



MDR Limited

(Company Registration No: 200009059G)

**UNAUDITED CONDENSED
INTERIM FINANCIAL STATEMENTS**

FOR THE SIX MONTHS ENDED 30 JUNE 2025

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Group		Inc/(Dec) %
		6 months ended 30 June 2025	6 months ended 30 June 2024	
		S\$'000	S\$'000	
Revenue	6	115,590	121,167	(5%)
Cost of sales	6	<u>(97,224)</u>	<u>(101,100)</u>	(4%)
Gross profit	6	18,366	20,067	(8%)
Other operating income	7	4,000	5,938	(33%)
Administrative expenses		(9,919)	(8,849)	12%
Other operating expenses	8	(2,238)	(2,013)	11%
Finance costs	9	<u>(1,362)</u>	<u>(1,291)</u>	5%
Total expenses		(13,519)	(12,153)	11%
Operating profit before impairment expense, share of profit of associate and income tax		8,847	13,852	(36%)
Loss allowance on investment in debt securities	8	(5,194)	(8,433)	(38%)
Loss allowance for trade receivables	8	(2,184)	(2,612)	(16%)
Reversal of loss allowance for non trade receivables	8	-	240	N.M.
Fair value loss on perpetual securities	8	(66)	-	N.M.
Fair value loss on quoted equity investment	8	<u>(1,114)</u>	<u>(2,831)</u>	(61%)
Operating profit before share of profit of associate and income tax		289	216	34%
Share of loss of associate		<u>(1)</u>	<u>-</u>	N.M.
Profit before income tax		288	216	33%
Income tax expense	10	<u>(58)</u>	<u>(67)</u>	(13%)
Profit for the period		230	149	54%

N.M.: Not Meaningful

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

	Notes	Group		Inc/(Dec) %
		6 months ended 30 June 2025 S\$'000	6 months ended 30 June 2024 S\$'000	
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Net fair value changes in equity securities carried at fair value through other comprehensive income		4,520 <u>4,520</u>	668 <u>668</u>	577% 577%
<i>Items that may be reclassified subsequently to profit or loss</i>				
Currency translation differences arising on consolidation		(50) <u>(50)</u>	20 <u>20</u>	N.M. N.M.
Other comprehensive income for the period, net of tax		4,470 <u>4,470</u>	688 <u>688</u>	550% 550%
Total comprehensive income for the period		<u>4,700</u>	<u>837</u>	462% 462%
Profit attributable to:				
Owners of the Company		252 <u>252</u>	143 <u>143</u>	76% 76%
Non-controlling interests		(22) <u>(22)</u>	6 <u>6</u>	N.M. N.M.
		230 <u>230</u>	149 <u>149</u>	54% 54%
Total comprehensive income attributable to:				
Owners of the Company		4,722 <u>4,722</u>	831 <u>831</u>	468% 468%
Non-controlling interests		(22) <u>(22)</u>	6 <u>6</u>	N.M. N.M.
		4,700 <u>4,700</u>	837 <u>837</u>	462% 462%
Earnings per share (cents):	11			
- Basic		0.029 <u>0.029</u>	0.016 <u>0.016</u>	
- Diluted		0.029 <u>0.029</u>	0.016 <u>0.016</u>	

N.M. : Not Meaningful

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		Group		Company	
	Notes	30-Jun-25 S\$'000	31-Dec-24 S\$'000	30-Jun-25 S\$'000	31-Dec-24 S\$'000
ASSETS					
Current assets					
Cash and bank balances		16,436	14,727	5,996	830
Trade receivables	15	9,571	11,182	984	1,041
Other receivables and prepayments	16	2,425	2,180	6,618	8,368
Inventories	17	23,701	15,715	571	495
Investment in debt securities	23	9,961	9,465	9,961	9,465
Income tax recoverable		259	201	-	-
		62,353	53,470	24,130	20,199
Asset classified as held for sale	18	7,714	7,760	-	-
Total current assets		70,067	61,230	24,130	20,199
Non-current assets					
Other receivables and prepayments	16	1,281	1,445	-	56
Investment in subsidiaries		-	-	6,355	6,355
Investment in an associate		28	29	-	-
Investment in equity securities	21	124,420	133,394	124,420	133,394
Investment in perpetual securities	22	8,425	6,557	8,425	6,557
Investment in debt securities	23	10,952	15,092	10,952	15,092
Property, plant and equipment	19	1,366	1,427	316	367
Right-of-use assets	20	6,145	4,345	679	508
Deferred tax assets		58	58	58	58
Total non-current assets		152,675	162,347	151,205	162,387
Total assets		222,742	223,577	175,335	182,586
Current liabilities					
Bank overdrafts and loans	24	26,591	47,998	20,952	43,533
Trade payables		10,380	6,670	953	1,008
Other payables		10,105	10,762	6,333	7,129
Lease liabilities		3,854	2,925	713	531
Income tax payable		259	336	259	331
		51,189	68,691	29,210	52,532
Liability directly associated with asset classified as held for sale	18	2,081	2,240	-	-
Total current liabilities		53,270	70,931	29,210	52,532
Non-current liabilities					
Loan from shareholder	25	26,944	-	26,944	-
Loan from third party (Shareholder's Associate)	26	14,576	-	14,576	-
Other payables		1,022	1,118	12	24
Lease liabilities		2,756	2,146	-	27
Deferred tax liabilities		482	485	-	-
Total non-current liabilities		45,780	3,749	41,532	51
Total liabilities		99,050	74,680	70,742	52,583

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Notes	Group		Company	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
		S\$'000	S\$'000	S\$'000	S\$'000
Capital, reserves and non-controlling interests					
Share capital	27	95,879	95,879	95,879	95,879
Treasury shares	28	(3,168)	(3,168)	(3,168)	(3,168)
Shareholder's loan	29	-	27,822	-	27,822
Other reserves		(10,765)	(9,524)	(9,439)	(8,248)
Reserve of asset held for sale		1,696	1,696	-	-
Retained earnings		39,606	35,726	21,321	17,718
Equity attributable to owners of the Company		123,248	148,431	104,593	130,003
Non-controlling interests		444	466	-	-
Total equity		123,692	148,897	104,593	130,003
Total liabilities and equity		222,742	223,577	175,335	182,586

