



MDR Limited

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

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## (1) PROPOSED DISPOSAL OF PROPERTY IN MALAYSIA

## (2) GRANT OF WAIVER FROM COMPLIANCE WITH RULE 1014(2) OF THE LISTING MANUAL

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### 1. INTRODUCTION

The board of Directors (the “**Board**”) of mDR Limited (the “**Company**” and together with its subsidiaries, collectively the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, Pixio Sdn. Bhd. (the “**Vendor**” or “**Pixio**”), has entered into a legally-binding letter of offer and acceptance on 24 June 2025 (the “**Agreement**”) in respect of the proposed disposal (the “**Proposed Disposal**”) of the land under HSD 173078, PT 32, Bandar Petaling Jaya, Daerah Petaling Negeri Selangor together with buildings erected thereon and bearing postal address of No. 32, Jalan 51A/223, 46100 Petaling Jaya, Selangor, Malaysia (collectively, the “**Property**”).

### 2. ABOUT THE PURCHASER

The purchaser of the Property is Datasonic Technologies Sdn. Bhd. (the “**Purchaser**”), a security-based ICT solutions providers in Malaysia. To the best of the Board’s knowledge, information and belief, having made all reasonable enquiries, the Purchaser is an unrelated third party independent of the Company, its directors and controlling shareholders, and is not related to the Company.

### 3. INFORMATION RELATING TO THE PROPERTY

- 3.1 The Property has an area of 6,182.495 square metres, with a 99-year lease for the leasehold land expiring on 9 July 2069. The Property is to be sold on an "as is where is" basis.
- 3.2 The Property is currently leased to third-party tenants. As the Group does not conduct any operations at the Property, the Property is not material to the Group's business and is a non-core asset of the Group. The Property will be sold with vacant possession without the existing leases.

### 4. RATIONALE

The Company believes that the Proposed Disposal is in the best interests of the Group as the Property is currently not used for Group’s operations and the Proposed Disposal will enable the Group to realise the value of the Property and to improve and optimise the utilisation of its assets and capital.

### 5. MATERIAL TERMS OF THE PROPOSED DISPOSAL

- 5.1 The total sale consideration for the Proposed Disposal of the Property is RM28,500,000 (Ringgit Malaysia Twenty-Eight Million and Five Hundred Thousand) (“**Purchase Price**”).<sup>1</sup>

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<sup>1</sup> Exchange rate for Malaysian Ringgit (RM) and Singapore Dollar (S\$) where used in this announcement is based on an illustrative exchange rate of S\$1 = RM3.286.

- 5.2 The sale consideration for the Property was arrived at after arm’s length negotiations and on a willing-buyer and willing-seller basis, after taking into consideration the current market prices of properties in the surrounding area and the latest independent valuation of the Property dated 8 January 2025 (the “**Valuation Report**”) which was commissioned by Pixio as part of the Group’s yearly valuation exercise.
- 5.3 An initial earnest deposit equivalent to 2% of the Purchase Price amounting to RM570,000 (the “**Earnest Deposit**”) has been paid by the Purchaser to the Vendor’s solicitors as stakeholder.
- 5.4 A further deposit equivalent to 8% percent of the Purchase Price amounting to RM2,280,000 shall be paid by the Purchaser to the Vendor’s solicitors upon signing of the sale and purchase agreement.
- 5.5 The balance 90% of the Purchase Price of the Property (i.e., RM 25,650,000) shall be paid by the Purchaser to the Vendor’s solicitors by the completion date.

**6. GAIN FROM THE PROPOSED DISPOSAL**

The excess from the sale proceeds of the Proposed Disposal over the book value of the Property is approximately S\$881,000.

**7. USE OF SALE PROCEEDS**

The Vendor expects to receive a net proceed of approximately S\$8,220,000 (after deduction of, *inter alia*, legal expenses, real property gain tax, and commission). The Group intends to utilise the sale proceeds to pay off the mortgage loan<sup>2</sup> of S\$2,094,000 of the Property and the balance proceeds for working capital.

