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

LODGEMENT OF POLICE REPORT IN RELATION TO SUSPECTED MISAPPROPRIATION OF GROUP'S ASSETS

- UPDATE TO SHAREHOLDERS ON APPOINTMENT OF INDEPENDENT AUDIT FIRM

The board of directors (the "**Board**" or "**Directors**") of mDR Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 18 December 2021 in relation to the Suspected Misappropriation ("**18 December Announcement**"), and wishes to provide the following update to shareholders of the Company. Unless otherwise defined, all capitalised terms shall bear the same meanings as ascribed to them in the 18 December Announcement.

As previously mentioned in the 18 December Announcement, the Company has decided to engage an independent audit firm to identify and report to the Company's Audit and Risk Committee ("**ARC**") to identify any possible weaknesses of the current internal controls in relation to the use of marketing incentive rebates and to provide their recommendations on how internal controls and procedures for use of marketing incentive rebates can be further strengthened following the Suspected Misappropriation ("**Incentive Rebates Internal Controls Review**").

The Board wishes to update shareholders that the Company has on 28 February 2022 appointed Nexia TS Risk Advisory Pte. Ltd. ("**Nexia**") to undertake the Incentive Rebates Internal Controls Review. Nexia will report the observations and recommendations to the Company's ARC.

Nexia will report to the Company's ARC in the course of undertaking the review.

The Company will make further announcements, as and when there are any material developments on this matter.

BY ORDER OF THE BOARD

Madan Mohan
Company Secretary

28 February 2022