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Share capital S\$'000	Treasury shares S\$'000	Shareholder's loan S\$'000	Capital reserve S\$'000	Premium on acquisition of non-controlling interests S\$'000	Investment reserve S\$'000	Property revaluation reserve S\$'000	Reserve of asset held for sales S\$'000	Currency translation reserve S\$'000	Retained earnings/ (Accumulated losses) S\$'000	Attributable to equity holders of the Company S\$'000	Non controlling interests S\$'000	Total S\$'000
Balance as at 1 January 2025	95,879	(3,168)	27,822	22	(881)	(8,281)	-	1,696	(384)	35,726	148,431	466	148,897
Total comprehensive income for the year													
Profit for the year	-	-	-	-	-	-	-	-	-	252	252	(22)	230
Gain on disposal of investment securities transferred between reserves	-	-	-	-	-	(5,711)	-	-	-	5,711	-	-	-
Other comprehensive income for the year	-	-	-	-	-	4,520	-	-	(50)	-	4,470	-	4,470
Total	-	-	-	-	-	(1,191)	-	-	(50)	5,963	4,722	(22)	4,700
Transactions with owners, recognised directly in equity													
Shareholder's loan	-	-	(27,822)	-	-	-	-	-	-	267	(27,555)	-	(27,555)
Interest payment for shareholder's loan	-	-	-	-	-	-	-	-	-	(350)	(350)	-	(350)
Dividends	-	-	-	-	-	-	-	-	-	(2,000)	(2,000)	-	(2,000)
Total	-	-	(27,822)	-	-	-	-	-	-	(2,083)	(29,905)	-	(29,905)
Balance as at 30 June 2025	<u>95,879</u>	<u>(3,168)</u>	<u>-</u>	<u>22</u>	<u>(881)</u>	<u>(9,472)</u>	<u>-</u>	<u>1,696</u>	<u>(434)</u>	<u>39,606</u>	<u>123,248</u>	<u>444</u>	<u>123,692</u>
Balance as at 1 January 2024	123,276	(3,086)	-	22	(881)	(17,013)	1,696	-	(807)	(6,583)	96,624	477	97,101
Total comprehensive income for the year													
Profit for the year	-	-	-	-	-	-	-	-	-	143	143	6	149
Gain on disposal of investment securities transferred between reserves	-	-	-	-	-	(322)	-	-	-	322	-	-	-
Other comprehensive income for the year	-	-	-	-	-	668	-	-	20	-	688	-	688
Total	-	-	-	-	-	346	-	-	20	465	831	6	837
Transactions with owners, recognised directly in equity													
Purchase of treasury shares	-	(55)	-	-	-	-	-	-	-	-	(55)	-	(55)
Total	-	(55)	-	-	-	-	-	-	-	-	(55)	-	(55)
Balance as at 30 June 2024	<u>123,276</u>	<u>(3,141)</u>	<u>-</u>	<u>22</u>	<u>(881)</u>	<u>(16,667)</u>	<u>1,696</u>	<u>-</u>	<u>(787)</u>	<u>(6,118)</u>	<u>97,400</u>	<u>483</u>	<u>97,883</u>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Company	Share capital S\$'000	Treasury shares S\$'000	Shareholder's loan S\$'000	Capital reserve S\$'000	Investment revaluation reserve S\$'000	Retained earnings/ (Accumulated losses) S\$'000	Total S\$'000
Balance as at 1 January 2025	95,879	(3,168)	27,822	33	(8,281)	17,718	130,003
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	(25)	(25)
Gain on disposal of investment securities transferred between reserves	-	-	-	-	(5,711)	5,711	-
Other comprehensive income for the year	-	-	-	-	4,520	-	4,520
Total	-	-	-	-	(1,191)	5,686	4,495
Transactions with owners, recognised directly in equity							
Shareholder's loan	-	-	(27,822)	-	-	267	(27,555)
Interest payment for shareholder's loan	-	-	-	-	-	(350)	(350)
Dividends	-	-	-	-	-	(2,000)	(2,000)
Total	-	-	(27,822)	-	-	(2,083)	(29,905)
Balance as at 30 June 2025	<u>95,879</u>	<u>(3,168)</u>	<u>-</u>	<u>33</u>	<u>(9,472)</u>	<u>21,321</u>	<u>104,593</u>
Balance as at 1 January 2024	123,276	(3,086)	-	33	(17,013)	(27,398)	75,812
Total comprehensive loss for the year							
Loss for the year	-	-	-	-	-	(271)	(271)
Gain on disposal of investment securities transferred between reserves	-	-	-	-	(322)	322	-
Other comprehensive loss for the year	-	-	-	-	668	-	668
Total	-	-	-	-	346	51	397
Transactions with owners, recognised directly in equity							
Purchase of treasury shares	-	(55)	-	-	-	-	(55)
Total	-	(55)	-	-	-	-	(55)
Balance as at 30 June 2024	<u>123,276</u>	<u>(3,141)</u>	<u>-</u>	<u>33</u>	<u>(16,667)</u>	<u>(27,347)</u>	<u>76,154</u>

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 30 June 2025 S\$'000	6 months ended 30 June 2024 S\$'000
Operating activities		
Profit before income tax	288	216
Adjustments for:		
Depreciation of plant and equipment (Note A)	253	314
Depreciation of right-of-use assets (Note A)	1,837	1,864
Interest expenses	1,362	1,291
Interest income from fixed deposits	(14)	(9)
Interest income from lease receivables	(43)	(38)
Interest income from loans to third parties	(73)	(63)
Interest income from investment in debt securities	(5,156)	(9,652)
Gain on disposal of plant and equipment	(3)	(8)
Gain on redemption of investment in quoted securities	(1,614)	-
Gain on disposal of investment in quoted securities	(1,034)	-
Plant and equipment written off	3	1
Provision for reinstatement costs	4	-
Loss allowance on investment in debt securities	5,194	8,433
(Reversal of loss allowance)/loss allowance for inventories	(27)	105
Loss allowance for trade receivables	2,184	2,612
Reversal of loss allowance for non trade receivables	-	(240)
Share of loss of an associate	1	-
Fair value loss on perpetual securities	66	-
Fair value loss on quoted equity investment	1,114	2,831
Net foreign exchange loss/(gain)	938	(313)
Operating cash flows before movements in working capital	5,280	7,344
Trade receivables	866	1,565
Other receivables and prepayments	(81)	(1,777)
Inventories	(7,959)	7,919
Trade payables	3,710	(7,510)
Other payables	(769)	1,072
Cash generated from operations	1,047	8,613
Income tax paid	(194)	(138)
Interest received	57	47
Interest received from debt securities	10	10
Net cash from operating activities	920	8,532
Investing activities		
Proceeds from disposal of plant and equipment	53	25
Purchase of plant and equipment (Note B)	(244)	(304)
Proceeds from disposal of quoted equity securities	36,614	6,558
Purchase of quoted equity securities	(22,874)	(9,050)
Proceeds from disposal/redemption of quoted debt securities	1,821	-
Purchase of quoted debt securities	(2,066)	-
Net cash from/(used in) investing activities	13,304	(2,771)

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	6 months ended 30 June 2025	6 months ended 30 June 2024
	S\$'000	S\$'000
Financing activities		
Purchase of treasury shares	-	(55)
Interest paid for bank borrowings	(1,117)	(1,299)
Interest paid for related party's loan	(49)	-
Interest paid for shareholder's loan	(452)	-
Dividend paid	(2,000)	-
Repayment of lease liabilities	(2,102)	(1,897)
Repayment of lease liabilities from financial institutions	-	(18)
Repayment of bank borrowings	(55,787)	(19,209)
Repayment of shareholder's loan	(18,259)	-
Proceeds from bank borrowings	34,744	12,769
Proceeds from shareholder's loan	18,207	-
Proceeds from related party's loan	14,959	-
Net cash used in financing activities	<u>(11,856)</u>	<u>(9,709)</u>
Net increase/(decrease) in cash and cash equivalents	2,368	(3,948)
Cash and cash equivalents at beginning of period	14,727	14,906
Effects of exchange rate changes on the balance of cash held in foreign currencies	(659)	(1)
Cash and cash equivalents at end of period	<u>16,436</u>	<u>10,957</u>

Note

A. Depreciation expense:

Included in depreciation expense of \$2,090,000 (six months ended 30 June 2024: \$2,178,000) in the statement of cash flows is \$1,994,000 (six months ended 30 June 2024: \$2,095,000) which is classified in other operating expenses (Note 8) with the remaining classified in cost of sales.

