IPS Securex Holdings Limited
and its subsidiaries

(Registration Number: 201327639H)

Condensed interim financial statements for the six months and full year ended 30 June 2026

This announcement has been prepared by IPS Securex Holdings Limited (the "Company", and together with its subsidiaries, the "Group") and has been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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A. Condensed interim consolidated statements of profit or loss and other comprehensive income

		The Group					
		Unaudited 2H-2026 (1)	Unaudited 2H-2025 (2)	Increase/ (Decrease) % change	Unaudited FY2026 (3)	Audited FY2025 (3)	Increase/ (Decrease) % change
	Note	S$	S$	%	S$	S$	%
Revenue	3.2	10,864,857	6,181,595	75.8	20,736,111	11,282,775	83.8
Cost of sales		(7,247,355)	(4,052,722)	78.8	(13,441,795)	(7,137,852)	88.3
Gross profit		3,617,502	2,128,873	69.9	7,294,316	4,144,923	76.0
Other income	5.1	57,300	94,969	(39.7)	34,796	84,468	(58.8)
Administrative expenses		(3,492,224)	(2,781,909)	25.5	(6,778,793)	(5,618,187)	20.7
Other operating expenses		(126,212)	(75,274)	67.7	(159,041)	(80,884)	96.6
Other losses	5.1	(1,126)	-	N.M	(200)	(5,911)	N.M
Finance income	5.1	1,485	5,668	(73.8)	1,648	13,699	(88.0)
Finance costs	5.1	(40,838)	(14,240)	186.8	(75,322)	(28,322)	165.9
Profit/(loss) before income tax		15,887	(641,913)	N.M	317,404	(1,490,214)	N.M
Income tax benefit	6	-	-	N.M	-	15,100	N.M
Profit/(loss) for the period/year		15,887	(641,913)	N.M	317,404	(1,475,114)	N.M
Other comprehensive income/(loss) *Item that may be reclassified subsequently to profit or loss*							
Foreign currency translation		463	(322)	N.M.	4,701	98	4,696.9
Total comprehensive income/(loss) for the period/year		**16,350**	**(642,235)**	**N.M**	**322,105**	**(1,475,016)**	**N.M**
Earnings/(loss) per share for profit/(loss) attributable to the owners of the Company							
Basic and diluted (cents)(4)	7	0.00	(0.13)		0.07	(0.30)	

Notes:

(1) *"2H-2026" refers to the second half year ended 30 June 2026.*

(2) *"2H-2025" refers to the second half year ended 30 June 2025.*

(3) *"FY" refers to the reporting year ended 30 June.*

(4) *The basic and diluted earnings per share were the same as there were no dilutive instruments as at 30 June 2025 and 30 June 2026.*

B. Condensed interim statements of financial position

		The Group		The Company	
		Unaudited	Audited	Unaudited	Audited
		As at 30.06.2026	As at 30.06.2025	As at 30.06.2026	As at 30.06.2025
ASSETS	**Note**	**S$**	**S$**	**S$**	**S$**
Current assets					
Inventories	10	4,526,118	2,299,854	-	-
Contract assets	12	1,730,611	212,534	-	-
Trade and other receivables	9	2,909,937	3,609,804	2,658,929	2,517,595
Prepayments	13	1,094,645	616,895	1,905	2,842
Loans to subsidiaries		-	-	616,487	614,822
Cash and cash equivalents		2,733,049	2,167,392	132,745	112,972
Total current assets		**12,994,360**	**8,906,479**	**3,410,066**	**3,248,231**
Non-current assets					
Investments in subsidiaries	11	-	-	3,000,199	3,000,199
Plant and equipment	14	598,759	326,500	-	-
Trade and other receivables	9	1,289,298	41,681	-	-
Total non-current assets		**1,888,057**	**368,181**	**3,000,199**	**3,000,199**
Total assets		**14,882,417**	**9,274,660**	**6,410,265**	**6,248,430**
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	15	8,526,097	3,391,598	534,830	328,482
Contract liabilities	17	124,721	182,153	-	-
Lease liabilities	16	9,552	8,604	-	-
Loans and borrowings	16	302,919	130,989	-	-
Total current liabilities		**8,963,289**	**3,713,344**	**534,830**	**328,482**
Non-current liabilities					
Lease liabilities	16	35,707	-	-	-
Deferred tax liabilities		1,490	1,490	-	-
Total non-current liabilities		**37,197**	**1,490**	**-**	**-**
Capital and reserves					
Share capital	18	9,405,906	9,405,906	9,405,906	9,405,906
Treasury shares		(89,353)	(89,353)	(89,353)	(89,353)
Other reserves		(585,200)	(589,901)	210,000	210,000
Accumulated losses		(2,849,422)	(3,166,826)	(3,651,118)	(3,606,605)
Total capital and reserves		**5,881,931**	**5,559,826**	**5,875,435**	**5,919,948**
Total liabilities and equity		**14,882,417**	**9,274,660**	**6,410,265**	**6,248,430**

C. Condensed interim statements of changes in equity

	Share capital S$	Treasury shares S$	Other reserves S$	Accumulated losses S$	Total S$
Group					
Balance at 1 July 2025	9,405,906	(89,353)	(589,901)	(3,166,826)	5,559,826
Profit for the year, representing total comprehensive income for the year	-	-	-	317,404	317,404
Other comprehensive income					
Foreign currency translation gain	-	-	4,701	-	4,701
Balance at 30 June 2026	9,405,906	(89,353)	(585,200)	(2,849,422)	5,881,931
Balance at 1 July 2024	9,405,906	(89,353)	(589,999)	(1,691,712)	7,034,842
Loss for the year, representing total comprehensive loss for the year	-	-	-	(1,475,114)	(1,475,114)
Other comprehensive income					
Foreign currency translation gain	-	-	98	-	98
Balance at 30 June 2025	9,405,906	(89,353)	(589,901)	(3,166,826)	5,559,826
Company					
Balance at 1 July 2025	9,405,906	(89,353)	210,000	(3,606,605)	5,919,948
Loss for the year, representing total comprehensive loss for the year	-	-	-	(44,513)	(44,513)
Balance at 30 June 2026	9,405,906	(89,353)	210,000	(3,651,118)	5,875,435
Balance at 1 July 2024	9,405,906	(89,353)	210,000	(3,503,929)	6,022,624
Loss for the year, representing total comprehensive loss for the year	-	-	-	(102,676)	(102,676)
Balance at 30 June 2025	9,405,906	(89,353)	210,000	(3,606,605)	5,919,948