**8. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL**

For illustrative purposes only, based on the latest announced audited consolidated financial statements of the Group for the financial year ended 31 December 2024, the proforma financial effects of the Proposed Disposal on the consolidated net tangible assets (“**NTA**”) are estimated as follows:

Net tangible assets per share

	<b>Before completion of the Proposed Disposal</b>	<b>After completion of the Proposed Disposal</b>
Net tangible assets (S\$’000)	148,431	148,829
Number of issued shares (excluding treasury shares)	870,110,270	870,110,270
Net tangible assets per share (Singapore cents)	17.06	17.10

<sup>2</sup> Outstanding balance as at 30 June 2025

### Earnings per share

For illustrative purposes only and assuming that the Proposed Disposal had been completed on 1 January 2024, the proforma financial effects of the Proposed Disposal on the consolidated earnings per share ("EPS") of the Group for FY2024 will be as follows:

	Before completion of the Proposed Disposal	After completion of the Proposed Disposal
Profits after tax attributable to equity holders of the Company (S\$'000)	5,487	5,871
Weighted average number of shares	870,720,731	870,720,731
EPS (Singapore cents)	0.630	0.674

## 9. **APPLICATION OF RULE 1006 OF THE LISTING MANUAL**

9.1 Based on the latest announced audited consolidated financial statements of the Group for the financial year ended 31 December 2024, the relative figures for the Proposed Disposal computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited Mainboard Rules ("**Relative Figures**") are as follows:

Rule 1006	Relative Figures (%)
<u>Rule 1006 (a)</u> The net asset value of the assets to be disposed of, compared with the Group's net asset value	3.7% <sup>(1)</sup>
<u>Rule 1006 (b)</u> Net profits attributable to the assets disposed of, compared with the Group's net profits	7.8% <sup>(2)</sup>
<u>Rule 1006 (c)</u> The aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	32.2% <sup>(3)</sup>
<u>Rule 1006 (d)</u> The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable as no securities will be issued by the Company in connection with the Proposed Disposal
<u>Rule 1006 (e)</u> The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil	Not applicable as the Proposed Disposal is not a disposal of mineral, oil or gas assets by a mineral, oil and gas company

and gas company, but not to an acquisition of such assets.	
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**Notes:**

- (1) Based on the net asset value of the Group of S\$148,431,000 as at 31 December 2024 and the net asset value of the Property of S\$5,520,000 as at 31 December 2024.
- (2) Based on the net profits of the Group of S\$5,476,000 for the year ended 31 December 2024 and the net profits attributable to the asset disposed of S\$429,000 for the year ended 31 December 2024.
- (3) Based on the consideration of S\$8,673,000 (converted using an exchange rate of 1 SGD to RM 3.286 applied on RM28,500,000) and the market capitalisation of the Company of approximately S\$26.97 million which is determined by multiplying 870,110,270 Shares (excluding treasury shares) in issue by the volume weighted average price of S\$0.0310 on 23 June 2025 ("Latest Practicable Date" or "LPD"), being the market day with trades done on the LPD.

9.2 As the relative figure in respect of Rule 1006(c) exceeds 20%, the Proposed Disposal constitutes a "major transaction" under Rule 1014 of the Listing Manual. Accordingly, unless waived or exempted by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Proposed Disposal must be made conditional upon approval by shareholders of the Company (the "**Shareholders**") in a general meeting.

**10. GRANT OF THE WAIVER**

10.1 In connection with the above, the Company had submitted an application to the SGX-ST on 5 June 2025 to seek a waiver from the requirement to obtain prior shareholders' approval under Listing Rule 1014(2) in respect of the Proposed Disposal (the "**Waiver**").

10.2 Based on the Company's submissions and representations to the SGX-ST, the SGX-ST had on 19 June 2025 informed that the SGX-ST has no objection to the Company's application for waiver from the requirement to obtain prior shareholders' approval under Listing Rule 1014(2) in respect of the Proposed Disposal subject to the following (the "**Waiver Conditions**"):

- (a) The Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions upon which the Waiver is granted, as required under Rule 107 of the Mainboard Rules, and whether the Waiver conditions have been satisfied as at the date of the announcement. If the Waiver conditions have not been satisfied, the Company must make an announcement as and when the conditions have all been satisfied;
- (b) Submission of a written confirmation from the board of directors of the Company that the Waiver does not contravene any laws and regulations governing the Company and its constitution (or equivalent in the Company's country of incorporation);
- (c) Submission of a written confirmation from the board of directors of the Company and announcement via SGXNet of the Board's assessment that there has been, and will be, no material change in the risk profile of the Company arising from the Proposed Disposal, including the bases for its opinion; and
- (d) Submission of irrevocable undertaking(s) from the Company's substantial shareholders, Edward Lee Ewe Ming and Ong Ghim Choon who collectively hold more than 50% of the issued shares of the Company that they would vote in favour of the Proposed Disposal at a general meeting of the Company.