B. Purchase of property, plant and equipment:

During the six months ended 30 June 2025, the Group acquired plant and equipment with an aggregate cost of \$244,000 (six months ended 30 June 2024: \$304,000).

1 CORPORATE INFORMATION

MDR Limited (the Company) is incorporated and domiciled in Singapore and its shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the Group).

The primary activities of the Company are that of investment holding and provision of after-market services for mobile communication devices and consumer electronic products.

The principal activities of the Group are:

- a) provision of after-market services for mobile equipment and consumer electronic products;
- b) distributor and retailer of mobile telecommunication equipment and mobile related services, including prepaid cards;
- c) the provision of digital inkjet printing for point-of-sale and out-of-home advertising solutions; and
- d) investment

2 BASIS OF PREPARATION

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following:

2 BASIS OF PREPARATION (CONT'D)

2.2 Use of judgements and estimates (cont'd)

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

Valuation of inventories

In determining the net realisable value of the inventories, an estimation of the net realisable value of inventories on hand is performed by management based on the most reliable evidence available at the time the estimates are made. These estimates took into consideration the latest selling prices and the saleability of these inventories. The carrying amount of inventories as at 30 June 2025 is disclosed in Note 17 to the condensed interim consolidated financial statements.

Recoverable amount of property, plant and equipment and right-of-use assets for non-performing outlets

Determining whether property, plant and equipment and right-of-use assets are impaired where indicators of impairment exist requires an estimation of the recoverable amount of these assets. The recoverable amount is based on the value in use of the cash-generating unit, to which the assets belong to. The value in use methodology that is based on cash flow forecasts requires significant management's judgement about future market conditions, including growth rates and discount rates.

The carrying amount of property, plant and equipment and right-of-use assets as at 30 June 2025 are disclosed in Notes 19 and 20 to the condensed interim consolidated financial statements respectively.

Valuation of debt securities

The Group makes allowances for expected credit losses based on an assessment of the recoverability of the debt securities measured at fair value through other comprehensive income. The impairment allowance for debt securities is based on assumptions about risk of default of the issuer and the exposure on default. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation based on the financials of the issuers, existing market conditions as well as forward looking estimates at the end of each reporting period.

The identification of loss allowance requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will have an impact on the carrying amount of the debt securities and loss allowance in the period in which such estimate has been changed.

The justification on the provision of expected credit loss allowance for the debt securities and the carrying amount of debt securities as at 30 June 2025 is disclosed in Note 23 to the condensed interim consolidated financial statements.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3 SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 SEGMENT AND REVENUE INFORMATION

For management purposes, the Group is organized into four business segments, After-Market Services ("AMS"), Distribution Management Solutions ("DMS"), Digital Inkjet Printing for Out-Of-Home Advertising Solutions ("DPAS") and Investment.

AMS provides after market services for mobile equipment and consumer electronic products; DMS is a distributor and retailer of mobile telecommunication equipment and mobile related services, including prepaid cards; DPAS provides digital inkjet printing for point-of-sale and out-of-home advertising solutions; Investment segment primarily comprises investment in marketable securities.

The segments are the basis which the Group reports information to the Group's key operating decision makers for the purposes of resource allocation and assessment of the segment information.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4 SEGMENT AND REVENUE INFORMATION (CONT'D)

(a) Reportable Segment

1 January 2025 to 30 June 2025

\$'000	AMS	DMS	DPAS	Investment	Unallocated	Total
Segment revenue						
External	6,671	96,815	1,836	10,268	-	115,590
Inter-segment	-	-	-	-	-	-
	6,671	96,815	1,836	10,268	-	115,590
Segment result	(64)	128	273	645	(464)	518
Net foreign exchange loss						(232)
Gain on disposal of plant and equipment						3
Profit before income tax & share of associate results						289
Share of loss of associate						(1)
Profit before income tax						288
Income tax expense						(58)
Net profit for the period						230
Segment assets	8,960	48,319	11,695	153,768	-	222,742
Segment liabilities	(3,180)	(24,963)	(3,391)	(67,516)	-	(99,050)
Other segment information						
Capital expenditure – property, plant and equipment	35	206	3	-	-	244
Capital expenditure – right-of-use assets	544	3,015	82	-	-	3,641
Depreciation – property, plant and equipment	62	147	44	-	-	253
Depreciation – right-of-use assets	373	1,401	63	-	-	1,837
Plant and equipment written off	-	3	-	-	-	3
Interest income (recorded under revenue)	-	-	-	(5,229)	-	(5,229)
Interest income (recorded under other operating income)	-	(43)	(9)	(5)	-	(57)
Gain on redemption of investment in quoted securities	-	-	-	(1,614)	-	(1,614)
Gain on disposal for quoted securities	-	-	-	(1,034)	-	(1,034)
Interest expenses	15	186	71	1,090	-	1,362
Loss allowance/(Reversal of loss allowance) for inventories	16	(43)	-	-	-	(27)
Provision for reinstatement costs	-	4	-	-	-	4
Loss allowance/ (reversal of loss allowance) for trade receivables	-	23	(22)	2,183	-	2,184
Loss allowance on investment in debt securities	-	-	-	5,194	-	5,194
Fair value loss on perpetual securities	-	-	-	66	-	66
Fair value loss on quoted equity investment	-	-	-	1,114	-	1,114

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4 SEGMENT AND REVENUE INFORMATION (CONT'D)

1 January 2024 to 30 June 2024

\$'000	AMS	DMS	DPAS	Investment	Unallocated	Total
Segment revenue						
External	9,036	98,488	1,934	11,709	-	121,167
Inter-segment	-	-	-	-	-	-
	9,036	98,488	1,934	11,709	-	121,167
Segment result	49	241	297	(6)	(595)	(14)
Net foreign exchange gain						222
Gain on disposal of plant and equipment						8
Profit before income tax & share of associate results						216
Share of profit of associate						-
Profit before income tax						216
Income tax expense						(67)
Net profit for the period						149
Segment assets	5,164	42,840	10,978	106,457	-	165,439
Segment liabilities	(3,193)	(16,576)	(3,469)	(44,048)	(270)	(67,556)
Other segment information						
Capital expenditure – property, plant and equipment	6	219	79	-	-	304
Capital expenditure – right-of-use assets	208	404	229	-	-	841
Depreciation – property, plant and equipment	132	143	39	-	-	314
Depreciation – right-of-use assets	372	1,439	53	-	-	1,864
Plant and equipment written off	-	1	-	-	-	1
Interest income (recorded under revenue)	-	-	-	(9,715)	-	(9,715)
Interest income (recorded under other operating income)	-	(38)	(8)	(1)	-	(47)
Interest expenses	28	189	63	1,011	-	1,291
Allowance for inventories	20	85	-	-	-	105
Allowance for trade receivables	-	54	7	2,551	-	2,612
Reversal of allowance for non-trade receivables	-	-	-	(240)	-	(240)
Loss allowance on investment in debt securities	-	-	-	8,433	-	8,433
Fair value loss on quoted equity investment	-	-	-	2,831	-	2,831