D. Condensed interim consolidated statements of cash flows

	Note	The Group Unaudited FY2026 S$	Audited FY2025 S$
Cash flows from operating activities			
Profit/(Loss) before tax		317,404	(1,490,214)
Adjustments for:			
Interest income	5.1	(1,648)	(1,147)
Interest expense	5.1	51,787	28,322
Depreciation of plant and equipment	5.1	199,384	147,943
Gain on termination of lease	5.1	(486)	-
Loss on disposal of plant and equipment	5.1	-	-
Loss on disposal of other investments	5.1	-	5,911
Inventories written-off	5.1	119,042	61,161
Allowance for inventories obsolescence - loss/(reversal)	5.1	8,558	(13,446)
Bad debts written-off	5.1	-	9,370
Allowance for expected credit loss - loss/(reversal)	5.1	200	(7,439)
Net foreign exchange (gain)/loss - unrealised		(3,486)	26,382
Operating cash flows before working capital changes		690,755	(1,233,157)
Inventories		(2,355,364)	(664,212)
Contract assets		(1,518,077)	57,868
Contract costs		-	450
Trade and other receivables		(547,794)	2,196,439
Prepayments		(477,750)	(364,357)
Trade and other payables		4,207,619	(219,155)
Contract liabilities		(57,432)	(154,855)
Cash used in operations		(58,043)	(380,979)
Income tax refunded		-	15,100
Interest received		1,492	1,937
Net cash used in operating activities		**(56,551)**	**(363,942)**
Cash flows from investing activities			
Purchase of plant and equipment		(423,121)	(144,428)
Proceeds from disposal of other investments		-	1,694
Net cash used in investing activities		**(423,121)**	**(142,734)**
Cash flows from financing activities			
Payments of lease liabilities - principal portion		(9,881)	(11,006)
Repayment of bank borrowings		(130,989)	(1,272,394)
Interest paid		(48,247)	(28,346)
Proceeds from trade financing facilities		5,765,467	1,084,524
Repayment of trade financing facilities		(4,839,208)	(666,898)
Loans from a related party		300,000	-
Fixed deposits withdrawn from a financial institution		-	18,331
(Increase)/decrease in restricted cash and fixed deposits pledged		(599,711)	522,128
Net cash generated from/(used in) financing activities		**437,431**	**(353,661)**
Net decrease in cash and cash equivalents		**(42,241)**	**(860,337)**
Cash and cash equivalents at beginning of the year		2,167,392	3,054,013
Effect of exchange rate changes on the balance of cash held in foreign currencies		8,187	(26,284)
Cash and cash equivalents at end of the year		**2,133,338**	**2,167,392**
Cash and cash equivalents above comprise the following:			
Cash at bank and on hand		2,133,338	2,167,392
Fixed deposits pledged		599,711	-
Cash and cash equivalents at end of the year		**2,733,049**	**2,167,392**

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

IPS Securex Holdings Limited (the "Company") is incorporated in the Republic of Singapore with limited liability. The Company's shares are publicly traded on the Catalist Board of the Singapore Exchange Securities Trading Limited. These condensed interim financial statements for the six months and financial statements for the reporting year ended 30 June 2026 cover the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company are investment holding, provision of business and management consultancy services, provision of services and trading of security products.

The principal activities of the subsidiaries are:
a. distribution, installation and commissioning of security equipment;
b. provision of maintenance support; and
c. provision of leasing services.

The latest audited annual financial statements of the Group for the reporting year ended 30 June 2025 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. Basis of Preparation

The condensed interim financial statements for the six months and financial statements for the reporting year ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("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 financial position and performance of the Group since the last annual financial statements for the reporting year ended 30 June 2025. The accounting policies adopted are consistent with those of the previous reporting 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 accounting policies adopted by the Group are in accordance with SFRS(I)s. Accordingly, these condensed interim financial statements are to be read in conjunction with the annual financial statements of the Group for the reporting year ended 30 June 2025. The condensed interim financial statements are presented in Singapore Dollar ("S$") which is the Company's functional currency.

2.1 New standards and interpretations in issue but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2026.

The following amendments of SFRS(I) are not expected to have a significant impact on the financial statements of the Group and of the Company.

- Classification and Measurement of Financial Instruments (Amendments to SFRS(I) 9 and 7)
- Presentation and Disclosure in Financial Statements (SFRS(I) 18)
- Subsidiaries without Public Accountability: Disclosures (SFRS(I) 19)

SFRS(I) 18 will replace SFRS(I) 1-1. The new version includes (a) revised presentation of specified categories and defined subtotals in the statement of profit or loss; (b) new disclosures on management-defined performance measures in the notes to the financial statements; and (c) improved disclosures of aggregation and disaggregation of balances. It also requires the disclosure, for the comparative period immediately preceding the period in which this Standard is first applied, a reconciliation for each line item in the statement of profit or loss between (a) the restated amounts and (b) the amounts previously presented applying the replaced version.

2.1 New standards and interpretations in issue but not yet effective

SFRS(I) 19 applies to a subsidiary which does not have public accountability and whose parent produces consolidated financial statements that are available for public use. It may also be applied to small non-subsidiary entities (as defined in FRS for small entities). Applying FRS 119 is expected to reduce the costs of preparing financial statements of such entities while maintaining the usefulness of the information for users of their financial statements.

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 reporting year ended 30 June 2025.

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.

2.3 Seasonal operations

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

3. Segment and revenue information

The Group is organised into the following main business segments:

- Security solutions; and
- Maintenance and leasing.

These operating segments are determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the Chief Executive Officer in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

3.1 Reportable Segments

	Security solutions		Maintenance and leasing		Total	
	FY2026	FY2025	FY2026	FY2025	FY2026	FY2025
Group	S$	S$	S$	S$	S$	S$
External revenue	18,608,817	7,942,074	2,127,294	3,340,701	20,736,111	11,282,775
Inter-segment revenue	271,591	1,467,917	-	-	271,591	1,467,917
Other income	-	13,445	-	-	-	13,445
Interest income	1,648	1,140	-	-	1,648	1,140
Interest expense	(45,369)	(10,134)	(318)	(6)	(45,687)	(10,140)
Reportable segment profit before tax	5,778,186	1,704,854	1,232,977	2,222,556	7,011,163	3,927,410
Reportable segment assets	9,432,208	5,138,308	2,009,393	1,557,614	11,441,601	6,695,922
Reportable segment liabilities	(6,895,339)	(2,357,286)	(941,316)	(645,034)	(7,836,655)	(3,002,320)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	Group	
	FY2026	FY2025
	S$	S$
Revenue		
Total revenue for reportable segments	21,007,702	12,750,692
Elimination of inter-segment revenue	(271,591)	(1,467,917)
Consolidated revenue	20,736,111	11,282,775
Profit or loss		
Total profit for reportable segments	7,011,163	3,927,410
Elimination of inter-segment profits	20,764	(37,247)
Unallocated amounts:		
- Other income	34,796	63,584
- Allowance for expected credit loss - (loss)/reversal	(200)	7,439
- Administrative expenses	(6,688,274)	(5,429,885)
- Other expenses	(31,210)	(15,773)
- Net finance costs	(29,635)	(5,742)
Consolidated profit/(loss) before tax	317,404	(1,490,214)
Assets		
Total assets for reportable segments	11,441,601	6,695,922
Unallocated amounts:		
- Plant and equipment	598,759	326,500
- Cash and cash equivalents	2,733,049	2,167,392
- Others	109,008	84,846
Consolidated total assets	14,882,417	9,274,660
Liabilities		
Total liabilities for reportable segments	(7,836,655)	(3,002,320)
Unallocated amounts:		
- Loans and borrowings	(302,919)	(130,989)
- Lease liabilities	(45,259)	(8,604)
- Deferred tax liabilities	(1,490)	(1,490)
- Others	(814,163)	(571,431)
Consolidated total liabiltiies	(9,000,486)	(3,714,834)

