



MDR Limited

mDR Limited

**First Quarter Financial Statements for the Period Ended 31 March 2011**

**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	Q1-11	Q1-10	Inc/(Dec) %
<b>Continuing operations</b>				
<b>Revenue</b>	1	88,656	70,148	26%
Cost of sales	1	<u>(80,627)</u>	<u>(62,869)</u>	28%
<b>Gross profit</b>	1	8,029	7,279	10%
Other income	2	340	135	152%
Administrative expenses	3	(4,764)	(4,651)	2%
Other operating expenses	4	(2,239)	(1,875)	19%
Changes in fair value of convertible loan notes designated as fair value through profit or loss		589	57	933%
Finance cost	5	<u>(173)</u>	<u>(204)</u>	-15%
Total expenses		<u>(6,587)</u>	<u>(6,673)</u>	-1%
<b>Profit before income tax</b>		1,782	741	140%
Income tax expense	6	<u>(286)</u>	<u>(151)</u>	89%
<b>Profit for the period from continuing operations</b>		1,496	590	154%
<b>Discontinued operations</b>				
Loss for the period from discontinued operations	7	<u>-</u>	<u>(115)</u>	N.M.
<b>Profit for the period</b>		<u>1,496</u>	<u>475</u>	215%
<b>Other comprehensive income</b>				
Currency translation differences arising from consolidation		37	(449)	108%
Reclassification of currency translation reserves on disposals of subsidiaries		<u>-</u>	<u>(43)</u>	N.M.
<b>Other comprehensive income (loss) for the period, net of tax</b>		37	(492)	108%
<b>Total comprehensive income (loss) for the period</b>		<u>1,533</u>	<u>(17)</u>	9118%
<b>Profit attributable to:</b>				
Owners of the Company		1,187	300	296%
Non-controlling interests		<u>309</u>	<u>175</u>	77%
<b>Total comprehensive income for the period</b>		<u>1,496</u>	<u>475</u>	215%
<b>Total comprehensive income attributable to:</b>				
Owners of the Company		1,224	(192)	738%
Non-controlling interests		<u>309</u>	<u>175</u>	77%
		<u>1,533</u>	<u>(17)</u>	9118%

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 two business segments – After Market Services (“AMS”) and Distribution Management Solutions (“DMS”). The breakdown of revenue and cost of goods sold and spare parts are as follows:

In S\$'000	Q1-11	Q1-10
<b>Revenue</b>		
AMS	3,936	4,772
DMS	84,720	65,376
	<u>88,656</u>	<u>70,148</u>
<b>Cost of Goods Sold and Spare Parts</b>		
AMS	(2,788)	(2,909)
DMS	(77,839)	(59,960)
	<u>(80,627)</u>	<u>(62,869)</u>
<b>Gross Profit</b>		
AMS	1,148	1,863
DMS	6,881	5,416
	<u>8,029</u>	<u>7,279</u>
<b>GP%</b>		
AMS	29%	39%
DMS	8%	8%
	<u>9%</u>	<u>10%</u>

Total gross profits for 1Q-2011 improved over the previous year's comparative period due to higher sales volume from DMS.

### Note 2 Other income consist of the following:

In S\$'000	Q1-11	Q1-10
Interest income	2	2
Rental income	270	133
Liabilities written back	65	-
Others	3	-
	<u>340</u>	<u>135</u>

### Note 3 Administrative Expenses

The administrative expenses comprise mainly staff cost.

In S\$'000	Q1-11	Q1-10
<b><u>Staff</u></b>		
AMS	1,328	1,657
DMS	2,291	1,898
	<u>3,619</u>	<u>3,555</u>

Included in staff cost is share option expense of \$12,000 (1Q-10: \$Nil).

**Note 4** Other operating expenses consist of the following:

In S\$'000	Q1-11	Q1-10
Rental expenses	1,859	1,501
Depreciation expenses	232	197
(Reversal) Allowance of impairment for plant and equipment	(34)	62
Plant and equipment written off	1	-
Loss on disposal of plant and equipment	4	57
Reversal of allowance for doubtful trade receivables	(71)	-
Allowance for inventories	169	320
Inventories written off	38	-
Foreign currency exchange losses (gains)	41	(262)
	<u>2,239</u>	<u>1,875</u>

**Note 5** Finance cost

Finance cost comprises mainly interest expense arising from loans drawn down for operating and investing activities.

**Note 6** Income tax expense

The tax expense provision is calculated for profitable subsidiaries before group relief is taken into consideration.