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**4 SEGMENT AND REVENUE INFORMATION (CONT'D)****(b) Geographical information**

	Revenue from external customers	
	6 months ended 30 June 2025	6 months ended 30 June 2024
	\$'000	\$'000
Singapore	113,754	119,233
Malaysia	1,836	1,934
	<u>115,590</u>	<u>121,167</u>

	Non-current assets	
	30 June 2025	31 December 2024
	\$'000	\$'000
Singapore	152,216	161,862
Malaysia	459	485
	<u>152,675</u>	<u>162,347</u>

(c) Investment income information

	Group and Company	
	6 months ended 30 June 2025	6 months ended 30 June 2024
	\$'000	\$'000
Bond interest income	5,156	9,652
Dividend income	5,039	1,994
Interest income from third party	73	63
	<u>10,268</u>	<u>11,709</u>

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

5 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 31 December 2024:

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Financial instruments, designated as at FVTOCI	143,285	154,549	143,285	154,549
Financial instruments designated as at FVTPL	10,473	9,959	10,473	9,959
Amortised cost (including cash and cash equivalents)	29,467	29,358	13,480	10,273
	183,225	193,866	167,238	174,781
Financial liabilities				
Amortised cost	88,739	65,180	69,647	51,504
Lease liabilities	6,610	5,071	713	558
	95,349	70,251	70,360	52,062

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

6 REVENUE, COST OF GOODS SOLD AND GROSS PROFIT

The Group operates in four business segments – After Market Services (AMS), Distribution Management Solutions (DMS), Digital Inkjet Printing for Out-Of-Home Advertising Solutions (DPAS), and Investment.

The breakdown of revenue and cost of goods sold and spare parts are as follows:

	6 months ended 30 June 2025 S\$'000	6 months ended 30 June 2024 S\$'000
Revenue		
AMS	6,671	9,036
DMS	96,815	98,488
DPAS	1,836	1,934
Investment	10,268	11,709
	<u>115,590</u>	<u>121,167</u>
Cost of Goods Sold and Spare Parts		
AMS	(4,661)	(6,745)
DMS	(91,345)	(93,015)
DPAS	(1,218)	(1,340)
Investment	-	-
	<u>(97,224)</u>	<u>(101,100)</u>
Gross Profit		
AMS	2,010	2,291
DMS	5,470	5,473
DPAS	618	594
Investment	10,268	11,709
	<u>18,366</u>	<u>20,067</u>
GP%		
AMS	30%	25%
DMS	6%	6%
DPAS	34%	31%
Investment	100%	100%
	<u>16%</u>	<u>17%</u>

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

7 OTHER OPERATING INCOME

	6 months ended 30 June 2025 S\$'000	6 months ended 30 June 2024 S\$'000
<u>Interest income:</u>		
Fixed deposits	14	9
Lease interest income	43	38
Rental income	99	124
<u>Government grants:</u>		
Wage credit	81	151
Productivity solutions grant	15	-
Senior employment credit	5	-
Rental support	1,091	1,039
Consent fee	-	1,341
Work fee	-	3,212
Gain on disposal of plant and equipment	3	8
Others	1	16
	<u>1,352</u>	<u>5,938</u>
 Gain arising from derecognition of financial assets:		
Gain on redemption of investment in quoted securities	1,614	-
Gain on disposal of investment in quoted securities	<u>1,034</u>	<u>-</u>
	<u>2,648</u>	<u>-</u>
	<u>4,000</u>	<u>5,938</u>

Rental income pertains to the rental contribution from DPAS division with the premises leased to third parties since December 2021.

Rental support pertains to the recovery of support from a principal for the leases of certain outlets.

The consent fee recorded in 1H-24 was in relation to the payments made by issuers of certain distressed debt securities as part of their restructuring of the debt securities.

The work fee recorded in 1H-24 relates to the payment made by the issuer of certain distressed debt securities, for the negotiation work undertaken by the Company during the restructuring process.

The gain on disposal of investment in quoted securities was mainly derived from the conversion of a mandatory convertible bond into quoted equity security and the Group has derecognised certain distressed debts securities, in exchange for the newly restructured debt securities issued by the issuer.

The gain on redemption in quoted securities pertains to the partial redemption of a distressed debt security, initiated by the issuer of the debt security.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**8 OTHER OPERATING EXPENSES**

	6 months ended 30 June 2025	6 months ended 30 June 2024
	S\$'000	S\$'000
Rental expenses	32	34
Depreciation expenses - plant and equipment	220	284
Depreciation expenses - right-of-use assets	1,774	1,811
Plant and equipment written off	3	1
(Reversal of loss allowance)/ loss allowance for inventories	(27)	105
Provision for reinstatement costs	4	-
Foreign currency exchange loss/(gain)	232	(222)
	<u>2,238</u>	<u>2,013</u>
Impairment loss on financial assets:		
Loss allowance for trade receivables	2,184	2,612
Reversal of allowance for non-trade receivables	-	(240)
Loss allowance on investment in debt securities	5,194	8,433
	<u>7,378</u>	<u>10,805</u>
Fair value movement on financial assets:		
Fair value loss on perpetual securities	66	-
Fair value loss on quoted equity investment	1,114	2,831
	<u>1,180</u>	<u>2,831</u>
	<u>10,796</u>	<u>15,649</u>

Loss allowance for trade receivables in 1H-25 was mainly in relation to coupon interest accrued for certain distressed debt securities.

Loss allowance on investment in debt securities in 1H-25 was recorded in view of the significant increase in credit risk of certain distressed debt securities and was derived based on the difference between expected recovery and carrying value of the debt securities.

9 FINANCE COSTS

	6 months ended 30 June 2025	6 months ended 30 June 2024
	S\$'000	S\$'000
Interest expense on bank loans	973	1,095
Interest expense on lease liabilities	143	196
Interest expense on shareholder's loan	184	-
Interest expense on third party's loan	62	-
	<u>1,362</u>	<u>1,291</u>

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

10 INCOME TAX EXPENSE

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	6 months ended 30 June 2025	6 months ended 30 June 2024
	S\$'000	S\$'000
Current tax	68	67
Overprovision in respect of prior years:		
- current tax	(10)	-
Tax expense	<u>58</u>	<u>67</u>

11 EARNINGS PER SHARE

	6 months ended 30 June 2025	6 months ended 30 June 2024
	Cents	Cents
Basic	0.029	0.016
Fully diluted	<u>0.029</u>	<u>0.016</u>

Basic earnings per ordinary share is computed based on the weighted average number of shares in issue of 870,110,270 during the period (six months ended 30 June 2024: 871,163,360).

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 870,110,270 (six months ended 30 June 2024: 871,163,360).

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

12 NET ASSET VALUE

	Group		Company	
	30 June 2025 Cents	31 December 2024 Cents	30 June 2025 Cents	31 December 2024 Cents
Net Asset Value ("NAV") per share	14.16	17.06	12.02	14.94

The NAV per share as at 30 June 2025 is calculated based on 870,110,270 (excluding 36,967,283 ordinary shares held as treasury shares) (31 December 2024: 870,110,270 ordinary shares, excluding 36,967,283 ordinary shares held as treasury shares).