3.1 Reportable Segments

	Security solutions		Maintenance and leasing		Total	
	2H-2026	2H-2025	2H-2026	2H-2025	2H-2026	2H-2025
Group	S$	S$	S$	S$	S$	S$
External revenue	9,729,103	4,567,385	1,135,753	1,614,210	10,864,857	6,181,595
Inter-segment revenue	152,037	1,467,917	-	-	152,037	1,467,917
Other income	-	52,178	-	-	-	52,178
Interest income	1,484	572	-	-	1,484	572
Interest expense	(19,848)	(9,063)	(318)	-	(20,166)	(9,063)
Allowance for expected credit loss - reversal	-	5,450	-	-	-	5,450
Reportable segment profit before tax	2,852,375	999,724	621,349	1,045,787	3,473,724	2,045,511
Reportable segment assets	9,432,208	5,138,308	2,009,393	1,557,614	11,441,601	6,695,922
Reportable segment liabilities	(6,895,339)	(2,357,286)	(941,316)	(645,034)	(7,836,655)	(3,002,320)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	Group	
	2H-2026	2H-2025
	S$	S$
Revenue		
Total revenue for reportable segments	11,016,894	7,649,512
Elimination of inter-segment revenue	(152,037)	(1,467,917)
Consolidated revenue	10,864,857	6,181,595
Profit or loss		
Total profit for reportable segments	3,473,724	2,045,511
Elimination of inter-segment profits	(1,129)	(37,246)
Unallocated amounts:		-
- Other income	21,505	36,617
- Allowance for expected credit loss - (loss)/reversal	(1,126)	723
- Administrative expenses	(3,449,014)	(2,683,067)
- Other expenses	(7,401)	(4,370)
- Net finance costs	(20,672)	(81)
Consolidated profit/(loss) before tax	15,887	(641,913)
Assets		
Total assets for reportable segments	11,441,601	6,695,922
Unallocated amounts:		
- Plant and equipment	598,759	326,500
- Cash and cash equivalents	2,733,049	2,167,392
- Others	109,008	84,846
Consolidated total assets	14,882,417	9,274,660
Liabilities		
Total liabilities for reportable segments	(7,836,655)	(3,002,320)
Unallocated amounts:		
- Loans and borrowings	(302,919)	(130,989)
- Lease liabilities	(45,259)	(8,604)
- Deferred tax liabilities	(1,490)	(1,490)
- Others	(814,163)	(571,431)
Consolidated total liabiltiies	(9,000,486)	(3,714,834)

3.2 Disaggregation of Revenue

	Security solutions		Maintenance and leasing		Total	
	FY2026	FY2025	FY2026	FY2025	FY2026	FY2025
	$	$	$	$	$	$
Geographical markets						
Singapore	18,545,004	7,599,876	2,127,294	3,340,701	20,672,298	10,940,577
Indochina (1)	30,913	11,568	-	-	30,913	11,568
Rest of Southeast Asia (2)	28,103	271,755	-	-	28,103	271,755
East Asia (3)	4,797	58,875	-	-	4,797	58,875
Total	18,608,817	7,942,074	2,127,294	3,340,701	20,736,111	11,282,775
Geographical markets						
Sale of goods	2,614,865	1,859,375	-	-	2,614,865	1,859,375
Revenue from contracts	15,993,952	6,082,699	-	-	15,993,952	6,082,699
Maintenance and leasing services	-	-	2,127,294	3,340,701	2,127,294	3,340,701
Total	18,608,817	7,942,074	2,127,294	3,340,701	20,736,111	11,282,775
Timing of revenue recognition						
At a point in time	2,614,865	1,859,375	-	-	2,614,865	1,859,375
Over time	15,993,952	6,082,699	2,127,294	3,340,701	18,121,246	9,423,400
Total	18,608,817	7,942,074	2,127,294	3,340,701	20,736,111	11,282,775

	Security solutions		Maintenance and leasing		Total	
	2H-FY2026	2H-FY2025	2H-FY2026	2H-FY2025	2H-FY2026	2H-FY2025
	$	$	$	$	$	$
Geographical markets						
Singapore	9,694,237	4,507,255	1,135,753	1,614,210	10,829,990	6,121,465
Indochina (1)	30,913	11,568	-	-	30,913	11,568
Rest of Southeast Asia (2)	-	-	-	-	-	-
East Asia (3)	3,954	48,562	-	-	3,954	48,562
Total	9,729,104	4,567,385	1,135,753	1,614,210	10,864,857	6,181,595
Major product/service lines						
Sale of goods	1,350,385	981,286	-	-	1,350,385	981,286
Revenue from contracts	8,378,719	3,586,099	-	-	8,378,719	3,586,099
Maintenance and leasing services	-	-	1,135,753	1,614,210	1,135,753	1,614,210
Total	9,729,104	4,567,385	1,135,753	1,614,210	10,864,857	6,181,595
Timing of revenue recognition						
At a point in time	1,350,385	981,286	-	-	1,350,385	981,286
Over time	8,378,719	3,586,099	1,135,753	1,614,210	9,514,472	5,200,309
Total	9,729,104	4,567,385	1,135,753	1,614,210	10,864,857	6,181,595

Notes:

(1) " Indochina" includes Myanmar, Thailand, Laos, Cambodia and Vietnam.
(2) "Rest of Southeast Asia" includes Malaysia, Brunei, Indonesia, Philippines and Timor Leste.
(3) "East Asia" includes People's Republic of China, South Korea and Japan.

3.2 Disaggregation of Revenue

	Group		
	FY2026	FY2025	% change
A breakdown of sales:	$	$	
Revenue - First Half Year	9,871,254	5,101,180	93.5
Revenue - Second Half Year	10,864,857	6,181,595	75.8
Revenue - Total	20,736,111	11,282,775	83.8
Profit/(loss) after tax - First Half Year	301,517	(833,201)	N.M.
Profit/(loss) after tax - Second Half year	15,887	(641,913)	N.M.
Profit/(loss) after tax - Total	317,404	(1,475,114)	N.M.

