
Balance as at 30 September 2017	153,652	(859)	(1,235)	1,484	145	(49)	(87,607)	65,531	(1,753)	63,778
Total comprehensive income (loss) for the period										
Profit for the period	-	-	-	-	-	-	1,317	1,317	218	1,535
Other comprehensive (loss) income for the period	-	-	(615)	(733)	-	136	-	(1,212)	17	(1,195)
Total	-	-	(615)	(733)	-	136	1,317	105	235	340
Balance as at 31 December 2017	<u>153,652</u>	<u>(859)</u>	<u>(1,850)</u>	<u>751</u>	<u>145</u>	<u>87</u>	<u>(86,290)</u>	<u>65,636</u>	<u>(1,518)</u>	<u>64,118</u>

<u>In S\$'000</u> Company	<u>Share capital</u>	<u>Capital reserve</u>	<u>Investment revaluation reserve</u>	<u>Share options reserve</u>	<u>Accumulated losses</u>	<u>Total</u>
Balance as at 1 January 2018	153,652	22	(1,850)	145	(94,220)	57,749
Total comprehensive loss for the period						
Profit for the period	-	-	-	-	436	436
Other comprehensive loss for the period	-	-	(1,543)	-	-	(1,543)
	-	-	(1,543)	-	436	(1,107)
Balance as at 31 March 2018	153,652	22	(3,393)	145	(93,784)	56,642
Total comprehensive loss for the period						
Profit for the period	-	-	-	-	165	165
Other comprehensive loss for the period	-	-	(1,393)	-	-	(1,393)
Total	-	-	(1,393)	-	165	(1,228)
Transactions with owners, recognised directly in equity						
Issue of shares pursuant to rights cum warrants issue	31,166	-	-	-	-	31,166
Expense in relation to issuance of right shares	(319)	-	-	-	-	(319)
Dividends	-	-	-	-	(1,000)	(1,000)
Transfer between reserves upon expiry of share options	-	-	-	(145)	145	-
Total	30,847	-	-	(145)	(855)	29,847
Balance as at 30 June 2018	184,499	22	(4,786)	-	(94,474)	85,261
Total comprehensive income for the period						
Profit for the period	-	-	-	-	206	206
Other comprehensive loss for the period	-	-	(30)	-	-	(30)
Total	-	-	(30)	-	206	176
Transactions with owners, recognised directly in equity						
Issue of shares pursuant to rights cum warrants issue	232	-	-	-	-	232
Expense in relation to issuance of right shares	(9)	-	-	-	-	(9)
Total	223	-	-	-	-	223
Balance as at 30 September 2018	184,722	22	(4,816)	-	(94,268)	85,660
Total comprehensive income for the period						
Profit for the period	-	-	-	-	1,291	1,291
Other comprehensive loss for the period	-	-	(1,052)	-	-	(1,052)
Total	-	-	(1,052)	-	1,291	239
Transactions with owners, recognised directly in equity						
Issue of shares pursuant to rights cum warrants issue	35,590	-	-	-	-	35,590
Total	35,590	-	-	-	-	35,590
Balance as at 31 December 2018	220,312	22	(5,868)	-	(92,977)	121,489