**Note 7** Income statement disclosures for discontinued operations

In S\$'000	Q1-11	Q1-10
<b>Revenue</b>	-	68
Cost of sales	-	(26)
<b>Gross profit</b>	-	42
Other operating income	-	61
Administrative expenses	-	(176)
Other operating expenses	-	(88)
Finance cost	-	(1)
<b>Loss before income tax</b>	-	(162)
Income tax credit	-	2
<b>Loss for the period</b>	-	(160)
Gain from disposal of discontinued operations	-	45
<b>Loss from discontinued operations</b>	-	(115)

## 2010

The Group deregistered ACCS PRC Limited, a wholly-owned dormant subsidiary held through Accord Customer Care Solution (Asia) Limited in 1Q 2010.

The Group commenced liquidation of its wholly-owned subsidiary mDR (New Zealand) Ltd in May 2010.

The Group disposed its wholly-owned subsidiaries Accord Customer Care Solution (Asia) Limited, Accord Customer Care Solutions (Suzhou) Co Ltd and Accord CCS (Thailand) Co. Ltd, and majority-owned subsidiary Pacific Cellular (Thailand) Limited to unrelated parties at S\$1 each in September 2010.

The Group disposed its wholly owned subsidiaries mDR Services (India) Private Limited and Accord Customer Care Solutions (India) Private Limited to unrelated parties at Indian Rp1 each in November 2010.

The Group deregistered its wholly-owned subsidiary PT Accord Express Customer Care Solutions and majority-owned subsidiary PT Accord Customer Care Solutions in December 2010.

The comparative statement of comprehensive income has been re-presented to show the discontinued operations separately from continuing operations.

**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-Mar-11	31-Dec-10	31-Mar-11	31-Dec-10
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and bank balances		9,446	12,025	2,709	2,975
Cash pledged		2,224	2,224	-	-
Trade receivables	1	23,506	23,260	3,268	820
Other receivables and prepayments	2	4,301	3,768	3,915	12,243
Inventories	3	14,503	13,124	537	375
<b>Total current assets</b>		<u>53,980</u>	<u>54,401</u>	<u>10,429</u>	<u>16,413</u>
<b>Non-current assets</b>					
Investment in subsidiaries		-	-	9,936	9,936
Plant and equipment		2,038	2,101	80	68
Other goodwill		2,350	2,350	-	-
<b>Total non-current assets</b>		<u>4,388</u>	<u>4,451</u>	<u>10,016</u>	<u>10,004</u>
<b>Total assets</b>		<u><u>58,368</u></u>	<u><u>58,852</u></u>	<u><u>20,445</u></u>	<u><u>26,417</u></u>
<b>Current liabilities</b>					
Bank overdrafts		8,294	8,678	1,791	2,037
Convertible notes / bonds	4	-	5,350	-	5,350
Fair value adjustment on convertibles	4	-	589	-	589
Trade payables	5	15,279	12,976	1,895	537
Other payables	6	12,626	10,948	3,834	5,092
Income tax payable		1,915	1,652	-	-
<b>Total current liabilities</b>		<u>38,114</u>	<u>40,193</u>	<u>7,520</u>	<u>13,605</u>
<b>Non-current liabilities</b>					
Deferred tax liabilities		274	274	-	-
<b>Total non-current liabilities</b>		<u>274</u>	<u>274</u>	<u>-</u>	<u>-</u>
<b>Equity</b>					
Share capital		109,506	109,456	109,506	109,456
Capital redemption reserve		22	22	22	22
Share options reserve		1,540	1,528	1,540	1,528
Foreign currency translation reserve		174	137	-	-
Accumulated losses		(95,247)	(96,434)	(98,143)	(98,194)
<b>Equity attributable to owners of the Company</b>		<u>15,995</u>	<u>14,709</u>	<u>12,925</u>	<u>12,812</u>
Non-controlling interests		3,985	3,676	-	-
<b>Total equity and liabilities</b>		<u><u>58,368</u></u>	<u><u>58,852</u></u>	<u><u>20,445</u></u>	<u><u>26,417</u></u>

## **Notes**

### **1 Trade receivables**

The Group's trade receivables turnover as at 31 March 2011 is 24 days (31 December 2010: 29 days).