13 DIVIDENDS

	Group and Company	
	FY 2025 S\$'000	FY 2024 S\$'000
Ordinary dividends declared and paid: One-tier exempt final dividend of a total of S\$0.0022986 per share paid on 30 May 2025 in respect of the financial year ended 31 December 2024 (FY2024: Nil in respect of the financial year ended 31 December 2023)	2,000	-

14 RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions were entered into by the Group with related parties at terms agreed between the parties during the financial year. The balances with related parties are unsecured, interest-free and repayable on demand unless otherwise stated.

During the period, the Group entered into the following related party transactions:

<u>Nature of transactions</u>	Group	
	6 months ended 30 June 2025 S\$'000	6 months ended 30 June 2024 S\$'000
<i>Transactions with companies owned by common Directors:</i>		
Rental payments	202	202
<i>Transactions with Director and controlling shareholder</i>		
Loan from shareholder	(26,944)	-
Interest expense on shareholder's loan	534	-
<i>Transactions with the associate</i>		
Revenue from printing jobs	-	(7)

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received, unless otherwise stated in the respective notes to the financial statements.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

15 TRADE RECEIVABLES

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Third parties	6,760	7,697	945	1,003
Accrued income	3,169	3,842	40	37
Accrued interest receivables from debt securities	5,574	6,370	5,574	6,370
Loan receivables from third parties	1,011	940	1,011	940
Related parties	154	155	-	-
Subsidiary	-	-	1	1
	16,668	19,004	7,571	8,351
Less: Loss allowance for trade receivables	(7,097)	(7,822)	(6,587)	(7,310)
	9,571	11,182	984	1,041

The average credit period on sales is 30 days (2024: 30 days). No interest is charged on outstanding trade receivables.

Loss allowance for trade receivables of \$2,184,000 (six months ended 30 June 2024: \$2,612,000) has been determined for the six months ended 30 June 2025, mainly in relation to the interest receivables pertaining to investment in debt securities, arising from significant increase in credit risk of certain distressed bonds.

16 OTHER RECEIVABLES AND PREPAYMENTS

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Deposits	1,208	990	236	234
Prepayments	246	176	118	22
Third parties	2,252	2,459	6	7
	3,706	3,625	360	263
Subsidiaries	-	-	7,288	9,191
	3,706	3,625	7,648	9,454
Less: Loss allowance for other receivables				
- subsidiaries	-	-	(1,030)	(1,030)
- others	-	-	-	-
	-	-	(1,030)	(1,030)
	3,706	3,625	6,618	8,424
Analysed as:				
Current	2,425	2,180	6,618	8,368
Non-current	1,281	1,445	-	56
	3,706	3,625	6,618	8,424

Receivables from third parties of \$2.3 million as at 30 June 2025 comprised mainly of lease receivables of \$1.5 million.

Other receivables and prepayments (non-current)

This pertains to rental and utility deposits for leases and lease receivables, that are more than 1 year.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

17 INVENTORIES

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Spare parts, handsets, Accessories and prepaid cards	22,963	14,998	571	495
Raw materials	738	717	-	-
	23,701	15,715	571	495

During the six months ended 30 June 2025, a reversal of allowance for inventory obsolescence of \$27,000 (six months ended 30 June 2024: an allowance of \$105,000) was made.

18 ASSET CLASSIFIED AS HELD FOR SALE

Management has committed to sell the investment property at No. 32, Jalan 51A/223, Seksyen 51A, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia, held by Pixio Sdn. Bhd., which is a wholly-owned subsidiary of the Company. Accordingly, the investment property is presented as asset held for sale.

The major classes of assets and liabilities comprising the "asset classified as held for sale", "liability directly associated with asset classified as held for sale" and "reserve of asset held for sale" were as follows:

	Group	
	31 December 2025	31 December 2024
	S\$'000	S\$'000
Asset classified as held for sale		
Investment property	7,714	7,760
Liability directly associated with asset classified as held for sale		
Secured bank loan	2,081	2,240
Reserve of asset held for sale		
Property revaluation reserve	1,696	1,696

The bank loan is secured by investment property and corporate guarantee from the Company.

19 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets with an aggregate cost of \$244,000 (30 June 2024: \$304,000) and disposed of assets with a net book value amounting to \$50,000 (six months ended 30 June 2024: \$17,000).

As at 30 June 2025, the carrying amount of the Group's property, plant and equipment was inclusive of an allowance for impairment of renovation of \$104,000 (six months ended 30 June 2024: \$67,000) for certain non-performing outlets of DMS business.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

20 RIGHT-OF-USE ASSETS

As at 30 June 2025, the carrying amount of the Group's right-of-use assets relate to the leases of its office premises, retail outlets and service centres of \$6.1 million (six months ended 30 June 2024: \$6.5 million), nett of allowance for impairment of \$586,000 (six months ended 30 June 2024: \$506,000) for leases of certain non-performing outlets of DMS business.

21 INVESTMENT IN EQUITY SECURITIES

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Investments in quoted equity instruments designated as at FVTOCI	122,372	129,992	122,372	129,992
Investments in quoted equity instruments designated as at FVTPL	2,048	3,402	2,048	3,402
	124,420	133,394	124,420	133,394

The Group measures its quoted equity securities at fair value through other comprehensive income and fair value through profit and loss.

During the six months ended 30 June 2025, the Group has invested \$22.9 million (six months ended 30 June 2024: \$9.1 million) and disposed of certain quoted equity securities designated as at FVTOCI with a cumulative fair value of \$36.5 million (six months ended 30 June 2024: \$6.6 million). The cumulative gain on disposal of \$5.7 million (six months ended 30 June 2024: gain on disposal of \$322,000) was reclassified from Investment revaluation reserve to retained earnings.

The fair values of these securities are based on the quoted bid prices in an active market on the last market day of the period. Accordingly, these securities are classified under Level 1 of the fair value hierarchy.

A net fair value increase of \$4.5 million (six months ended 30 June 2024: net fair value increase of \$668,000) was recorded in the investment revaluation reserve for the period ended 30 June 2025.

The investment in quoted equity securities designated as at fair value through profit or loss was recorded at \$2.0 million as at 30 June 2025 with a fair value loss of \$1.1 million for 1H-25 (1H-24: fair value loss of \$2.8 million). During the six months ended 30 June 2025, the Group disposed quoted equity securities at fair value of \$107,000 (six months ended 30 June 2024: \$Nil) and the gain on disposal of \$12,000 (six months ended 30 June 2024: \$Nil) was recorded in profit or loss.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

21 INVESTMENT IN EQUITY SECURITIES (CONT'D)

As at 30 June 2025, the Group invested in quoted investment securities of companies which are broadly categorised within the following business sectors:

Business Sectors (based on market value)	%
Real estate	60.4%
Leisure and hospitality	15.6%
Infrastructure	9.9%
Financials	7.8%
Agriculture	3.2%
Healthcare	3.0%
Education	0.1%
TOTAL	100.0%

Below is the key information of the investment securities as at 30 June 2025:

By Market Capitalisation	%
\$1 billion and above	75.1%
\$500 million to \$1 billion	15.8%
\$200 million to \$500 million	4.2%
\$200 million and below	4.9%
TOTAL	100.0%