<u>In S\$'000</u> Company	<u>Share capital</u>	<u>Capital reserve</u>	<u>Investment revaluation reserve</u>	<u>Share options reserve</u>	<u>Accumulated losses</u>	<u>Total</u>
Balance as at 1 January 2017	153,652	22	-	311	(94,872)	59,113
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(485)	(485)
Transactions with owners, recognised directly in equity						
Transfer between reserves upon expiry of share options	-	-	-	(21)	21	-
Total	-	-	-	(21)	21	-
Balance as at 31 March 2017	<u>153,652</u>	<u>22</u>	<u>-</u>	<u>290</u>	<u>(95,336)</u>	<u>58,628</u>
Total comprehensive income for the period						
Profit for the period	-	-	-	-	997	997
Other comprehensive income	-	-	54	-	-	54
Total	-	-	54	-	997	1,051
Transactions with owners, recognised directly in equity						
Dividends	-	-	-	-	(1,300)	(1,300)
Transfer between reserves upon expiry of share options	-	-	-	(135)	135	-
Total	-	-	-	(135)	(1,165)	(1,300)
Balance as at 30 June 2017	<u>153,652</u>	<u>22</u>	<u>54</u>	<u>155</u>	<u>(95,504)</u>	<u>58,379</u>
Total comprehensive (loss) income for the period						
Profit for the period	-	-	-	-	634	634
Other comprehensive loss	-	-	(1,289)	-	-	(1,289)
Total	-	-	(1,289)	-	634	(655)
Transactions with owners, recognised directly in equity						
Dividends	-	-	-	-	(500)	(500)
Transfer between reserves upon expiry of share options	-	-	-	(10)	10	-
Total	-	-	-	(10)	(490)	(500)
Balance as at 30 September 2017	<u>153,652</u>	<u>22</u>	<u>(1,235)</u>	<u>145</u>	<u>(95,360)</u>	<u>57,224</u>
Total comprehensive (loss) income for the period						
Profit for the period	-	-	-	-	1,140	1,140
Other comprehensive loss	-	-	(615)	-	-	(615)
Total	-	-	(615)	-	1,140	525
Balance as at 31 December 2017	<u><u>153,652</u></u>	<u><u>22</u></u>	<u><u>(1,850)</u></u>	<u><u>145</u></u>	<u><u>(94,220)</u></u>	<u><u>57,749</u></u>

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Issued share capital

In 4Q-18, the Company issued an additional 35,586,102,954 new ordinary shares through conversion of 35,548,375,654 Tranche 1 warrants at \$0.001 and 37,727,300 Tranche 2 warrants at \$0.0011. As a result, the Company's issued and paid-up capital increased to \$220,311,678 divided into 64,923,277,197 shares as at 31 December 2018.

As at 31 December 2017, the Company's issued and paid-up capital was \$153,652,141 divided into 12,528,241,084 shares. There were no movements in the Company's issued share capital for the quarter ended 31 December 2017.

Warrants

On 18 June 2018, the Company issued 149,196,713,931 warrants and these warrants were subsequently listed on the SGX-ST on 22 June 2018. Each warrant carries the right to subscribe for one new ordinary shares in the capital of the Company.

The number of shares that may be issued on conversion of the Group's outstanding warrants as at 31 December 2018 is as follows:

	31-Dec-18
Tranche 2 warrants, \$0.0011 per warrant expiring on 17 December 2019	49,688,567,677
Tranche 3 warrants, \$0.0070 per warrant expiring on 17 June 2021	<u>49,732,237,977</u>
	<u>99,420,805,654</u>

There were 35,548,375,654 Tranche 1 warrants and 37,727,300 Tranche 2 warrants exercised in the quarter ended 31 December 2018.

There were 35,773,953,154 Tranche 1 warrants and 43,670,300 Tranche 2 warrants exercised in the year ended 31 December 2018.

Tranche 1 warrants expired on 17 December 2018.

Share options

The Company had a share option scheme known as mDR Limited Share Option Scheme 2003 which was approved by members of the Company at the Extraordinary General Meeting held on 13 January 2003. The Scheme expired on 12 January 2013. Upon expiration of the Scheme, no further share option can be granted but the provisions of the Scheme will remain in full force and effect in respect of any share options granted prior to the expiration but not exercised at the time of expiration.

At 31 December 2017, there were 7,300,000 outstanding share options which would entitle the holders to subscribe for a total of 7,300,000 ordinary shares. Following the expiry of the outstanding share options in May 2018, there are no valid and exercisable option under the scheme as at 31 December 2018.

Share Award Scheme

On 28 September 2018, the shareholders of the Company approved the share award scheme known as mDR Share Plan 2018. Under the mDR Share Plan 2018, the Company will deliver shares granted under an award by issuing new shares and/or transferring treasury shares free of charge, upon the participant satisfying such conditions as specified by the Committee administering the mDR Share Plan. As at 31 December 2018, no share award had been granted.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	Number of ordinary shares	
	31-Dec-18	31-Dec-17
Issued and paid up	<u>64,923,277,197</u>	<u>12,528,241,084</u>

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard**

The figures have not been audited or reviewed by the auditors of the Company.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared with those used in the audited financial statements for the financial year ended 31 December 2017 except as explained in Note 5 below.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

