



APPROVAL IN-PRINCIPLE FOR THE LISTING AND QUOTATION OF UP TO 343,496,532 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY TO BE ISSUED PURSUANT TO A DEBT RESTRUCTURING EXERCISE

On 25 February, the Company had announced the proposed issue of up to 343,496,532 new ordinary shares (the "**Conversion Shares**") in the capital of the Company to be issued upon the conversion of S\$12,000,000 in principal amount of 3.75% Class A Convertible Bonds due 2010 and S\$5,174,827 in principal amount of 3.75% Class B Convertible Bonds to be issued pursuant to a debt restructuring exercise (the "**Convertible Bonds**").

As of the date of this announcement, the Exchange has given the approval-in-principle for the listing and quotation of the Convertible Bonds subject to:-

- (a) Shareholders' approval being obtained in the forthcoming EGM for the issue of the Convertible Bonds; and
- (b) Submission of an undertaking from the Company to:-
 - (i) comply with the listing requirements and guidelines of the SGX-ST;
 - (ii) comply with Rule 825 of the Listing Manual at all times;
 - (iii) make announcements via SGXNET on the details of the conversion of the Convertible Bonds (including the conversion price and its basis) as and when the Lenders exercise their rights to convert the Convertible Bonds into shares of the Company;
 - (iv) make announcements via SGXNET as and when the Convertible Bonds are redeemed (including details on the Convertible Bonds redeemed and the redemption amount);
 - (v) make announcements via SGXNET whenever adjustments are made to the conversion price in the event of rights, bonus or other capitalization issues;
 - (vi) make announcements via SGXNET on the expiry of the Convertible Bonds;
 - (vii) not to issue or permit the transfer of the Convertible Bonds to any persons as set out in Rule 812 of the Listing Manual;
 - (viii) in the event of any material alteration to the terms of any issued Convertible Bonds, whereby such material alteration is to the advantage of the Bondholder, that such material alteration be subject to shareholders' approval at an extraordinary general meeting of the

Company, except where such material alterations are made pursuant to the terms and conditions of the Convertible Bonds Issue; and

- (ix) notwithstanding undertaking (viii) aforementioned, to announce via SGXNET any such material alteration to any issued Convertible Bonds regardless of whether such material alterations are made pursuant to the terms of the Convertible Bonds Issue.

The Exchange's in-principle approval is not to be taken as an indication of the merits of the Convertible Bonds Issue, the Convertible Bonds, the Conversion Shares, the Company or its subsidiaries.

BY ORDER OF THE BOARD

HUANG WENJIAN EUGENE
Legal and Corporate Affairs Manager
Company Secretary
mDR Limited

24 March 2008