4. 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 2026 and 30 June 2025:

	Carrying amount		
Group	**Amortised cost S$**	**Other financial liabilities S$**	**Total carrying amount S$**
30 June 2026			
Financial assets measured at amortised cost			
Trade and other receivables	4,199,235	-	4,199,235
Cash and cash equivalents	2,733,049	-	2,733,049
	6,932,284	-	6,932,284
Financial liabilities measured at amortised cost			
Trade and other payables	-	8,526,097	8,526,097
Loans and borrowings*	-	348,178	348,178
	-	8,874,275	8,874,275
30 June 2025			
Financial assets measured at amortised cost			
Trade and other receivables	3,651,485	-	3,651,485
Cash and cash equivalents	2,167,392	-	2,167,392
	5,818,877	-	5,818,877
Financial liabilities measured at amortised cost			
Trade and other payables	-	3,391,598	3,391,598
Loans and borrowings*	-	139,593	139,593
	-	3,531,191	3,531,191

* Inclusive of lease liabilities

5 Profit/(loss) before taxation

5.1 Profit/(loss) before taxation included the following items:

	The Group			
	Unaudited 2H-2026 S$	Unaudited 2H-2025 S$	Unaudited FY2026 S$	Audited FY2025 S$
Income				
Miscellaneous income	1,937	5,920	5,481	7,740
Allowance for expected credit loss - reversal	-	6,174	-	7,439
Gain on termination of lease	-	-	486	-
Write-back of allowance for inventories obsolescence	35,795	52,178	-	13,446
Government grant and subsidies	19,568	30,697	28,829	55,843
Other income	57,300	94,969	34,796	84,468
Finance income				
Foreign exchange gain (net)	-	5,212	-	12,552
Interest income	1,485	456	1,648	1,147
	1,485	5,668	1,648	13,699
Expenses				
Other losses				
Allowance for expected credit loss	(1,126)	-	(200)	-
Loss on disposal of other investment	-	-	-	(5,911)
	(1,126)	-	(200)	(5,911)
Finance costs				
Interest expense	(25,152)	(14,240)	(51,787)	(28,322)
Foreign exchange loss (net)	(15,686)	-	(23,535)	-
	(40,838)	(14,240)	(75,322)	(28,322)
Depreciation of plant and equipment	(110,097)	(75,473)	(199,384)	(147,943)
Inventories written off	(119,042)	(60,732)	(119,042)	(61,161)
Bad debts written off	-	(9,370)	-	(9,370)
Rental expense	(147,875)	(116,433)	(292,800)	(225,933)
Allowance for inventories obsolescence	-	-	(8,558)	-

5.2 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the Group entered into the following significant transactions with related parties:

	Group	
	Unaudited FY2026 S$	Audited FY2025 S$
Related parties which a shareholder has controlling interest		
Accounting and administrative services	78,008	77,208
Rental expenses	216,000	216,000
Related party of the Company		
Short-term loans	300,000	-
Accrued interest from short-term loans	2,919	-

6. Taxation

The income tax in profit or loss varied from the amount determined by applying the Singapore statutory tax rate of 17% (FY2025: 17%) to profit or loss before tax as a result of the following differences:

	Unaudited 2H-2026 S$	Unaudited 2H-2025 S$	Unaudited FY2026 S$	Audited FY2025 S$
Current tax (expense)/benefit				
Changes in estimates in respect of prior years	-	-	-	17,000
Withholding tax	-	-	-	(1,900)
	-	-	-	15,100
Reconciliation of effective tax rate				
Profit/(loss) before tax	15,887	(641,913)	317,404	(1,490,214)
Tax using the Singapore tax rate of 17%	2,701	(109,126)	53,959	(253,336)
Effect of tax rates in foreign jurisdiction	(35)	(30)	(46)	(69)
Non-deductible expenses	12,102	13,019	20,233	23,439
Non-taxable income	(2,290)	(20,493)	(2,819)	(3,691)
Unrecognised deferred tax assets	-	116,630	-	233,657
Previously unrecognised deferred tax assets recognised this year	(12,478)	-	(71,327)	-
Changes in estimates in respect of prior years	-	-	-	17,000
Withholding tax	-	-	-	(1,900)
	-	-	-	15,100

7. Earnings/(Loss) per share

	Group			
	Unaudited 2H-2026	**Unaudited 2H-2025**	**Unaudited FY2026**	**Audited FY2025**
Profit/(loss) for the period/year attributable to equity holders of the Company (S$)	15,887	(641,913)	317,404	(1,475,114)
Weighted average number of ordinary shares	484,844,100	484,844,100	484,844,100	484,844,100
Earnings/(loss) per share (cents)	0.00	(0.13)	0.07	(0.30)

Earnings/(loss) per share is calculated by dividing the Group’s profit/(loss) attributable to shareholders by the weighted average number of shares of no par value in issue during the period/year.

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting period/year.

The basic amount per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting period/year. It is after the neutralisation by the treasury shares.

The fully diluted earnings per ordinary share is the same as basic earnings per ordinary share as there were no options granted or outstanding during the reporting period/year.

8. Net asset value

	Group		Company	
	Unaudited As at 30.06.2026	Audited As at 30.06.2025	Unaudited As at 30.06.2026	Audited As at 30.06.2025
Net asset value per ordinary share based on the number of shares in issue at end of year (cents)	1.2	1.1	1.2	1.2

9. Trade and other receivables

	Group		Company	
	Unaudited As at 30.06.2026 S$	Audited As at 30.06.2025 S$	Unaudited As at 30.06.2026 S$	Audited As at 30.06.2025 S$
Trade receivables	2,544,927	2,794,326	-	-
Allowance for expected credit loss	(3,664)	(3,464)	-	-
	2,541,263	2,790,862	-	-
Other receivables	2,256	1,305	-	-
Amounts due from subsidiaries (non-trade)	-	-	2,618,549	2,477,215
Deposits	1,655,716	859,318	40,380	40,380
	4,199,235	**3,651,485**	**2,658,929**	**2,517,595**
Presented in the statement of financial position as:				
Current	2,909,937	3,609,804	2,658,929	2,517,595
Non-current	1,289,298	41,681	-	-
	4,199,235	**3,651,485**	**2,658,929**	**2,517,595**

The Group's deposits as at 30 June 2026 included refundable cash margin placed with financial institutions amounting to S$1,537,326 (2025: S$782,256). The margins are required for the financial institutions to issue performance guarantees for the Group's trade contracts entered with its customers. Performance guarantees cover periods that exceeded 12 months from the end of the reporting year, and the cash margin as at 30 June 2026 amounting to S$1,289,298 (2025: S$41,681) was classified as non-current assets.

The non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

10. Inventories

	Group	
	Unaudited	Audited
	As at 30.06.2026	As at 30.06.2025
	S$	S$
Inventories, net of allowance for inventories obsolescence	4,526,118	2,299,854

The movements in the allowance for inventories obsolescence during the year were as follows:

	Group	
	Unaudited	Audited
	FY2026	FY2025
	S$	S$
At 1 July	259,220	272,666
Write down/(back) during the year	8,558	(13,446)
At 30 June	267,778	259,220

During the year, inventories of S$7,358,472 (FY2025: S$4,671,924) were recognised as an expense and included in “cost of sales”.