In December 2017, the Accounting Standards Council (ASC) has issued a new financial reporting framework – Singapore Financial Reporting Standards (International) (SFRS (I)), which is to be adopted by Singapore-incorporated companies listed on the Singapore Exchange (SGX), for annual periods beginning on or after 1 January 2018. SFRS (I) is identical to the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The Group has adopted the new financial reporting framework on 1 January 2018. The impact arising from the adoption of SFRS (I) on the Group's financial statements are set out as follow:

Application of SFRS (I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)

The Group is required to apply retrospectively all SFRS (I) effective at end of the first SFRS (I) reporting period (financial quarter ended 31 March 2018), subject to the mandatory exceptions and optional exemptions under SFRS (I) 1. The Group has elected the option to reset the foreign currency translation reserve to zero as at date of transition to SFRS (I) on 1 January 2017. As a result, foreign currency translation deficit as at 1 January 2017 of S\$825,000 has been reclassified to accumulated losses.

The line items on the Group's financial statements that have been adjusted from the adoption of SFRS (I) as described above are summarized below:

	As previously reported \$'000	Adjustments \$'000	As restated \$'000
Balance Sheet			
As at 1 January 2017			
Equity			
Foreign currency translation reserve	(825)	825	-
Accumulated losses	(87,933)	(825)	(88,758)
	<u> </u>	<u> </u>	<u> </u>
As at 31 December 2017			
Equity			
Foreign currency translation reserve	(738)	825	87
Accumulated losses	(85,465)	(825)	(86,290)
	<u> </u>	<u> </u>	<u> </u>

In addition, the Group has adopted the following new SFRS (I), amendments and interpretations of SFRS (I) which took effect from financial period beginning 1 January 2018:

- SFRS (I) 15 *Revenue from Contracts with Customers*

Except for SFRS(I) 1 as disclosed above, the adoption of SFRS(I) 15, amendments and interpretations of SFRS(I) 15 did not have any significant impact on the financial statements of the Group.

On 18 June 2018, the Company issued 16,577,412,659 ordinary shares arising from exercise of rights issue in June 2018. Following the issue of right shares, the aggregate number of issued shares increased from 12,528,241,084 shares to 29,105,653,743 shares. As a result, the number of ordinary shares used for the per share calculations has been adjusted for retrospectively as required by SFRS(I) 1-33.

6. Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings (Losses) per ordinary share <i>(based on consolidated net profit (loss) attributable to equity holders of the Company)</i>	4Q-18 cents	4Q-17 cents (restated)	YTD-18 cents	YTD-17 cents (restated)
From continuing and discontinued operations:				
- Basic	0.003	0.010	0.010	0.032
- Fully diluted	<u>0.002</u>	<u>0.010</u>	<u>0.005</u>	<u>0.032</u>
From continuing operations:				
- Basic	0.003	0.011	0.010	0.034
- Fully diluted	<u>0.002</u>	<u>0.011</u>	<u>0.005</u>	<u>0.034</u>
From discontinued operations:				
- Basic	-	(0.001)	-	(0.002)
- Fully diluted	<u>-</u>	<u>(0.001)</u>	<u>-</u>	<u>(0.002)</u>

Basic earnings per ordinary share is computed based on the weighted average number of shares in issue during the period of 25,374,248,301 (4Q-17: 12,528,241,084).

Fully diluted earnings per ordinary share is computed based on the weighted average number of shares during the period adjusted for the effect of all potential dilutive ordinary shares of 22,388,118,590.

In 4Q-17, the share options were antidilutive and hence disregarded in the calculation of diluted earnings (losses) per share.

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31-Dec-18 Cents	31-Dec-17 Cents	31-Dec-18 Cents	31-Dec-17 Cents
Net Asset Value ("NAV") per share	<u>0.20</u>	<u>0.52</u>	<u>0.19</u>	<u>0.46</u>

The NAV per share as at 31 December 2018 is calculated based on 64,923,277,197 (31 December 2017: 12,528,241,084) ordinary shares.

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on**

Revenue and profit after income tax

The Group's 4Q-18 revenue decreased by 1% from \$73.2 million in 4Q-17 to \$72.4 million in 4Q-18 and a 4% decrease year-on-year from \$275.0 million in YTD-17 to \$264.9 million in YTD-18. The decrease was mainly due to lower sales across all business segments. Overall, the Group's gross profit margin increased by 1% to 10% in 4Q-18 and remained at 10% year-on-year.