**11. REASONS FOR SEEKING THE WAIVER**

11.1 The Company had sought the Waiver on the following grounds:

*Non-Core Asset and No Material Change in Business or Risk Profile*

- (a) The Property is a non-core asset and is not material to the Group's business operations. The Group does not conduct any business activity at the Property, and its disposal will

not affect the Group's core business or operational capabilities. The Property is currently leased to third-party tenants and is not used for the Group's operations. As such, the Property meets all the following criteria as set out in paragraph 7.3(b) of Practice Note 10.1 of the Listing Manual:

- (i) it is not critical to the principal business activity of the Company;
- (ii) it is ancillary to the principal business activity of the Company; and
- (iii) it is not an existing principal business of the Company.

Following the Proposed Disposal, the Group will continue to operate its telecommunication products and services, investment, and large format digital inkjet printing business. Further, the Company does not expect that the Proposed Disposal will have any significant adverse impact on the net profits and earnings per share of the Group, and the net asset value of the Group is expected to improve from S\$148,431,000 to S\$148,829,000 after the Proposed Disposal based on figures from the financial year ended 31 December 2024.

*Proposed Disposal has been foreshadowed*

- (b) The proposed disposal of the Property was initially disclosed to Shareholders in the Company's previous announcement dated 1 February 2024. At that time, the transaction was not classified as a major transaction under Rule 1014 of the Listing Manual, as the relative figures computed based on Rule 1006 did not exceed the 20% threshold. However, in the current situation, due to a reduction in the Company's market capitalisation figures, the relative figures under Rule 1006(c) have now exceeded the 20% threshold, thereby classifying the Proposed Disposal as a major transaction. In the Company's opinion, the earlier disclosure has served as a foreshadowing of the Proposed Disposal, given that Shareholders have been previously informed of the intentions of the Company.

*Commercial Sensitivity and Time Sensitivity*

- (c) The Proposed Disposal is commercially and time-sensitive. The Company is of the view that the property market in Malaysia is subject to fluctuations, and the ability to execute the transaction quickly is important to maximise value for the Group.

*Voting confirmations by the Company's substantial Shareholders*

- (d) The Company has procured from its substantial Shareholders namely Edward Lee Ewe Ming and Ong Ghim Choon (who together directly and indirectly own an aggregate of approximately 52.6% of the issued and paid-up capital in the Company), to vote each of their entire shareholdings in the Company in favour of the Proposed Disposal if a general meeting is required to be convened to approve the Proposed Disposal.

*No Prejudice to Minority Shareholders*

- (e) The Company does not expect the Proposed Disposal to have a significant adverse impact on the net profits and earnings per share of the Group, and the net asset value of the Group is expected to improve from S\$148,431,000 to S\$148,829,000 for the financial year ended 31 December 2024 as mentioned above. As such, the interests of the Shareholders, including those of the minority Shareholders, will not be prejudiced. The Company will also continue to provide full disclosure of the Proposed Disposal to all Shareholders.

**12. SATISFACTION OF WAIVER CONDITIONS**

- 12.1 To the best of the Board's knowledge and belief, the Company will not be in contravention of any laws and regulations governing the Company or the Constitution of the Company as a result of the Waiver.

- 12.2 The Board has assessed and will be submitting the written confirmation that there has been, and will be, no material change in the risk profile of the Company arising from the Proposed Disposal, based on the bases for its opinion set out in paragraph 11.1(a) of this announcement.
- 12.3 The Company will be submitting the irrevocable undertaking(s) from its substantial shareholders, Edward Lee Ewe Ming and Ong Ghim Choon who collectively hold more than 50% of the issued shares of the Company that they would vote in favour of the Proposed Disposal at a general meeting of the Company.
- 12.4 Following the submission of the documents required in paragraphs 10.2(b) to (d) and the making of this Announcement, which sets out, *inter alia*, the Company's reasons for seeking the Waiver, and the disclosures made in this announcement, the Company considers that the Waiver Conditions described in paragraph 10.2 above have been complied with.

**13. SERVICE CONTRACTS**

- 13.1 None of the Directors or controlling shareholders of the Company have any direct or indirect interest in the Proposed Disposal, other than through their respective shareholdings in the Company.
- 13.2 No directors are proposed to be appointed to the Company, and no service contracts are to be entered into by the Company, in connection with the Proposed Disposal.

**14. DOCUMENTS FOR INSPECTION**

A copy of the Agreement, sale and purchase agreement (when it is available), and the Valuation Report is available for inspection during normal business hours at the Company's registered office at 53 Ubi Crescent, Singapore 408594, for 3 months from the date of this announcement.

**15. FURTHER ANNOUNCEMENTS**

The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

**BY ORDER OF THE BOARD**

**Madan Mohan**  
*Company Secretary*

24 June 2025