### **2 Other receivables and prepayments**

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

<b>S\$'000</b>	<b>31-Mar-11</b>	<b>31-Dec-10</b>
Rental deposits	1,638	1,595
Other receivables	2,490	1,987
Prepayments	<u>81</u>	<u>123</u>

Other receivables of \$2.5 million as at 31 March 2011 mainly comprised credit notes of \$0.8 million to be received from principals in relation to sell through, advertising and promotion support, and advanced payment of \$1.0 million for goods purchased.

### **3 Inventories**

The Group's inventory turnover is 15 days for the quarter ended 31 March 2011 (31 December 2010: 15 days).

Group inventories as at 31 March 2011 is \$14.5 million (31 December 2010: \$13.1 million).

### **4 Convertible notes**

On 30 January 2008, the Company received approval from shareholders for the issue of 1.5% equity linked redeemable non-recallable structured convertible notes that are due in 2011 amounting to \$32,000,000.

On 17 February 2011, the convertible notes expired. The Company has issued a total of \$12,000,000 (31 December 2010: \$12,000,000) of the convertible notes which had been fully converted into equity shares of the Company (31 December 2010: \$11,950,000).

#### **Convertible bonds**

On 25 February 2008, the Group entered into a three-year debt restructuring agreement with three lenders for a conversion debt of \$12,000,000. Under the agreement, the conversion debt of \$12,000,000 shall be repaid and discharged by way of conversion into 3.75% Class A convertible bonds due in 2010.

On 31 March 2011, the Company fully repaid the outstanding convertible bonds.

In conjunction with the above events, the carrying amounts of the fair value adjustment of these convertible notes /bonds were derecognised and credited to the statement of comprehensive income for the period.

## 5 Trade payables

The Group's trade payables turnover is 16 days as at 31 March 2011 (31 December 2010: 18 days). An increase in trade payables is mainly due to more purchases toward period end.

## 6 Other payables

The Group's other payables consist of the following:

<b>S\$'000</b>	<b>31-Mar-11</b>	<b>31-Dec-10</b>
Advertising, promotion and sell through funds from principals	4,219	2,772
Other payables to third parties	1,205	1,313
Accrued staff costs	1,260	1,472
Rebates owing to franchisees	1,703	1,961
Accrued purchases	548	520
Other accrued operating expenses	857	501

The Group's other payables have increased since December 2010 due to higher handset marketing, advertising and promotional support received from manufacturers.

### 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-Mar-11		As at 31-Dec-10	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
-	8,294	-	14,028

#### Note :

The unsecured borrowings of \$8.3 million comprises of bank overdrafts.

#### Amount repayable after one year

As at 31-Mar-11		As at 31-Dec-10	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
-	-	-	-

#### Details of collateral

Not applicable

**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	Q1-11	Q1-10
<b>Operating activities</b>		
Profit before income tax from continuing operations	1,782	741
Profit before income tax from discontinued operations	-	(117)
	<u>1,782</u>	<u>624</u>
Adjustments for:		
Depreciation expense	232	218
Interest expense	173	205
Interest income	(2)	(3)
Loss on disposal of plant and equipment	4	64
Plant and equipment written off	1	-
(Reversal) Allowance for impairment of plant and equipment	(34)	62
Allowance for inventories	169	320
Inventories written off	38	-
Reversal of allowance for doubtful trade receivables	(71)	-
Share-based payments	12	-
Gain arising from de-consolidation of disposed subsidiary	-	(45)
Changes in fair value of convertible notes/bonds designated as fair value through profit or loss	(589)	(57)
Liabilities written back	(65)	(57)
Net foreign exchange losses (gains)	37	(509)
	<u>1,687</u>	<u>822</u>
<b>Operating cash flows before movements in working capital</b>		
Trade receivables	(175)	3,643
Other receivables and prepayments	(503)	85
Inventories	(1,586)	(1,287)
Trade payables	2,368	(3,218)
Other payables	1,678	397
	<u>3,469</u>	<u>442</u>
<b>Cash generated from operations</b>		
Interest received	2	3
Income tax paid	(53)	(256)
	<u>3,418</u>	<u>189</u>
<b>Net cash from operating activities</b>		
<b>Investing activities</b>		
Proceeds from disposal of plant and equipment	1	56
Purchase of plant and equipment	(141)	(40)
	<u>(140)</u>	<u>16</u>
<b>Net cash (used in) from investing activities</b>		
<b>Financing activities</b>		
Interest paid	(173)	(205)
Proceeds from issuance of convertible notes	-	500
Cash pledged	-	(9)
Repayment of convertible bonds	(5,300)	(510)
	<u>(5,473)</u>	<u>(224)</u>
<b>Net cash used in financing activities</b>		
Net decrease in cash and cash equivalents	(2,195)	(19)
Cash and cash equivalents at beginning of period	3,347	330
<b>Cash and cash equivalents at end of period</b>	<u>1,152</u>	<u>311</u>