Revenue from DMS business reported a slight decrease quarter-on-quarter from \$65.6 million in 4Q-17 to \$65.3 million in 4Q-18 and decreased by 4% year-on-year from \$241.8 million in YTD-17 to \$232.8 million in YTD-18, mainly due to weaker market demand and lower sales volume from its distribution operations. Gross margin for DMS business remained at 7% quarter-on-quarter but decreased by 1% from 8% to 7% year-on-year.

Revenue from AMS business decreased by 11% quarter-on-quarter from \$5.9 million in 4Q-17 to \$5.3 million in 4Q-18 and by 7% year-on-year from \$26.0 million in YTD-17 to \$24.2 million in YTD-18, due to lower repair volumes. However gross margin increased by 3% to 26% in 4Q-18, mainly from a change in products mix while the gross margin remained at 25% year-on-year.

Revenue from DPAS business decreased by 15% for quarter-on-quarter and year-on-year comparisons, from \$1.7 million in 4Q-17 to \$1.5 million in 4Q-18 and from \$7.2 million in YTD-17 to \$6.2 million YTD-18 respectively. The business was affected by the weak economic growth with local business activities slowing down after the general election in Malaysia. Gross margin for DPAS business, however increased by 1% quarter-on-quarter from 31% in 4Q-17 to 32% in 4Q-18 and year-on-year from 30% in YTD-17 to 31% in YTD-18, due to the reduction in production staff cost resulting from the restructuring exercise conducted in the beginning of this year.

In 4Q-18 and YTD-18, revenue from Investment segment is derived mainly from dividend income received from investment in marketable securities of \$0.4 million and \$1.3 million respectively.

Other income registered lower amounts by \$0.9 million in 4Q-18 and \$2.1 million in YTD-18 respectively, mainly due to the classification of dividend income from investment in marketable securities and interest income from loan to a third party as investment revenue since January 2018. In 4Q-17, liabilities written back of \$0.2 million and third party compensation of \$0.1 million were recorded.

Administrative expenses increased by \$0.8 million from \$4.5 million in 4Q-17 to \$5.2 million in 4Q-18, mainly due to higher staff cost and bonus provision.

The Group's 4Q-18 net profits decreased by \$0.8 million from \$1.5 million in 4Q-17 to \$0.7 million in 4Q-18, mainly due to the increase in administrative expenses.

The Group's YTD-18 net profits decreased by \$1.7 million from \$4.2 million in YTD-17 to \$2.5 million in YTD-18, mainly due to the decrease in gross profit from DMS, AMS and DPAS business segments by \$2.1 million and interest income from loan to a third party by \$0.8 million. The decrease was partially offset by the increase in dividend income received from investment in marketable securities by \$0.9 million and decrease in rental expenses from other operating expenses by \$0.3 million.

Cash Flows

In 4Q-18 and YTD-18, the Group recorded cash deficit of \$14.1 million and \$12.5 million respectively from operations, which mainly resulted from higher volume of inventories purchased in December 2018 for an incentive program, which resulted in lower cash position as at year end.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

The Group delivered positive results in FY 2018. Competition in the telco industry is expected to continue to intensify with the entry of the 4th operator and the various mobile virtual network operators (MVNOs). However it is anticipated that the growth in value added services, enterprise business and digitisation by existing telcos will underpin the future growth and revenue of telco products and services. This is also reflected in the changing patterns of sales of various products and services. For example, while the sales of pre-paid cards have generally declined, the sales of post-paid products and services have shown improvements. Overall, we expect the local operations' performance to remain muted in the coming quarters in view of the usual factors, being the distribution business's high reliance on the success of the newer flagship mobile phone models from the principals, overheads and competition.

The cancellation or postponement of large scale infrastructure projects and a weak economic forecast for Malaysia for FY2019, have generally affected private sector activities which may have a bearing on the performance of DPAS operations. The DPAS division will work on expanding its customer base to service overseas entities and customers, to grow its revenue stream.

Dividend income from the invested marketable securities contributed positively to the Group's performance and will continue to be the main stream of revenue for Investment division, barring any major economic headwinds.