By Exchange (based on market value)	%
HKEX	49.0%
SGX	47.8%
NASDAQ	3.0%
SIX	0.2%
TOTAL	100.0%

By Currencies (based on market value)	%
HKD	53.3%
SGD	34.0%
USD	12.5%
CHF	0.2%
TOTAL	100.0%

Weighted portfolio Information (based on simple weighted average calculation)	
Market Capitalisation	\$3.79 billion
Dividend Yield	5.3%
5-year Beta	0.588
P/B	0.48x
EV/EBITDA	9.90x
Debt/EBITDA	1.43x

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

22 INVESTMENT IN PERPETUAL SECURITIES

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Investments in perpetual securities instruments designated as at FVTPL	8,425	6,557	8,425	6,557
	8,425	6,557	8,425	6,557

As at 30 June 2025, the Group holds perpetual securities with an aggregate nominal value of \$125,735,000 (31 December 2024: \$125,038,000). The distribution is payable semi-annually in arrears based on the distribution rate as defined in the subscription agreement. The perpetual securities do not have maturity dates and the distribution payments can be deferred at the discretion of the issuers.

During the six months ended 30 June 2025, the Group has invested \$2.1 million of perpetual securities (six months ended 30 June 2024: \$Nil).

The Group measures its perpetual securities at fair value through profit and loss. A net fair value loss of \$66,000 (six months ended 30 June 2024: \$Nil) was recorded in the profit and loss for the period ended 30 June 2025.

The fair values of these securities are based on the quoted bid prices in an active market on the last market day of the financial year. Accordingly, these securities are classified under Level 1 of the fair value hierarchy.

23 INVESTMENT IN DEBT SECURITIES

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Quoted debts securities, at fair value through other comprehensive income	20,913	24,557	20,913	24,557
	20,913	24,557	20,913	24,557
Analysed as:				
Current	9,961	9,465	9,961	9,465
Non-current	10,952	15,092	10,952	15,092
	20,913	24,557	20,913	24,557

The Group measures its quoted debt securities at fair value through other comprehensive income.

During the six months ended 30 June 2025, the Group has not invested in any debt securities (six months ended 30 June 2024: \$Nil). The Group partially redeemed \$1.7 million of a debt security with fair value of \$131,000 (six months ended 30 June 2024: \$Nil) and recorded gain on redemption of \$1.6 million in the profit and loss. The Group also converted debt securities of fair value \$68,000 into equity securities with fair value of \$748,000 and has derecognised certain distressed debts securities of fair value \$3.4 million, in exchange for the new debt securities restructured by the issuers at fair value of \$3.7 million (six months ended 30 June 2024: \$Nil). These resulted in a cumulative gain on disposal of \$1.0 million (six months ended 30 June 2024: \$Nil) recorded in the profit and loss.

For investment in debt securities designated as fair value through other comprehensive income, the loss allowance of \$5.2 million was recorded for the six months ended 30 June 2025 (six months ended 30 June 2024: the loss allowance of \$8.4 million), as the debt securities were assessed with a significant increase in the credit risk.

For quoted debt securities at fair value through other comprehensive income, the fair values of these securities are based on the quoted bid prices in an active market on the last market day of the period. Accordingly, these securities are classified under level 1 of the fair value hierarchy.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

23 INVESTMENT IN DEBT SECURITIES (CONT'D)

As at 30 June 2025, the Group invested in debt securities and perpetual securities and the issuers are of companies broadly categorised within the following business sectors:

Business Sectors (based on market value)	%
Real estate	99.0%
Education	1.0%
TOTAL	100.0%

Below is the key information of the debt securities (including perpetual debt securities) as at 30 June 2025:

By Exchange (based on market value)	%
SGX	64.9 %
HKEX	35.1%
TOTAL	100.0%

By Currencies (based on market value)	%
USD	79.9%
SGD	20.1%
TOTAL	100.0%

By Credit Rating (based on market value)	%
Non-rated	100%
TOTAL	100.0%

24 BANK OVERDRAFTS AND LOANS

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Secured - at amortised costs</u>				
Bank overdrafts	9,621	14,614	9,621	14,614
Bank loans	10,893	27,832	10,893	27,832
	20,514	42,446	20,514	42,446
<u>Unsecured - at amortised costs</u>				
Bank loans	438	1,087	438	1,087
Trust receipts	5,639	4,465	-	-
	6,077	5,552	438	1,087
Total	26,591	47,998	20,952	43,533
Analysed as:				
Current	26,591	47,998	20,952	43,533
Non-current	-	-	-	-
	26,591	47,998	20,952	43,533

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

24 BANK OVERDRAFTS AND LOANS (Cont'd)

Bank overdrafts and loans comprised mainly of bank overdrafts and term loans of \$9.6 million and \$10.9 million respectively for the investment in equity and debt securities, term loans of \$438,000 and trust receipts of \$5.6 million for working capital.

The secured borrowings comprise bank overdrafts and term loans of \$20.5 million secured against the investments in quoted equity and debt securities.

Management has assessed and confirmed that there is no breach of any bank covenants as at 30 June 2025.

25 LOAN FROM SHAREHOLDER

	Group and Company	
	30 June	31 December
	2025	2024
	S\$'000	S\$'000
Unsecured - at amortised costs	26,944	-
	26,944	-

The Group has obtained a loan from the Director and controlling shareholder of the Company, Edward Lee Ewe Ming, to support its working capital requirements and capitalise on potential attractive opportunities in the market.

The loan and interest are on unsecured basis, and the principal is payable at the end of the tenure of 2 years. Interest on the loan is accrued and payable monthly, at the rate that is six basis point below the borrowing interest rate offered by the bank. Interest rate on the loan ranged from 3.08% to 4.66% in 1H-25.

Due to a change of the terms of the loan agreement with the shareholder, the loan was reclassified on 1 May 2025 from equity (Note 29). Prior to the change, interest of \$350,000 was paid out of retained earnings and subsequent to the reclassification, interest expense is recognised in profit and loss, of which \$102,000 was paid. During the period ended 30 June 2025, total interest paid to shareholder amounted to \$452,000 (six months ended 30 June 2024: \$Nil).

26 LOAN FROM THIRD PARTY (SHAREHOLDER'S ASSOCIATE)

	Group and Company	
	30 June	31 December
	2025	2024
	S\$'000	S\$'000
Unsecured - at amortised costs	14,576	-
	14,576	-

The Group has obtained a loan from Zhang Yangui, the brother of Zhang Yanmin who is a Director of the Company, to support its working capital requirements and capitalise on potential attractive opportunities in the market.

The loan and interest are on unsecured basis, and the principal is payable at the end of the tenure of 2 years. Interest on the loan is accrued and payable monthly, at the rate that is six basis point below the borrowing interest rate offered by the bank. Interest rate on the loan ranged from 3.08% to 4.66% in 1H-25. During the period ended 30 June 2025, total interest paid to the lender amounted to \$49,000 (six months ended 30 June 2024: \$Nil).