11. Investments in subsidiaries

	Company	
	Unaudited	Audited
	As at 30.06.26	As at 30.06.25
	S$	S$
Unquoted equity shares, at cost	5,344,199	5,344,199
Allowance for impairment	(2,344,000)	(2,344,000)
	3,000,199	3,000,199

Movements in the allowance for impairment of subsidiaries are as follows:	Company	
	Unaudited	Audited
	FY2026	FY2025
	S$	S$
At 1 July / 30 June	2,344,000	2,344,000

The Company assesses at each reporting date whether there is any indication that the investment in subsidiaries is impaired. To determine whether there is indication of impairment, the Company considers factors such as a significant deterioration in the financial position of the subsidiaries or the subsidiaries are experiencing significant financial difficulties.

At the current reporting date, there is no indication that additional impairment or reversals of impairment of the investment in subsidiaries should be recognised.

12. Contract assets

	Group	
	Unaudited As at 30.06.26 S$	Audited As at 30.06.25 S$
At beginning of year	212,534	270,402
Consideration for work completed but not billed	2,095,641	638,540
Transfers to trade receivables	(577,564)	(696,408)
At end of year	1,730,611	212,534

Contract assets mainly relate to the Group's rights to consideration for work completed but yet to be billed at reporting date. The contract assets are transferred to trade receivables when the rights become unconditional.

13. Prepayments

	Group	
	Unaudited As at 30.06.26 S$	Audited As at 30.06.25 S$
Prepayments for purchases, software license, insurance and others	1,094,645	616,895

14. Plant and equipment

Group	Computers and office equipment S$	Furniture, fixtures and office renovation S$	Tools and equipment S$	Motor vehicles S$	Total S$
Cost					
At 1 July 2024	673,066	767,041	147,892	368,559	1,956,558
Additions	55,668	16,877	1,117	70,766	144,428
Disposals/Write-off	(27,822)	(690)	-	-	(28,512)
At 30 June 2025	700,912	783,228	149,009	439,325	2,072,474
Additions	99,408	-	375,067	-	474,475
Transfers	1,500	-	-	-	1,500
Disposals/Write-off	(66,959)	(173)	-	-	(67,132)
At 30 June 2026	734,861	783,055	524,076	439,325	2,481,317
Accumulated depreciation and impairment losses					
At 1 July 2024	581,274	755,542	104,984	184,743	1,626,543
Depreciation for the year	62,196	5,184	18,259	62,304	147,943
Disposals/Write-off	(27,822)	(690)	-	-	(28,512)
At 30 June 2025	615,648	760,036	123,243	247,047	1,745,974
Depreciation for the year	62,607	6,872	68,220	61,685	199,384
Disposals/Write-off	(62,627)	(173)	-	-	(62,800)
At 30 June 2026	615,628	766,735	191,463	308,732	1,882,558
Carrying amounts					
At 1 July 2024	91,792	11,499	42,908	183,816	330,015
At 30 June 2025	85,264	23,192	25,766	192,278	326,500
At 30 June 2026	119,233	16,320	332,613	130,593	598,759

During FY2026, the Group acquired assets amounting to S$474,475 (FY2025: S$144,428). The assets acquired includes right-of-use assets of S$51,354 (FY2025: NIL) which are under lease arrangements. The Group disposed of office equipment, acquired under lease agreement, at carrying amount of S$4,332. This was offset by early termination of the lease with undue balance of S$4,818, resulting in gain on modification of lease of S$486.

During FY2026, the Group transferred inventories with carrying amount of S$1,500 (FY2025: NIL) to plant and equipment.

15. Trade and other payables

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	As at 30.06.2026	As at 30.06.2025	As at 30.06.2026	As at 30.06.2025
	S$	S$	S$	S$
Trade payables	5,790,302	1,716,795	-	-
Bills payable	1,697,437	771,178	-	-
Other payables	199,161	173,413	38,343	27,345
Amounts due to:				
– Subsidiaries (non-trade)	-	-	249,242	100,248
– Related parties (non-trade)	94,470	53,266	94,470	53,266
– Director (non-trade)	259	-	259	-
Accruals	744,468	676,946	114,716	109,823
	8,526,097	3,391,598	497,030	290,682
Deposit received	-	-	37,800	37,800
	8,526,097	**3,391,598**	**534,830**	**328,482**

Details of the bills payable
The Group's bills payable relate to short-term trade financing facilities that are covered by corporate guarantees from the Company and secured by a first fixed and floating charge over a subsidiary's assets. The bills payable bear interest at 3.08% to 8.50% (2025: 4.42% to 4.97%) per annum and mature within 58 to 100 days (2025: 14 to 115 days).

Details of amounts due to subsidiary and related parties
The non-trade amounts due to subsidiaries, related parties and a director are unsecured, interest-free and are repayable on demand.

Details of the deposits received
The deposits are received from the subsidiaries and these deposits are non-trade, unsecured, interest-free and are repayable on demand.

16. Loans and borrowings

	Group			
	As at 30.06.2026		As at 30.06.2025	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less or on demand	S$	S$	S$	S$
Loans from a related party	-	302,919	-	-
Bank borrowings	-	-	130,989	-
Lease liabilties	9,552	-	8,604	-
	9,552	302,919	139,593	-
Amount repayable after one year				
Lease liabilties	35,707	-	-	-
	35,707	-	-	-
	45,259	**302,919**	**139,593**	**-**

During the year, a related party of the Company provided unsecured short-term loans totalling S$300,000 to a subsidiary of the Company. The loans bear interest at a fixed rate of 4.84% (2025: Nil) per annum, with accrued interest of S$2,919 (2025: Nil) during the year. The loans mature within 91 to 154 days (2025: Nil) from the dates of drawdown and the Group expects to fund the repayment of the loans with internal resources by the maturity dates.

In the prior year, the Group's borrowings were covered by corporate guarantees provided by IPS Securex Holdings Limited and were fully repaid during the year.

The Group's lease liabilities are secured by the plant and equipment purchased under the leases.

17. Contract liabilities

	Group	
	Unaudited As at 30.06.26 S$	Audited As at 30.06.25 S$
At beginning of year	182,153	337,008
Performance obligation satisfied – revenue recognised in the reporting year that was included in contract liabilities at beginning of year	(181,820)	(335,875)
Consideration received or receivable	124,388	181,020
At end of year	124,721	182,153

The contract liabilities primarily relate to advance consideration received from customers. The Group exercises the practical expedient under SFRS(I) 15 not to adjust the transaction price for the effects of financing component at contract inception, as the period between customer payment and transfer of goods approximates one year.

18. Share capital

	Group and Company			
	Unaudited As at 30.06.2026	Audited As at 30.06.2025	Unaudited As at 30.06.2026	Audited As at 30.06.2025
	Number of ordinary shares		S$	S$
Issued and fully paid ordinary shares, with no par value:				
Total number of issued shares	486,000,000	486,000,000	9,405,906	9,405,906
Less: Treasury shares	(1,155,900)	(1,155,900)	(89,353)	(89,353)
Total number of issued shares excluding treasury shares	484,844,100	484,844,100	9,316,553	9,316,553

There was no change in the Company's issued share capital during 2H-2026. There were no outstanding convertibles and subsidiary holdings held by the Company as at 30 June 2026 and 30 June 2025. The number of shares held as treasury shares as at 30 June 2026 and 30 June 2025 was 1,155,900 treasury shares. The percentage of the aggregate number of treasury shares held against the total number of shares outstanding that is listed as at 30 June 2026 and 30 June 2025 is 0.24%. There was no sale, transfer, disposal, cancellation and/or use of treasury shares and/or subsidiary holdings during 2H-2026 and as at 30 June 2026.