## Notes

### **A. Disposal of a subsidiary**

During 1Q 2010, the Group deregistered ACCS PRC Limited, a wholly-owned dormant subsidiary held through Accord Customer Care Solution (Asia) Limited. The carrying value of assets disposed and liabilities discharged were as follows:

<b>In S\$'000</b>	<b>Q1-11</b>	<b>Q1-10</b>
Assets	-	-
Liabilities	-	(2)
Foreign currency translation reserve	-	(43)
Net liabilities	<u>-</u>	<u>(45)</u>
Gain on disposal	-	45
Total consideration	<u>-</u>	<u>-</u>

### **B. Cash and cash equivalent at end of period comprise of:**

<b>In S\$'000</b>	<b>Q1-11</b>	<b>Q1-10</b>
Cash	11,670	10,458
Bank overdrafts	(8,294)	(8,423)
Less: Cash pledged	<u>(2,224)</u>	<u>(1,724)</u>
Cash and cash equivalents	<u>1,152</u>	<u>311</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**

<b>In S\$'000</b>	<b>Share capital</b>	<b>Capital redemption reserve</b>	<b>Share options reserve</b>	<b>Currency translation reserve</b>	<b>Accumulated losses</b>	<b>Attributable to equity holders</b>	<b>Non-controlling interests</b>	<b>Total</b>
<b>Group</b>								
<b>Balance as at 1 January 2011</b>	109,456	22	1,528	137	(96,434)	14,709	3,676	18,385
Total comprehensive income for the period	-	-	-	37	1,187	1,224	309	1,533
Issue of shares upon conversion of convertible notes	50	-	-	-	-	50	-	50
Recognition of share-based payments	-	-	12	-	-	12	-	12
<b>Balance as at 31 March 2011</b>	<b>109,506</b>	<b>22</b>	<b>1,540</b>	<b>174</b>	<b>(95,247)</b>	<b>15,995</b>	<b>3,985</b>	<b>19,980</b>
<b>Balance as at 1 January 2010</b>								
<b>Balance as at 1 January 2010</b>	104,466	22	1,836	2,974	(101,719)	7,579	2,536	10,115
Total comprehensive income for the period	-	-	-	(492)	300	(192)	175	(17)
Issue of shares upon conversion of convertible notes	1,000	-	-	-	-	1,000	-	1,000
<b>Balance as at 31 March 2010</b>	<b>105,466</b>	<b>22</b>	<b>1,836</b>	<b>2,482</b>	<b>(101,419)</b>	<b>8,387</b>	<b>2,711</b>	<b>11,098</b>
<b>Company</b>								
<b>Balance as at 1 January 2011</b>	109,456	22	1,528	-	(98,194)	12,812	-	12,812
Total comprehensive income for the period	-	-	-	-	51	51	-	51
Issue of shares upon conversion of convertible notes	50	-	-	-	-	50	-	50
Recognition of share-based payments	-	-	12	-	-	12	-	12
<b>Balance as at 31 March 2011</b>	<b>109,506</b>	<b>22</b>	<b>1,540</b>	<b>-</b>	<b>(98,143)</b>	<b>12,925</b>	<b>-</b>	<b>12,925</b>
<b>Balance as at 1 January 2010</b>								
<b>Balance as at 1 January 2010</b>	104,466	22	1,836	-	(103,378)	2,946	-	2,946
Total comprehensive expense for the period	-	-	-	-	(135)	(135)	-	(135)
Issue of shares upon conversion of convertible notes	1,000	-	-	-	-	1,000	-	1,000
<b>Balance as at 31 March 2010</b>	<b>105,466</b>	<b>22</b>	<b>1,836</b>	<b>-</b>	<b>(103,513)</b>	<b>3,811</b>	<b>-</b>	<b>3,811</b>

**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**

The Company issued an additional 11,111,111 new ordinary shares in February 2011 (1Q10: 222,222,222) at \$0.0045 (1Q-10: \$0.0045) per share through conversion of convertible notes.

As a result, the Company's issued and paid-up capital increased to \$109,506,704 divided into 3,748,616,632 shares as at 31 March 2011.

**Share options**

The Company has 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.