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

27 SHARE CAPITAL

	<u>Group and Company</u>			
	<u>30 June</u> <u>2025</u>	<u>31 December</u> <u>2024</u>	<u>30 June</u> <u>2025</u>	<u>31 December</u> <u>2024</u>
	Number of ordinary shares		S\$'000	S\$'000
Issued and paid up:				
At beginning of year and	907,077,553	907,077,553	95,879	123,276
Capital reduction	-	-	-	(27,397)
At end of period/ year	907,077,553	907,077,553	95,879	95,879

28 TREASURY SHARES

	<u>Group and Company</u>			
	<u>30 June</u> <u>2025</u>	<u>31 December</u> <u>2024</u>	<u>30 June</u> <u>2025</u>	<u>31 December</u> <u>2024</u>
	Number of ordinary shares		S\$'000	S\$'000
At beginning of year	36,967,283	35,347,783	3,168	3,086
Repurchased during the period/year	-	1,619,500	-	82
At end of period/ year	36,967,283	36,967,283	3,168	3,168

29 SHAREHOLDER'S LOAN

	<u>Group and Company</u>	
	<u>30 June</u> <u>2025</u>	<u>31 December</u> <u>2024</u>
	S\$'000	S\$'000
At beginning of year	27,822	-
Additions during the year	18,207	27,822
Repayment during the year	(18,259)	-
Foreign exchange gains	(267)	-
Reclassification	(27,503)	-
At end of year	-	27,822

The Group has obtained a loan from the Director and controlling shareholder of the Company, Edward Lee Ewe Ming, to support its working capital requirements and capitalise on potential attractive opportunities in the market.

The loan and interest are on unsecured basis and the payment of interest and repayment of the loan will be at the sole discretion of the Company. Interest on the loan is charged at the rate that is one basis point below the borrowing interest rate offered to the lender by the bank on the loan amount, as may vary from time to time.

The shareholder's loan is reclassified to non-current liabilities due to the change of the terms in the loan agreement (Note 25).

30 SUBSEQUENT EVENTS

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

F. OTHER INFORMATION

- 1(i) **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**

Share Buy Back

Under the Share Buy Back Mandate (first approved by the Shareholders on 28 September 2018 and last renewed at the Annual General Meeting on 28 April 2025, the Company bought back Nil ordinary shares during 1H-25.

Share Capital and Treasury Shares

There were no movements in the Company's issued share capital for the period ended 30 June 2025. The total number of ordinary shares in issue was 907,077,553 of which 36,967,283 was held by the Company as treasury shares as at 30 June 2025. The treasury shares held represent 4.25% of the total number of issued shares (excluding treasury shares). The share capital was \$95,878,751 as at 30 June 2025.

There were no movements in the Company's issued share capital for the period ended 30 June 2024. The total number of ordinary shares in issue was 907,077,553 of which 36,374,783 was held by the Company as treasury shares as at 30 June 2024. The treasury shares held represents 4.20% of the total number of issued shares (excluding treasury shares). The share capital was \$123,276,197 as at 30 June 2024.

Share Award Scheme

On 28 September 2018, the shareholders of the Company approved the share award scheme known as mDR Share Plan 2018. Under the mDR Share Plan 2018, the Company will deliver shares granted under an award by issuing new shares and/or transferring treasury shares free of charge, upon the participant satisfying such conditions as specified by the Committee administering the mDR Share Plan. As at 30 June 2025, no share award had been granted.

F. OTHER INFORMATION (CONT'D)

- 1(ii) 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	
	30-Jun-25	31-Dec-24
Total number of issued shares	907,077,553	907,077,553
Less: Treasury shares	<u>(36,967,283)</u>	<u>(36,967,283)</u>
Total number of issued shares excluding treasury	<u>870,110,270</u>	<u>870,110,270</u>

- 1(iii) 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

- 1(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings 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 auditing standard or practice.

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 modifications or emphasis of matter).

Not applicable

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: -

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed

This is not required for any audit issue that is a material uncertainty relating to the going concern.

Not applicable. The Group's latest audited financial statements for the financial year ended 31 December 2024 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the auditors.

4. **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 Group's revenue decreased by 5% from \$121.2 million in 1H-24 to \$115.6 million in 1H-25, mainly from AMS and DMS operations and lower interest income from Investment business segment. Gross margin for the Group decreased by 1% in 1H-25 from 17% in 1H-24 to 16% in 1H-25.

Revenue from DMS business decreased by 2%, from \$98.5 million in 1H-24 to \$96.8 million in 1H-25, mainly due to reduced walk-in sales at retail outlets and lower sales activities for handsets and prepaid cards distribution. However, it was partially mitigated by the increased sign-ups for ZYM Mobile SIM plans (MVNO services). The gross margin for the DMS business remained steady at 6% for both periods.

Revenue from AMS business decreased by 26% from \$9.0 million in 1H-24 to \$6.7 million in 1H-25, due to lower repair volumes and a decline in spare parts revenue. However, gross margin improved by 5%, rising from 25% to 30% compared to the same period last year, primarily due to a shift in the repair mix.

Revenue from the Investment segment declined by 12%, from \$11.7 million in 1H-24 to \$10.3 million in 1H-25. The decrease was mainly due to a decline of \$4.5 million in coupon interest income from investments in debt securities. This was partly mitigated by a \$3.0 million increase in dividend income from investments in equity securities

Revenue from DPAS business of \$1.8 million decreased by 5% in 1H-25 as compared with 1H-24, due to lower local market demand. Gross margin improved from 31% in 1H-24 to 34% in 1H-25, driven by reduced outsourcing and installation costs, as well as lower rental expenses for machinery during the period.

Other operating income declined by \$1.9 million to \$4.0 million in 1H-25 compared to 1H-24, primarily due to \$1.3 million consent fee and \$3.2 million work fee received from the issuer of certain distressed debt securities in 1H-24, for the negotiation work undertaken by the company during the restructuring process. The shortfall was partially mitigated by the gain on disposal of quoted securities of \$1.0 million and the gains on redemption in quoted securities of \$1.6 million in 1H-25.

Administrative costs increased 12% (\$1.1 million) in 1H-25 compared to 1H-24, mainly due to higher staff costs by \$0.8 million with higher incentives accrued for investment team in view of the disposal of investments and increased professional fees.

Other operating expenses increased by 11% (\$0.2 million) in 1H-25, mainly resulting from foreign exchange loss of \$0.2 million in 1H-25 compared to foreign exchange gain of \$0.2 million in 1H-24.

Finance costs increased by \$71,000 in 1H-25, mainly driven by \$246,000 in interest expenses on loans from a shareholder and a third party. The increase was partially offset by a \$122,000 reduction in interest on bank loans and a \$53,000 decrease in interest expenses for leases of right-of-use (ROU) assets.

Impairment losses on financial assets decreased by \$3.4 million compared to 1H-24, mainly due to a \$3.2 million reduction in the loss allowance for investments in debt securities, reflecting a slow recovery in credit risk for certain distressed debt securities and a \$0.4 million decrease in the loss allowance for trade receivables related to accrued coupon interest on distressed debt securities. This decrease was partially offset by a \$0.2 million reversal of the allowance for non-trade receivables in 1H-24.

