

**MINUTES OF EXTRAORDINARY GENERAL MEETING OF MDR LIMITED (“MDR” OR THE “COMPANY”  
AND TOGETHER WITH ITS SUBSIDIARIES THE “GROUP”) HELD BY WAY OF ELECTRONIC MEANS  
ON MONDAY, 29 JUNE 2020 AT 4:20 P.M.**

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**PRESENT**

**Board of Directors**

<i>In Attendance</i>	:	Mr Edward Lee Ewe Ming (“Chairman”) Mr Ong Ghim Choon (CEO / “Mr Ong”)
<i>Via live webcast</i>	:	Ms Connie Zhang ( <i>Executive Director</i> ) Mr Mark Leong Kei Wei ( <i>Lead Independent Director</i> ) Mr Oei Su Chi, Ian ( <i>Independent Director</i> )
<i>Shareholders who attended via live webcast or audio conference</i>	:	As set out in the attendance records maintained by the Company
<i>Company Secretary (In Attendance)</i>	:	Mr Madan Mohan
<b><u>BY INVITATION</u></b> <i>(Attended via live webcast)</i>	:	Mr Richard Siva ( <i>Group COO</i> ) Ms Yip Li San ( <i>Group CFO</i> ) Mr Hock Lee Ng ( <i>Deloitte and Touche LLP</i> )

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**1. INTRODUCTION AND QUORUM**

1.1 Chairman welcomed shareholders to the extraordinary general meeting (“EGM” or “Meeting”). As a quorum was present, he declared the EGM of the Company open.

**2. NOTICE OF MEETING**

2.1 The Notice convening the EGM (“EGM Notice”) was taken as read.

**3. PRESENTATION, QUESTIONS & ANSWERS**

3.1 Chairman gave a presentation (attached as **Appendix A**) before proceeding with the business of the EGM. Going through the slides, he said:

- (a) mDR has proposed to consolidate 100 shares to 1 share. We considered ideas on how to improve liquidity for our shares. There were a mix of ideas with some very encouraging and some having reservations and we could understand why, because looking at share consolidations historically in the market, several companies that had share consolidation, their share price tends to drop post-consolidation. Upon a deeper look however, we may note that several of these companies were already loss making or with a negative cash flow situation. mDR is one of the few companies trading at 0.1c which is profitable, replete with cash or liquid/marketable assets, dividend paying and also having a share buy-back mandate (which is one of the forms of returning shareholder value). So I believe, the profile of mDR is different from other companies and that post-consolidation our share price should be different than other companies by virtue of mDR’s strong and improving fundamentals, cash or liquid/marketable assets and our commitment to dividend payment.

(b) Second point I want to address is that companies which have a 0.1c share price, their price volatility is high, because with a change of share price from 0.1c to 0.2c, the price difference translates to a 100% gain, and from 0.2c to 0.3c it translates to a 66% gain. Investors are now savvier these days. For a rational investor, his fear could be that if he buys mDR's shares at 0.1c and if for any reason, like education, medical or other emergency reason, he needs to liquidate the shares, he may be unable to do so, because if he purchased at 0.2c and has to sell at 0.1c, then he will have 50% loss and therefore such investor would be hesitant to invest. If the same shareholder bought the shares at 0.1c, he will have to expect huge market news or impact to pricing for the share price to move from 0.1c to 0.2c for a 100% gain. These binary outcomes create low liquidity and drive fear in investors and due to the pricing structure they are hesitant to invest in the Company. Consolidation of 100 to 1 share offers the most optimal pricing efficiency of shares, between 0.9c and 1c there is a 10% difference, similarly between 9.9c and 10c there is a 1% difference, so we believe 10c is the most optimal pricing given SGX's bid-ask spread. If Company's trading price improves, then one of the objectives of share buy-back can also be achieved more efficiently. There could also be more market awareness and interest in Company's shares from fund managers and brokerage financing could also be available. I and Mr Ong both are key shareholders of the Company, and therefore there is also an alignment of interest with other shareholders.

3.2 Company had addressed and published the responses to questions from shareholders received in advance of the EGM on SGXNET and also on mDR's corporate website. Chairman informed shareholders that if there are any follow-up questions, shareholders are requested to drop us an email. He then proceeded for the resolution tabled at the EGM.

**4. ORDINARY RESOLUTION: THE PROPOSED SHARE CONSOLIDATION**

4.1 Chairman noted the ordinary resolution as set out in the EGM Notice.

4.2 Chairman informed the shareholders that voting at the Meeting had been conducted by poll and in view of the COVID-19 alternative arrangements for meetings, the resolution had been voted prior to the EGM by appointing Chairman of the Meeting as proxy. As such, the ordinary resolution of the Meeting was deemed proposed and seconded. Chairman noted that Samas Management Consultants Pte Ltd, the scrutineers for this Meeting had independently verified the votes based on Proxy Forms received 72 hours before the EGM.

4.3 The results of the proxy votes received were as follows:

Ordinary Resolution	Total	For		Against	
		No. of Shares	%	No. of Shares	%
The Proposed Share Consolidation	62,495,394,023	62,485,394,023	99.98	10,000,000	0.02

4.4 Based on the results, Chairman declared that the ordinary resolution was duly passed.

4.5 RESOLVED THAT pursuant to the Constitution of the Company, approval be and is hereby given:

(a) with effect from the Effective Trading Date, for the proposed consolidation of every one hundred (100) Existing Shares (including treasury shares) held by the Shareholders as at the Record Date into one (1) Consolidated Share in the manner set out in the Circular, and the number of Consolidated Shares which each Shareholder is entitled to resulting from the Proposed Share Consolidation, based on their holdings of Existing Shares as at the Record Date, with any fractional entitlements to be rounded up to the nearest whole Consolidated Share;

- (b) for the Company to issue one (1) Consolidated Share for no consideration pursuant to Section 68 of the Companies Act to each Shareholder who would otherwise have received a fraction of a Consolidated Share arising from the Proposed Share Consolidation pursuant to paragraph (a) above;
- (c) the Directors be and are hereby authorised to fix the Record Date and the date on which the Consolidated Shares will trade on the Mainboard of the SGX-ST in board lots of one hundred (100) Consolidated Shares in their absolute discretion as they deem appropriate; and
- (d) the Directors of the Company and each of them be and is hereby authorised to do all such acts and things (including without limitation, to execute all such documents as may be required, issuing new share certificates in respect of the Consolidated Shares, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, desirable or expedient to give effect to the Proposed Share Consolidation and/or this ordinary resolution.

**5. CLOSURE**

- 5.1 There being no other business, Chairman thanked shareholders for their attendance at the Meeting. Chairman declared the EGM closed at 4:33 pm.

Approved by:

**Mr Edward Lee**  
*Chairman*  
mDR Limited

Appendix A



# Extraordinary General Meeting

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29 June 2020

## Proposed Share Consolidation

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- Company proposes to undertake the Share Consolidation pursuant to which the Company will consolidate every 100 Existing Shares (including treasury shares) as at a Record Date to be determined, into 1 Consolidated Share.

# Rationale for the Proposed Share Consolidation

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- Increase in the market interest and attractiveness of the Company and its Consolidated Shares
- Potential reduction of fluctuation in magnitude of the Company's market capitalisation and reduction of percentage transaction cost for trading in each board lot of Consolidated Shares

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# Thank you