Geopolitical factors including trade conflict, natural disaster or other factors may lead to market volatility and uncertainties in the short term. However, the Company is committed to achieve better performance and a higher dividend payment for 2019.

The Group is also actively exploring potential investment opportunities to build new revenue streams and to improve shareholders' returns.

11. A breakdown of sales as follows:-

In S\$'000	FY2018	FY2017	Inc/(Dec)
<u>Continuing operation</u>			
Sales reported for first half year	125,013	135,750	-8%
Operating profit after tax before deducting non-controlling interests reported for first half year	1,382	1,599	-14%
Sales reported for second half year	139,856	139,280	0%
Operating profit after tax before deducting non-controlling interests reported for second half year	1,201	3,059	-61%
<u>Discontinued operation</u>			
Sales reported for first half year	-	10,246	-100%
Operating loss after tax before deducting non-controlling interests reported for first half year	(65)	(341)	-81%
Sales reported for second half year	-	-	N.M.
Operating loss after tax before deducting non-controlling interests reported for second half year	(26)	(99)	-74%

12. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes (Proposed, see note (c))

Name of Dividend	Final
Dividend Type	Cash
Dividend per share	\$0.0000308 per share
Dividend Amount	\$2.0 million (approximate)
Tax rate	Tax exempt (One-Tier tax)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend per share	\$0.0000399 per share	\$0.0000798 per share
Dividend Amount	\$0.5 million (approximate)	\$1.0 million (approximate)
Tax rate	Tax exempt (One-Tier tax)	Tax exempt (One-Tier tax)

(c) Date payable

Subject to shareholders' approval at the annual general Meeting proposed to be held on 29 April 2019, the proposed final dividend will be paid on 23 May 2019.

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed from 9 May 2019 at 5:00 p.m. to 10 May 2019 (both dates inclusive), for the purpose of determining shareholders' entitlement to the Company's proposed first and final (tax exempt one-tier) dividend, to be paid on 23 May 2019 subject to shareholders' approval at the forthcoming Annual General Meeting (the "Proposed Dividend"). For Proposed Dividend on a per share basis, please refer to note 12(a).

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623, up to 5:00 p.m. on 9 May 2019 will be registered to determine shareholders' entitlement to the Proposed Dividend.

Members whose securities accounts with The Central Depository (Pte) Limited are credited with the Company's shares as at 5:00 p.m. on 9 May 2019 will be entitled to the Proposed Dividend.

13. If no dividend has been declared/recommended, a statement to that effect

Not applicable

14. Segment revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

For management purposes, the Group is organised into four business segments, After-Market Services ("AMS"), Distribution Management Solutions ("DMS"), Digital Inkjet Printing for Out-Of-Home Advertising Solutions ("DPAS") and Investment.

AMS provides after market services for mobile equipment and consumer electronic products; DMS is a distributor and retailer of mobile telecommunication equipment and mobile related services, including prepaid cards, and DPAS provides digital inkjet printing for point-of-sale and out-of-home advertising solutions. Investment segment primarily comprises investment in marketable securities.

The segments are the basis which the Group reports information to the Group's chief operating decision maker for the purposes of resource allocation and assessment of the segment information.

(a) Segment revenues and results

FY2018 \$'000	<----Continuing Operation----->						Total
	AMS	DMS	DPAS	Investment	Discontinued Operation	Unallocated	
Segment revenue							
External	24,240	232,847	6,153	1,629	-	-	264,869
Inter-segment	-	-	-	-	-	-	-
	<u>24,240</u>	<u>232,847</u>	<u>6,153</u>	<u>1,629</u>	<u>-</u>	<u>-</u>	<u>264,869</u>
Segment result	967	554	702	599	(40)	248	3,030
Rental income	-	-	20	-	-	-	20
Net foreign exchange loss							(117)
Gain on disposal of plant and equipment							3
Finance costs							(422)
Profit before income tax & share of associate results							<u>2,514</u>
Share of loss of associate							<u>(9)</u>
							<u>2,505</u>
Income tax expense							<u>(13)</u>
Net profits for the year							<u>2,492</u>
Segment assets	<u>5,025</u>	<u>60,788</u>	<u>15,497</u>	<u>79,054</u>	<u>405</u>	<u>-</u>	<u>160,769</u>
Segment liabilities	<u>(2,817)</u>	<u>(14,034)</u>	<u>(5,638)</u>	<u>(8,986)</u>	<u>(126)</u>	<u>(372)</u>	<u>(31,973)</u>
Other segment information							
Capital expenditure	558	831	238	-	-	-	1,627
Depreciation	163	649	836	-	-	-	1,648

