LMS COMPLIANCE LTD.
(Company Registration Number: 202225544C)

FOR IMMEDIATE RELEASE

LMS Compliance Records a 40.5% Increase in 1H FY2026 Revenue to RM18.19 Million

- **Revenue climbs 40.5% y-o-y to RM18.19 million in 1H FY2026**
- **Net profit grew 23.9% y-o-y to RM3.43 million in 1H FY2026**

Singapore, 5 August 2026 – LMS Compliance Ltd. ("**LMS Compliance**" or the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce its unaudited consolidated financial results for the six months ("**1H**") ended 30 June 2026 ("**1H FY2026**").

Financial Highlights

In RM million (except for per share items)	1H FY2026	1H FY2025	y-o-y % change
Revenue	18.19	12.95	40.5%
Profit before income tax	5.15	4.06	26.8%
Profit before income tax margin	*28.3%*	*31.4%*	
Net profit	3.43	2.77	23.9%
Net profit margin	*18.9%*	*21.4%*	
Basic & diluted earnings per share (Cents)	2.26	2.17	4.1%

Note: Certain numerical figures in this press release, including financial data presented in thousands or millions and percentages, have been subject to rounding adjustments and may not recompute exactly.

The Group's 1H FY2026 revenue increased by RM5.24 million or 40.5% to RM18.19 million with higher contributions from two of the Group's five business segments: (i) certification and consultancy services by RM5.44 million (+1,833.7%) and (ii) training and assurance services by RM0.15 million (+86.3%), partially offset by a decrease in (i) testing and assessment by RM0.30 million (-2.5%), trading by RM0.03 million (-17.2%) and (iii) software as a service (SaaS) by RM0.02 million (-22.6%). The higher revenue from certification and consultancy services was primarily attributable to the acquisition of a subsidiary, Anchor Technology Holdings Co., Limited ("ACC") completed on 11 July 2025, which contributed positively to the Group's expanded service capabilities and overall financial performance during the reporting period.

The overall increase in revenue was accompanied by a corresponding increase in operating expenses as the Group expanded its operations. Materials, consumables and subcontractor costs increased by RM0.76 million or 68.4%, this is in line with the higher volume of certification and consultancy projects undertaken by the Group. Amortisation of intangible assets increased by RM0.44 million, primarily due to the amortisation of identifiable intangible assets recognised upon the acquisition of the subsidiaries, whereas no such amortisation was recognised in the previous corresponding period. Depreciation expense also increased by RM0.51 million or 72.8%, employee benefits expense increased by RM1.92 million or 37.2%, following the inclusion of employee costs from the subsidiaries following the acquisitions and a RM0.61 million or 28.1% increase in other expenses, mainly due to higher exhibition expense, licence fee, staff welfare and rental of premises, printing and stationery, mileage claim, upkeep of office, loss on foreign exchanges differences and unrealised loss on investment. In addition, finance costs increased by RM0.12 million or 160.8%, it is mainly due to the increase in interest on financial liabilities and lease interest. The Group also recorded a 95.2% or RM0.06 million reduction in the net reversal of loss allowance on receivables, due to lower recoveries of previously impaired receivables.

Additionally, the Group incurred a RM0.14 million share of loss from the associated company, Prismatic Technologies Sdn. Bhd. The share of loss decreased by RM0.03 million (18.7%) for

1H FY2026, this reflects an improvement in the operating performance of the associated company, resulting in lower proportion of losses recognised by the Group.

As a result, the Group reported a 23.9% year-on-year increase in net profit to RM3.43 million for 1H FY2026. Correspondingly, the Group achieved a return on equity (ROE) of 6.3% and a return on assets (ROA) of 5.4% during the period. Earnings per share also increased by 4.1%, from 2.17 cents in 1H FY2025 to 2.26 cents in 1H FY2026.