F. OTHER INFORMATION (CONT'D)

Revenue and Profit after income tax (Cont'd)

The Group reported net profit after tax of \$230,000 in 1H-25, compared to net profit of \$149,000 in 1H-24. This improvement was primarily driven by a \$3.2 million reduction in impairment loss on debt securities, a \$1.0 million gain from the disposal of quoted securities, a \$1.6 million gain from redemption of quoted securities and a \$1.7 million decrease in fair value loss on quoted equity investments measured at FVTPL. These positive factors were partially offset by the absence of a \$3.2 million work fee and \$1.3 million consent fees recognized in 1H-24, as well as lower coupon interest income from debt securities in 1H-25.

Excluding the following adjustments, the Group registered net profits of \$6.6 million in 1H-25, which is 42% lower than \$11.4 million in 1H-24.

	6 months ended 30 June 2025 S\$'000	6 months ended 30 June 2024 S\$'000	Inc/(Dec) %
Profit for the period	230	149	54%
<u>Adjustments during the period:</u>			
Loss allowance on investment in debt securities	5,194	8,433	(38%)
Fair value loss on perpetual securities	66	-	N.M.
Fair value loss on quoted equity investment	1,114	2,831	(61%)
Adjusted profit for the period	<u>6,604</u>	<u>11,413</u>	(42%)

F. OTHER INFORMATION (CONT'D)

Balance Sheet Analysis

Current assets

Total current assets increased by \$8.9 million from \$61.2 million as at 31 December 2024 to \$70.1 million as at 30 June 2025, mainly due to the increase in inventory by \$8.0 million and increase in cash and bank balances by \$1.7 million. It was partially offset by the decrease of \$1.6 million in trade receivable.

Non-current assets

Total non-current assets decreased by \$9.6 million from \$162.3 million as at 31 December 2024 to \$152.7 million as at 30 June 2025.

Investment in equity securities decreased by \$9.0 million, mainly due to the disposal of equity securities of \$36.5 million. It was partially offset by new investments of \$22.9 million and the fair value gains of \$4.5 million in 1H-25.

Investment in perpetual securities increased by \$1.9 million, mainly due to new investments of \$2.1 million, partially offset by the fair value loss of \$66,000 in 1H-25.

Investment in debt securities decreased by \$4.1 million, mainly due to fair value loss of \$5.2 million in 1H-25 and foreign exchange loss of \$1.5 million, partially offset by the net receipt of payment in kind \$3.0 million (in the form of debt securities) for coupon interests of restructured bonds.

Right-of-use assets increased by \$1.8 million in 1H-25 due to capitalization of leases of new outlets and lease renewals.

Current liabilities

Total current liabilities decreased by \$17.6 million from \$70.9 million as at 31 December 2024 to \$53.3 million as at 30 June 2025, mainly due to decrease in bank overdrafts and loans by \$21.4 million and other payable by \$0.7 million. It was partially offset by the increase in trade payables by \$3.7 million and in the lease liabilities by \$0.9 million.

Non-current liabilities

Total non-current liabilities increased by \$42.1 million from \$3.7 million as at 31 December 2024 to \$45.8 million as at 30 June 2025, mainly due to new loan from third party of \$14.6 million and the reclassification of shareholder's loan from equity to non-current liabilities of \$26.9 million due to a change of the terms in the loan agreement. These loans are utilized for investment in equity and debt securities.

Negative working capital

Notwithstanding that the Company is in net current liabilities position of \$5.1 million as at 30 June 2025, the Board is of the view that the Company is able to meet the financial obligations in view of the investment in quoted equities of \$124.4 million classified under non-current assets are assets with high liquidity. These investments are classified under non-current assets due to the Company's intention to hold these investments on a long-term basis.

Cash Flows

The Group registered cash and cash equivalents of \$16.4 million as at 30 June 2025, representing an inflow of \$2.4 million since 31 December 2024.

Cashflow from operating activities

Net cash inflow of \$0.9 million in 1H-25 arose mainly from positive operating cash flows before movements in working capital of \$5.3 million, and the outflow from the changes in working capital of \$4.2 million, mainly due to higher inventories.

Cashflow from investing activities

Net cash inflow of \$13.3 million in 1H-25 was mainly due to proceeds from the disposal of quoted equity securities of \$36.6 million and debt securities of \$1.8 million. This was partially offset by the purchase of quoted equity securities of \$22.9 million and quoted debt securities of \$2.1 million.

Cashflow from financing activities

Net cash outflow of \$11.9 million in 1H-25 was attributable to net repayment of bank borrowings of \$21.0 million, repayment of lease liabilities of \$2.1 million, interest payment of \$1.6 million and dividend payment of \$2.0 million, meanwhile offset by the proceeds from third party \$15.0 million.

F. OTHER INFORMATION (CONT'D)

5. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable

6. **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**

The Group maintains a cautious outlook for FY2025 amid ongoing global uncertainties. Although there are emerging signs of economic recovery, potential headwinds—such as geopolitical tensions, trade disruptions, and shifting monetary policy dynamics—may present downside risks to performance.

Dividend income remains the primary revenue driver for the Investment division. With a diversified portfolio, the Group remains cautiously optimistic about the long-term performance of its investments.

Despite competition and margin pressure in the telecommunications sector, the DMS division anticipates modest growth. Efforts to improve operational efficiency and the continued implementation of an omni-channel approach, covering both online and offline platforms, are expected to support sales performance. ZYM Mobile, the division's MVNO business, has shown encouraging signs of progress, with a growing subscriber base supported by competitive SIM plans, increasing 5G adoption, and value-added services. While the market remains challenging, the division aims to strengthen its position gradually as a complete mobile solutions provider.

AMS division is facing a decline in repair volumes, which may impact its near-term performance. To mitigate the decline in revenue, cost control measures will be intensified by the division to preserve margins.

The DPAS division's performance is anticipated to remain stable, although increasing operational expenses could put pressure on margins. The division will continue to prioritise cost management to maintain profitability.

The Group remains focused on enhancing operational efficiency to adapt to market conditions, with a continued focus on supporting long-term value creation and sustainable growth.

7. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None

F. OTHER INFORMATION (CONT'D)

7. Dividend (Cont'd)

(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

8. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for the period, in view of the current economic uncertainties and dividend consideration would be assessed based on the full year results.

9. Interested Person Transactions

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions. During 1H-25, the following interested person transactions were entered into by the Group:

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)
	\$'000	\$'000
Pacific Organisation Pte Ltd - Rental expenses	202	-
Edward Lee Ewe Ming <i>Director and controlling shareholder</i> - Interest expenses	534	-
Zhang Yangui <i>Associate (sibling) of Director Zhang Yanmin</i> - Interest expenses	62	-
Total	798	-

Mr Ong Ghim Choon (Director and Chief Executive Officer of the Company) and his associate own the shares of Pacific Organisation Pte Ltd.

F. OTHER INFORMATION (CONT'D)

10. Confirmation of Undertakings under Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Mainboard Rules.

BY ORDER OF THE BOARD

Ong Ghim Choon
Chief Executive Officer
14 August 2025

F. OTHER INFORMATION (CONT'D)

Negative Assurance Confirmation under Rule 705(5) of the Listing Manual

We, Mark Leong Kei Wei 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 half 2025 financial results to be false or misleading in any material respect.

On behalf of the Board of Directors

Mark Leong Kei Wei
Chairman of Audit and Risk Committee

Ong Ghim Choon
Chief Executive Officer

Singapore, 14 August 2025