FY2017

<----Continuing Operation----->

\$'000

	AMS	DMS	DPAS	Investment	Discontinued Operation	Unallocated	Total
Segment revenue							
External	26,027	241,755	7,248	-	10,246	-	285,276
Inter-segment	-	-	-	-	-	-	-
	<u>26,027</u>	<u>241,755</u>	<u>7,248</u>	<u>-</u>	<u>10,246</u>	<u>-</u>	<u>285,276</u>
Segment result	879	2,263	674	1,173	(498)	380	4,871
Rental income	-	-	11	-	-	-	11
Net foreign exchange loss							(217)
Gain on disposal of plant and equipment							115
Finance costs							(311)
Profit before income tax & share of associate results							<u>4,469</u>
Share of profit of associate							<u>9</u>
							<u>4,478</u>
Income tax expense							<u>(260)</u>
Net profits for the year							<u>4,218</u>
Segment assets	<u>9,239</u>	<u>46,047</u>	<u>16,576</u>	<u>17,066</u>	<u>863</u>	<u>-</u>	<u>89,791</u>
Segment liabilities	<u>(3,490)</u>	<u>(12,949)</u>	<u>(7,351)</u>	<u>-</u>	<u>(1,373)</u>	<u>(510)</u>	<u>(25,673)</u>
Other segment information							
Capital expenditure	267	931	6,720	-	2	-	7,920
Depreciation	152	542	795	-	50	-	1,539
Reversal of impairment on plant and equipment	-	(3)	-	-	-	-	(3)

(b) Geographical information

	Revenue from external customers	
	FY2018 \$'000	FY2017 \$'000
Continuing Operation		
Singapore	258,716	267,782
Malaysia	6,153	7,248
	<u>264,869</u>	<u>275,030</u>
Discontinued Operation		
Myanmar	-	10,246
	<u>264,869</u>	<u>285,276</u>

	Non-current assets	
	FY2018 \$'000	FY2017 \$'000
Continuing Operation		
Singapore	81,430	16,498
Malaysia	11,236	11,858
	92,666	28,356
Discontinued Operation		
Myanmar	346	339
	93,012	28,695

15. Interested Person Transactions

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)
	\$'000	\$'000
Pacific Organisation Pte Ltd - Rental expenses	403	-
Total	403	-

Mr Ong Ghim Choon (Director and Chief Executive Officer of the Company) and his associate own a majority of the shares of Pacific Organisation Pte Ltd.

16. Use of proceeds

As at 31 December 2018, the proceeds from the Rights cum Warrants Issue have been utilized in accordance with its stated use and the breakdown is as follows:

Net proceeds from the Rights cum Warrants Issue ¹	\$'000 66,988
Less:	
Investments in quoted securities	(45,838)
Repayment of loan to finance the investment in quoted securities	(11,235)
Utilisation towards working capital – purchases of inventories	(9,915)
Balance of net proceeds	-

¹Aggregate proceeds from Rights and conversion of Warrants as at 31 December 2018

17. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) of the Listing Manual.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, any, during the year
Ong Ghim Chwee	54	Brother of Ong Ghim Choon (Group Executive Director and Chief Executive Officer)	Director (Accessories and Logistics) of Distribution Management Solutions Pte Ltd since January 2006.	No change

18. Confirmation of Undertakings under Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Mainboard Rules.

BY ORDER OF THE BOARD

Ong Ghim Choon
Chief Executive Officer
28 February 2019

Negative Assurance Confirmation under Rule 705(5) of the Listing Manual

We, Mark Leong Kei Wei and Ong Ghim Choon, being two directors of mDR Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the fourth quarter 2018 financial results to be false or misleading in any material respect.

On behalf of the Board of Directors

Mark Leong Kei Wei
Chairman of Audit Committee

Ong Ghim Choon
Chief Executive Officer

Singapore, 28 February 2019