19. Subsequent events

There were no material subsequent events after the end of FY2026.

F. Other information required by Listing Rule Appendix 7C

1. Review

The condensed interim consolidated statements of financial position of IPS Securex Holdings Limited and its subsidiaries as at 30 June 2026 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim consolidated statement of cash flows for the twelve-month period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

2. Review of performance of the Group

The Group has two major business segments, namely (i) Security Solutions Business; and (ii) Maintenance and Leasing Business.

The Group's revenue increased by approximately S$4.7 million or 75.8% from S$6.2 million in 2H-2025 to S$10.9 million in 2H-2026; and increased by approximately S$9.4 million or 83.8% from S$11.3 million in FY2025 to S$20.7 million in FY2026.

Security Solutions Business: 2H-2026
Revenue from the Security Solutions Business increased by approximately S$5.1 million or 113.0% from S$4.6 million in 2H-2025 to S$9.7 million in 2H-2026. This was mainly attributable to (i) an increase in revenue in 2H-2026 from providing integrated security solutions in Singapore of S$4.8 million, reflecting accelerated project execution in line with customer schedules and (ii) an increase in the sales of security products to customers in Singapore of S$395,000 and in Indochina(1) of S$19,000, which was partially offset by (iii) a decrease in the sales of security products to customers in East Asia(3) of S$45,000.

Security Solutions Business: FY2026
Revenue from the Security Solutions Business increased by approximately S$10.7 million or 134.3% from S$7.9 million in FY2025 to S$18.6 million in FY2026. This was mainly attributable to (i) an increase in revenue in FY2026 from providing integrated security solutions in Singapore of S$9.9 million reflecting accelerated project execution in line with customer schedules and (ii) an increase in the sales of security products to customers in Singapore of S$1.0 million, and in Indochina(1) of S$19,000, which was partially offset by (iii) a decrease in the sales of security products to customers in East Asia(3) of S$54,000 and in Rest of Southeast Asia(2) of S$244,000.

Maintenance and Leasing Business: 2H-2026
Revenue from the Maintenance and Leasing Business decreased by approximately S$0.5 million or 29.6% from S$1.6 million in 2H-2025 to S$1.1 million in 2H-2026. This was mainly due to a lower demand for maintenance support services by customers in Singapore.

Maintenance and Leasing Business: FY2026
Revenue from the Maintenance and Leasing Business decreased by approximately S$1.2 million or 36.3% from S$3.3 million in FY2025 to S$2.1 million in FY2026. This was mainly due to a lower demand for maintenance support services by customers in Singapore.

Notes:
(1) " Indochina" includes Myanmar, Thailand, Laos, Cambodia and Vietnam.
(2) "Rest of Southeast Asia" includes Malaysia, Brunei, Indonesia, Philippines and Timor Leste.
(3) "East Asia" includes People's Republic of China, South Korea and Japan.
(4) "Others" includes Australia, United States of America and India.

Cost of sales

Cost of sales increased by approximately S$3.1 million or 78.8% from S$4.1 million in 2H-2025 to S$7.2 million in 2H-2026 and increased by approximately S$6.3 million or 88.3% from S$7.1 million in FY2025 to S$13.4 million in FY2026. This was mainly due to an increase in direct material costs incurred, which was in line with the increase in the Group's revenue.

Gross profit

Gross profit increased by approximately S$1.5 million or 69.9% from S$2.1 million in 2H-2025 to S$3.6 million in 2H-2026 and increased by approximately S$3.2 million or 76.0% from S$4.1 million in FY2025 to S$7.3 million in FY2026 as a result of the factors discussed above.

Gross profit margin decreased from 34.4% in 2H-2025 to 33.3% in 2H-2026 and from 36.7% in FY2025 to 35.2% in FY2026 due to lower demand for higher-margin maintenance support services by customers in Singapore.

Other income

Other income decreased by approximately S$38,000 or 39.7% from S$95,000 in 2H-2025 to S$57,000 in 2H-2026. This was mainly due to decreases in government grants and subsidies of S$11,000, write-back of allowance for inventories obsolescence of S$16,000, reversal of allowance for expected credit loss of S$6,000 and miscellaneous income of S$4,000 in 2H-2026.

Other income decreased by approximately S$49,000 or 58.8% from S$84,000 in FY2025 to S$35,000 in FY2026. This was mainly due to decreases in government grants and subsidies of S$27,000, write-back of allowance for inventories obsolescence of S$13,000, reversal of allowance for expected credit loss of S$7,000 and miscellaneous income of S$2,000 in FY2026.

Administrative expenses

Administrative expenses increased by approximately S$0.7 million or 25.5% from S$2.8 million in 2H-2025 to S$3.5 million in 2H-2026. This was mainly due to an increase in the employee remuneration and benefit expenses due to an increase in headcount for projects of S$666,000, and an increase in depreciation expenses and warehouse storage rental cost of S$44,000 in 2H-2026.

Administrative expenses increased by approximately S$1.2 million or 20.7% from S$5.6 million in FY2025 to S$6.8 million in FY2026. This was mainly due to an increase in employee remuneration and benefit expenses due to an increase in headcount for projects of S$1.1 million, and an increase in depreciation expenses and warehouse storage rental cost of S$0.1 million in FY2026.

Other operating expenses

Other operating expenses increased by approximately S$51,000 or 67.7% from S$75,000 in 2H-2025 to S$126,000 in 2H-2026. This was mainly due to an increase in inventories written-off of S$58,000 and an increase in bank charges of S$3,000, which was partially offset by bad debts written-off of S$9,000 and miscellaneous expense of S$1,000 in 2H-2026.

Other operating expenses increased by approximately S$78,000 or 96.6% from S$81,000 in FY2025 to S$159,000 in FY2026. This was mainly due to an increase in inventories written-off of S$58,000, an increase in bank charges of S$22,000 and an increase in allowance for inventories obsolescence of S$8,000, which was partially offset by a decrease in bad debts written-off of S$9,000 and miscellaneous expense of S$1,000 in FY2026.

Other losses

Other losses increased by approximately S$1,000 from nil in 2H-2025 to S$1,000 in 2H-2026. This was mainly due to an increase in allowance for expected credit loss in 2H-2026.

Other losses decreased by approximately S$5,800 from S$6,000 FY2025 to S$200 in FY2026. This was mainly due to loss on disposal of club membership that was recognised in FY2025, which was partially offset by an increase in allowance for expected loss of S$200 in FY2026.

Finance income

Finance income decreased by approximately S$4,000 or 73.8% from S$6,000 in 2H-2025 to S$2,000 in 2H-2026. This was mainly due to an absence of a net foreign exchange gain of S$5,000 in 2H-2026, which arose from the settlement of trade payables denominated in United States dollars due to the depreciation of United States dollar against the Singapore dollar in 2H-2025 and was partially offset by an increase in interest income of S$1,000.