Business Outlook

In April 2026, LMS Compliance entered into a non-binding strategic cooperation memorandum of understanding with Anchor Center for R&D and Certification (美安康质量检测技术（上海）有限公司) (“ACC Shanghai”), its 75%-owned Chinese subsidiary, and Shenzhen GDR Carbon Asset Co., Ltd.（深圳嘉德瑞碳资产股份有限公司）(“GDR”), a leading carbon asset management company in China. Together, the partnership aims to expand the Group’s Environmental, Social, and Governance (ESG) and decarbonisation solutions by leveraging AI technologies and establishing a strategic "Shanghai–Shenzhen–Singapore" collaboration platform.

This strategic collaboration marks a significant milestone in the Group's expansion across Asia, strengthening the connectivity between its established ESG capabilities in Singapore and Malaysia and the growing opportunities in the Chinese market. By combining LMS Compliance's international network, GDR's expertise in carbon asset development, and ACC Shanghai's established local presence and market network, the Group is well-positioned to deliver integrated, cross-border ESG assurance, sustainability, and carbon compliance solutions. This tri-city collaboration will enable businesses to navigate evolving international regulatory frameworks, including Carbon Border Adjustment Mechanism (CBAM), the EU Battery Regulation, and Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), while supporting their decarbonisation and sustainability objectives.

In May 2026, the Company received accreditation from the Singapore Accreditation Council ("SAC") for Carbon Footprint of Products in accordance with ISO 14067:2018, further expanding the scope of its existing validation and verification capabilities as a Validation and Verification Body ("VVB") under ISO 14064-1:2018.

The accreditation extends the Company's service offerings to include verification of product carbon footprint assessments in accordance with internationally recognised standards. This enhancement strengthens the Company's sustainability assurance capabilities and supports its continued provision of validation and verification services in line with applicable industry standards and regulatory requirements.

"Our performance in the first half of 2026 reflects the resilience and adaptability of LMS Compliance. The steady revenue growth and a sustained profit margin despite challenging market conditions underscore the strength of our diversified service offerings," said CEO of LMS Compliance, Dr. Louis Ooi. ***"The Group will continue to pursue business growth by expanding its regional footprint, enhancing its service offerings and strengthening customer relationships across its key markets."***

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About LMS Compliance

LMS Compliance Ltd. is a laboratory testing and certification services provider based in Malaysia with an established track record of more than 15 years. The Group's operations comprise: (1) Testing and Assessment, (2) Certification and Consultancy Services, (3) Trading, (4) Software as a Service (SaaS), and (5) Training and Assurance Services.

The Group's testing and assessment services include chemical, microbiology, nucleic acid and physical analyses for its clients across a gamut of sectors, from food and healthcare to industrial and green-tech, assisting them to achieve compliance with industry standards as well as product safety. In this regard, LMS Compliance has three accredited laboratories across Malaysia with the capability to conduct a range of accredited and non-accredited tests.

For its certification and consultancy services segment, the Group provides audit and management system certification services. The certification audits provided by the Group include ISO 9001 – 2015 Quality Management Systems certification, ISO 22000 – 2018 Food Safety Management System certification and ISO 45001 - 2018 Occupational Health & Safety Management System certification.

On the Group's trading segment, the Group trades and distributes a broad range of analytical instruments, testing equipment, chemicals, glassware, and laboratory consumable items.

The Group also markets and distributes its in-house developed Software as a Service (SaaS) platform, which includes a digital laboratory information management system to help customers streamline and digitalise laboratory operations, a one-stop ISO certification platform that enhances the efficiency of the certification process for businesses, and a digital product that provides global real-time surveillance and access to data (such as safety and hygiene information about products or premises) through QR code.

Lastly, the Group's training and assurance services segment provides assurance, validation and verification services, including comprehensive ESG data collection, impact assessment, reporting, and advisory services, along with specialized ISO audits, to aid clients in meeting stringent ESG disclosure requirements.

For more information, please visit https://lmscompliance.com/index.html

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