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

ENTRY INTO LOAN AGREEMENT WITH MKY CAPITAL

1. INTRODUCTION

The board of Directors (the "**Board**") of mDR Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") wishes to announce that the Company, has entered into a loan agreement on 17 May 2021 (the "**Loan Agreement**") with MKY Capital Pte Ltd ("**MKY**" or the "**Borrower**").

2. INFORMATION ON THE BORROWER

2.1 MKY is a company incorporated under the laws of Singapore.

2.2 The Borrower's directors and shareholders are, Foo Ji Liang and Wong Kee Chet, who each own 50% shares of MKY.

3. RATIONALE FOR THE LOAN

3.1 The Loan is income generating and beneficial for the Group and is secured by *inter alia*, an all-monies mortgage (Legal Mortgage) over the property situated at 8 Devonshire Road, Devonshire 8, Singapore 239845 (the "**Mortgaged Property**").

4. KEY TERMS OF THE LOAN

4.1 The principal sum of the loan is Singapore Dollars Twenty Four Million (S$24m) (the "**Loan**"). The tenor of the Loan is 12 months. The indicative valuation of the Mortgaged Property is S$32m - S$35m.The disbursement amount of the Loan is S$23.16m (after deduction of interest) and the loan-to-value ratio (LTV) is in the range of 68.57% - 75%[1]. In addition to the Mortgaged Property, other securities in relation to the Loan are: (a) personal guarantee and indemnity by the directors and shareholders of the Borrower; (b) the Company having a right to purchase the Mortgaged Property under a sale and purchase agreement upon the occurrence of an event of default under the Loan Agreement; and (c) pledge of shares of the Borrower by the shareholders of the Borrower under a share pledge agreement.

5. DIRECTORS' OR CONTROLLING SHAREHOLDERS' INTEREST

5.1 None of the Directors or controlling shareholders of the Company have any direct or indirect interest in the Loan Agreement, other than through their respective shareholdings in the Company.

6. RESPONSIBILITY STATEMENT

6.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure

[1] Based on Mortgaged Property's indicative valuation of S$32m - S$35m.

of all material facts about the Loan Agreement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement 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 this announcement in its proper form and context.

7. CAUTIONARY STATEMENT

7.1 Shareholders and potential investors are advised to exercise caution when dealing or trading in the shares of the Company. The Loan Agreement is subject to such further terms and conditions as are customary in similar transactions. The Company will provide further details, where necessary, in subsequent announcements in accordance with the listing rules of the SGX-ST at the appropriate junctures. Shareholders and potential investors are advised to consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Madan Mohan
Company Secretary

17 May 2021