Finance income decreased by approximately S$12,000 or 88.0% from S$14,000 in FY2025 to S$2,000 in FY2026. This was mainly due to an absence of a net foreign exchange gain of S$13,000 in FY2026, which arose from the settlement of trade payables denominated in United States dollars due to the depreciation of United States dollar against the Singapore dollar in FY2025 and was partially offset by an increase in interest income of S$500.

Finance costs

Finance costs increased by approximately S$27,000 or 186.8% from S$14,000 in 2H-2025 to S$41,000 in 2H-2026. This was mainly due to an increase in costs from higher utilisation of trade financing facilities of S$13,000, an increase in accrued interest expense from loans from a related party of S$3,000, and an increase in foreign exchange loss (net) of S$16,000, which was partially offset by a decrease in interest expense of S$5,000 due to repayment of term loans in 2H-2026.

Finance costs increased by approximately S$47,000 or 165.9% from S$28,000 in FY2025 to S$75,000 in FY2026. This was mainly due to an increase in costs from higher utilisation of trade financing facilities of S$37,000, an increase in accrued interest expense from loans from a related party of S$3,000, and an increase in foreign exchange loss (net) of S$24,000, which was partially offset by a decrease in interest expense of S$17,000 due to repayment of term loans in FY2026.

Tax (expense)/credit

Income tax benefit decreased by S$15,000 from a tax credit of S$15,000 in FY2025 to nil in FY2026. The decrease was mainly due to absence of the tax refund in FY2026 of S$17,000 arising from the claim of loss-carry back relief and withholding tax expenses of S$2,000 in FY2025.

<u>Review of the Group's financial position</u>

Current assets

Current assets increased by approximately S$4.1 million from S$8.9 million as at 30 June 2025 to S$13.0 million as at 30 June 2026. The increase in current assets was mainly due to:

(i) an increase in inventories of S$2.2 million arising from an increase in the purchase of parts and components of S$2.4 million for the Security Solutions Business during the year, which was partially offset by an increase in allowance for inventory obsolescence of S$9,000 and inventories written off of S$119,000;

(ii) an increase in contract assets of S$1.5 million mainly attributable to revenue recognised for work completed but where billings had yet to be raised as at 30 June 2026;

(iii) an increase in prepayments of S$478,000 mainly due to an increase of S$413,000 for the purchase of parts for maintenance support service and an increase of S$65,000 of advance payment made to suppliers for on-going projects; and

(iv) an increase in cash and cash equivalents of S$566,000,

which was partially offset by:

(v) a decrease in trade and other receivables of S$700,000 mainly due to a decrease in the amounts receivable from customers of S$249,000 and a decrease in refundable deposits of S$492,000 relating to trade contracts entered into previous year that required a deposit to be placed with the financial institution that provided financing, which was partially offset by an increase in security deposit of S$18,000 for contracts, an increase in professional fees of S$19,000 and an increase in other receivables of S$4,000.

Non-current assets

Non-current assets increased by approximately S$1.5 million from S$0.4 million as at 30 June 2025 to S$1.9 million as at 30 June 2026. The increase in non-current assets was mainly due to an increase in trade and other receivables of S$1.2 million relating to trade contracts entered into during the year that required deposits ranging from 5% to 25% of the integrated security projects' contract sums to be placed with the financial institutions that provided the financing, and are due to be refunded upon completion of the projects; an increase in the purchase of plant and equipment of S$423,000; and an increase in right-of-use assets of S$51,000, which was partially offset by depreciation charges of S$199,000.

Current liabilities

Current liabilities increased by approximately S$5.3 million from S$3.7 million as at 30 June 2025 to S$9.0 million as at 30 June 2026. The increase in current liabilities was mainly due to:

(i) an increase in trade and other payables of S$5.1 million mainly attributable to an increase in amount payable to trade supplier of S$4.1 million, an increase in trade financing facilities of S$926,000, an increase in accrual of operating expenses of S$200,000, an increase in non-trade amount due to related parties of S$41,000 in relation to rental fees to IPS Realty Pte Ltd and Group services fees to IPS Group Pte Ltd, and an increase in other payables of S$26,000 which comprised mainly GST payables and payables for staff reimbursements, which was partially offset by a decrease in accrual of project cost for integrated security solutions projects of S$131,000;

(ii) an increase in lease liabilities of S$948; and

(iii) an increase in loans and borrowings of S$172,000 mainly due to an increase in short-term loans from a related party totaling S$303,000 including interest and partially offset by a decrease in bank borrowings of S$131,000 arising from the repayment of bank borrowings,

which was partially offset by:

(iv) a decrease in contract liabilities of S$57,000 mainly due to delivery of services for which consideration had been received in advance.

The Group recorded a positive net working capital position of approximately S$4.0 million as at 30 June 2026.

Non-current liabilities

Non-current liabilities increased by approximately S$36,000 from S$1,500 as at 30 June 2025 to S$37,000 as at 30 June 2026. This was due to an increase in the lease liabilities pertaining to a 5-year lease of office equipment entered into in FY2026.

Capital and reserves

Capital and reserves increased by approximately S$0.3 million from S$5.6 million as at 30 June 2025 to S$5.9 million as at 30 June 2026. This was due to profit for the year of S$317,000 as well as foreign currency translation gains of S$4,700 in FY2026.

<u>Review of the Group's cashflows</u>

Net cash used in operating activities

In FY2026, the net cash used in operating activities was approximately S$57,000, which mainly consisted of operating cash inflow before working capital changes of S$691,000 and net working capital outflow of S$749,000.

The net working capital outflow arose mainly from the following:

(i) an increase in trade and other receivables of S$548,000 mainly due to an increase in trade and other receivables of S$1.2 million relating to trade contracts entered into during the year that required deposits ranging from 5% to 25% of the integrated security projects' contract sums to be placed with the financial institutions that provided the financing and are due to be refunded upon completion of the projects, an increase in security deposit of S$18,000 for contracts, an increase in professional fees of S$19,000 and an increase in other receivables of S$4,000. This was partially offset by a decrease in the amount receivables from customers of S$249,000 and a decrease in refundable deposits of S$492,000 relating to trade contracts entered into previous year that required a deposit to be placed with the financial institution that provided financing;

(ii) an increase in inventories of S$2.4 million arising from an increase in the purchase of parts and components of S$2.4 million for the Security Solutions Business during the year, which was partially offset by an increase in allowance for inventory obsolescence of S$9,000;

(iii) an increase in contract assets of S$1.5 million mainly attributable to revenue recognised for work completed but where billings had yet to be raised as at 30 June 2026;

(iv) an increase in prepayments of S$478,000 mainly due to an increase of S$413,000 for the purchase of parts for maintenance support service and an increase of S$65,000 for advance payment made to supplier for on-going projects; and

(v) a decrease in contract liabilities of S$57,000 mainly due to delivery of services for which consideration had been received in advance,

which was partially offset by:

(vi) an increase in trade and other payables of S$4.2 million mainly attributable to an increase in amount payable to trade suppliers of S$4.1 million, an increase in accrual of operating expenses of S$200,000, an increase in non-trade amount due to related parties of S$41,000 in relation to rental fees to IPS Realty Pte Ltd and Group services fees to IPS Group Pte Ltd and an increase in other payables of S$26,000 which comprised mainly GST payables and payables for staff reimbursements, which was partially offset by a decrease in accrual of project cost for integrated security solutions projects of S$131,000.