At 31 March 2011, there were 82,516,274 (31 March 2010: 30,948,128) outstanding share options which would entitle the holders to subscribe for a total of 82,516,274 (31 March 2010: 30,948,128) ordinary shares of S\$1 per share.

The 82,516,274 share options outstanding at 31 March 2011 are approximately 2.2% of the share capital consisting of 3,748,616,632 issued shares at 31 March 2011.

**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-Mar-11	31-Dec-10
Issued and paid up	<u>3,748,616,632</u>	<u>3,737,505,521</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 2010.

**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**

The Group has adopted all the new and revised Singapore Financial Reporting Standards ("FRS") for accounting periods beginning 1 January 2011, where applicable.

The adoption of new / revised FRS and INT FRS does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior period.

**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**

<b>Earnings per ordinary share</b> <i>(based on consolidated net profit/(loss) attributable to equity holders of the Company)</i>	<b>Q1-11</b> <b>Cents</b>	<b>Q1-10</b> <b>Cents</b>
<b>From continuing and discontinued operations:</b>		
- Basic	0.03	0.01
- Fully diluted	<u>0.03</u>	<u>0.01</u>
<b>From continuing operations:</b>		
- Basic	0.03	0.01
- Fully diluted	<u>0.03</u>	<u>0.01</u>
<b>From discontinuing operations:</b>		
- Basic	0.00	0.00
- Fully diluted	<u>0.00</u>	<u>0.00</u>

Basic earnings per ordinary share is computed based on the weighted average number of shares in issue during the period of 3,747,398,976 (1Q-10: 2,822,741,446).

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 3,747,398,976 (1Q-10: 4,366,811,990).

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-Mar-11 Cents	31-Dec-10 Cents	31-Mar-11 Cents	31-Dec-10 Cents
Net Asset Value ("NAV") per share	<u>0.43</u>	<u>0.39</u>	<u>0.34</u>	<u>0.34</u>

The NAV per share as at 31 March 2011 is calculated based on 3,748,616,632 (31 December 2010: 3,737,505,521) 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 strong economy continues to drive the operating performance of the Group, in particular its DMS business. Revenue increased by 26% from \$70.1 million to \$88.7 million quarter-on-quarter due to a strong performance of the Group's distribution and prepaid cards businesses. The higher revenues for 1Q-11 have contributed to the Group's increase in total net profits from \$0.5m to \$1.5m quarter-on-quarter. Overall, gross margin for 1Q-11 remained relatively stable at 9% compared to 10% for 1Q-10.

#### **Cash flows**

Despite an increase in net cash outflows for Q1-11 due to repayment of convertible bonds amounting to \$5.3 million as compared to the corresponding period in 2010, the Group's cash position strengthened with operating cash flows of \$3.4 million, up from \$0.2 million in 1Q-10.

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**

On 31 March 2011, in view of its improved financial performance and condition, the Group has fully redeemed the outstanding convertible bonds. The Group will continue paying the outstanding bank overdrafts by \$170,000 per month.

On 5 April 2011, the Company announced its intention to buy over the Chief Executive Officer's stake in its principal subsidiary, Distribution Management Solutions Pte Ltd ("DMS"); upon approval of this acquisition by the relevant statutory authorities and shareholders, this will increase the Company's present shareholding in DMS from 76.37% to 84.06%. Going forward, the Company intends to acquire the remaining shares in DMS to benefit from the strong performance of the DMS business with its promising future prospects.

The Group expects the DMS business to continue to grow, and the Group will be exploring further opportunities in distribution and retail of mobile related products to tap into the emerging trend of the convergence of IT and mobile devices.

**11. Dividend**

***(a) Current Financial Period Reported On***

Any dividend declared for the current financial period reported on?

None

***(b) Corresponding Period of the Immediately Preceding Financial Year***

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

None

***(c) Date payable***

Not applicable

***(d) Books closure date***

Not applicable

**12. If no dividend has been declared/recommendeded, a statement to that effect**

No dividend has been declared or recommended for the period.

**13. 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)
Pacific Organisation Pte Ltd - rental expenses	\$'000  111	\$'000  Nil

**BY ORDER OF THE BOARD**

**Philip Eng Heng Nee**  
Chairman

**10 May 2011**

### **Negative Assurance Confirmation Under Rule 705(5) of the Listing Manual**

We, Mah Kah On 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 first quarter 2011 financial results to be false or misleading in any material respect.

On behalf of the Board of Directors

Mah Kah On  
Chairman of Audit Committee

Ong Ghim Choon  
Chief Executive Officer

Singapore, 10 May 2011