Net cash used in investing activities

Net cash used in investing activities amounted to approximately S$423,000 in FY2026, representing an increase of approximately S$280,000 from S$143,000 in FY2025. This was mainly due to an increase in the purchase of plant and equipment of Avian Radar System for airport demonstration.

Net cash generated from / (used in) financing activities

Net cash generated from financing activities amounted to approximately S$437,000 in FY2026 vis-à-vis the net cash used in financial activities of approximately S$354,000 in FY2025. This was mainly due to the net increase in trade financing facilities of S$926,000, and an increase in short-term loans from a related party of S$300,000, which was partially offset by repayment of bank borrowings of S$131,000, payment of lease liabilities of S$10,000, interest paid of S$48,000 and an increase in restricted cash and fixed deposits pledged of S$600,000.

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

Not applicable as no forecast or prospect statement has been previously made to shareholders.

4. Commentary at the date of the announcement of the significant trends and 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 continues to strengthen its presence in Singapore's infrastructure, security and sustainability-related sectors through the successful acquisition of key contracts and the development of strategic partnerships. These achievements reflect the Group's technical capabilities, established project delivery track record and commitment to long-term sustainable growth.

On 16 September 2025, the Company announced that its wholly-owned subsidiary, IPS Securex Pte. Ltd. ("IPS Securex"), had received a Letter of Acceptance ("LOA") from a government agency for a contract valued at approximately S$16.9 million. The contract involves the design, supply and installation of security systems over a period of 24 months, commencing on 1 October 2025 and ending on 30 September 2027, or such other extended date as may be provided for under the terms of the contract.

On 19 November 2025, the Company announced that IPS Securex had received an acknowledgement of a variation agreement relating to the LOA previously issued by a government agency in Southeast Asia. Pursuant to the variation agreement, the agency exercised its option for IPS Securex to provide enhancements to the existing integrated security solutions, maintenance support services for five years following the completion of the enhancement works, and other system support and professional services. The total value of these additional works and services is approximately S$5.8 million.

On 16 December 2025, the Company announced that its wholly-owned subsidiary, Securex GS Pte. Ltd. ("Securex GS"), had been awarded and had accepted a purchase order for a total contract value of approximately S$1.7 million. The scope of work includes the supply, delivery, installation, testing, commissioning and maintenance of card access and closed-circuit television systems. The purchase order has been completed in FY2026.

On 28 July 2026, the Company announced that its wholly-owned subsidiary, Securex GS, has been awarded a contract for a total contract value of approximately S$1 million for the installation, testing, commissioning and maintenance of access control and video surveillance management system at a data centre.

Customers are increasingly seeking end-to-end security solutions that integrate multiple systems and include comprehensive lifecycle support. This trend is aligned with the Group's core capabilities in designing, implementing, integrating and maintaining complex security systems.

The Group will continue to focus its marketing and business development efforts on its core sectors, including government and critical infrastructure projects such as airports, air bases, ports, border facilities, transportation infrastructure, data centres and other public-sector facilities.

Revenue from the Maintenance and Leasing Business is expected to be affected in the next 12 months, primarily due to the non-renewal of certain customer contracts and a reduction in fault-related service activities in Singapore.

To address the above and strengthen its recurring revenue base, the Group intends to progressively convert completed and ongoing projects into maintenance and service contracts. These efforts are expected to improve longer-term revenue visibility, strengthen customer retention, and support the sustainable growth of recurring income over time.

The Group continues to monitor the performance of the Maintenance and Leasing Business closely and is reviewing its service offerings, contract structures and pricing strategies to improve competitiveness and strengthen the long-term sustainability of its recurring revenue streams.

The industry remains highly competitive, with continued pricing pressure arising from increased competition, evolving customer procurement practices and greater cost sensitivity. The Group may also face challenges arising from higher manpower costs, supply-chain constraints and project execution risks associated with large-scale and technically complex contracts.

Economic uncertainties and geopolitical developments may also affect project timelines, supply availability and customers' budget allocations. These factors could result in delays in project awards, implementation schedules or purchasing decisions. The Group will continue to adopt a disciplined approach towards project execution, selective tendering, cost management, and resource allocation.

The Group's strategic priorities will include cost containment, targeted marketing in its core sectors, strengthening its integrated solution and service offerings, enhancing operational efficiency, and rebalancing its revenue mix.

Through these initiatives, the Group aims to build longer-term customer relationships, increase recurring revenue, manage project risks effectively and support sustainable growth over the coming periods.

5. Dividend Information

(a) Whether any interim (final) ordinary dividend has been declared (recommended)
No.

(b) Any dividend declared (recommended) for the corresponding period of the immediately preceding financial year?
No.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).
Not applicable.

(d) Date payable
Not applicable.

(e) Books closure date
Not applicable.

6. If no dividend has been declared (recommended), a statement to that effect and provide the reasons for the decision not to declare/recommend any dividend.

No dividend has been declared or recommended for FY2026 as the Group continues to operate prudently and seeks to retain cash in the current economic environment.

7. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable as no dividend was declared for FY2026 or FY2025.

8. Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A of the SGX-ST Listing Manual Section B: Rules of Catalist (the "Catalist Rules")

The Group confirms that there were no acquisitions or realisation of shares thereby resulting (i) in a change in the shareholding percentage in any subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group in the six-month period ended 30 June 2026.

9. Interested person transactions

The Group does not have a general mandate from shareholders for interested person transactions ("IPT") pursuant to Rule 920(1)(a)(ii) of the Catalist Rules. However, pursuant to Rule 905 of the Catalist Rules, the following is disclosed.

	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920 of the Catalist Rules)			
Provision of group services (such as finance, corporate secretarial, human resources, warehouse operation cost and rental expense) by:-	**2H-2026 S$**	**2H-2025 S$**	**FY2026 S$**	**FY2025 S$**
IPS Realty Pte Ltd	(108,000)	(108,000)	(216,000)	(216,000)
IPS Group Pte. Ltd.	(39,204)	(38,604)	(78,008)	(77,208)

10. Confirmation by the Issuer pursuant to Rule 720(1)

The Company confirms that it has procured all required undertakings from all of its directors and executive officers as required under Rule 720(1) of the Catalist Rules.

11. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer

Pursuant to Rule 704(10) of the Catalist Rules, IPS Securex Holdings Limited confirms that there are no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

By Order of the Board

Ong Beng Chye
Non-Executive Chairman
24 August 2026