



**IPS Securex Holdings Limited
and its subsidiaries**

(Registration Number: 201327639H)

**Condensed interim financial statements
for the six months ended
31 December 2025**

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

	Note	The Group		
		Unaudited 1H-2026 ⁽¹⁾	Unaudited 1H-2025 ⁽²⁾	Increase/ (Decrease) % change
		S\$	S\$	%
Revenue	3.2	9,871,254	5,101,180	93.5
Cost of sales		(6,194,440)	(3,085,130)	100.8
Gross profit		3,676,814	2,016,050	82.4
Gross profit margin		37.2%	39.5%	
Other income	5.1	14,217	28,208	(49.6)
Administrative expenses		(3,286,570)	(2,836,278)	15.9
Other operating expenses		(68,624)	(44,319)	54.8
Other losses	5.1	-	(5,911)	N.M
Finance income	5.1	164	8,031	(98.0)
Finance costs	5.1	(34,484)	(14,082)	144.9
Profit/(loss) before income tax		301,517	(848,301)	N.M
Income tax benefit	6	-	15,100	N.M
Profit/(loss) for the period		301,517	(833,201)	N.M
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation		4,238	420	N.M
Total comprehensive income/(loss) for the period		305,755	(832,781)	N.M
<u>Earnings/(loss) per share for profit/(loss) attributable to the owners of the Company</u>				
Basic and diluted (cents) ⁽³⁾	7	0.06	(0.17)	

Notes:

(1) "1H-2026" refers to the half year ended 31 December 2025.

(2) "1H-2025" refers to the half year ended 31 December 2024.

(3) The basic and diluted (loss)/earnings per share were the same as there were no dilutive instruments as at 31 December 2024 and 31 December 2025.

B. Condensed interim statements of financial position

	Note	The Group		The Company		
		Unaudited As at 31.12.2025	Audited As at 30.06.2025	Unaudited As at 31.12.2025	Audited As at 30.06.2025	
		S\$	S\$	S\$	S\$	
ASSETS						
Current assets						
Restricted fixed deposits		598,218	-	-	-	
Inventories	10	3,525,373	2,299,854	-	-	
Contract assets		331,395	212,534	-	-	
Trade and other receivables	9	4,956,218	3,609,804	2,677,846	2,517,595	
Prepayments		696,000	616,895	31,726	2,842	
Loans to subsidiaries		-	-	615,614	614,822	
Cash and cash equivalents		1,380,190	2,167,392	73,241	112,972	
Total current assets		11,487,394	8,906,479	3,398,427	3,248,231	
Non-current assets						
Investment in subsidiaries	11	-	-	3,000,199	3,000,199	
Plant and equipment	12	692,511	326,500	-	-	
Other investments		-	-	-	-	
Trade and other receivables	9	1,006,348	41,681	-	-	
Total non-current assets		1,698,859	368,181	3,000,199	3,000,199	
Total assets		13,186,253	9,274,660	6,398,626	6,248,430	
LIABILITIES AND EQUITY						
Current liabilities						
Trade and other payables	13	6,287,807	3,391,598	511,450	328,482	
Contract liabilities		981,525	182,153	-	-	
Lease liabilities	14	9,305	8,604	-	-	
Bank borrowings	14	-	130,989	-	-	
Total current liabilities		7,278,637	3,713,344	511,450	328,482	
Non-current liabilities						
Bank borrowings	14	-	-	-	-	
Lease liabilities	14	40,545	-	-	-	
Deferred tax liabilities		1,490	1,490	-	-	
Total non-current liabilities		42,035	1,490	-	-	
Capital and reserves						
Share capital	15	9,405,906	9,405,906	9,405,906	9,405,906	
Treasury shares	15	(89,353)	(89,353)	(89,353)	(89,353)	
Other reserves		(585,663)	(589,901)	210,000	210,000	
Accumulated losses		(2,865,309)	(3,166,826)	(3,639,377)	(3,606,605)	
Total capital and reserves		5,865,581	5,559,826	5,887,176	5,919,948	
Total liabilities and equity		13,186,253	9,274,660	6,398,626	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 period	-	-	-	301,517	301,517
Other comprehensive income					
Foreign currency translation gain	-	-	4,238	-	4,238
Balance at 31 December 2025	9,405,906	(89,353)	(585,663)	(2,865,309)	5,865,581
Balance at 1 July 2024	9,405,906	(89,353)	(589,999)	(1,691,712)	7,034,842
Loss for the period	-	-	-	(833,201)	(833,201)
Other comprehensive income					
Foreign currency translation gain	-	-	420	-	420
Balance at 31 December 2024	9,405,906	(89,353)	(589,579)	(2,524,913)	6,202,061
Company					
Balance at 1 July 2025	9,405,906	(89,353)	210,000	(3,606,605)	5,919,948
Loss for the period, representing total comprehensive loss for the period	-	-	-	(32,772)	(32,772)
Balance at 31 December 2025	9,405,906	(89,353)	210,000	(3,639,377)	5,887,176
Balance at 1 July 2024	9,405,906	(89,353)	210,000	(3,503,929)	6,022,624
Loss for the period, representing total comprehensive loss for the period	-	-	-	(72,508)	(72,508)
Balance at 31 December 2024	9,405,906	(89,353)	210,000	(3,576,437)	5,950,116

D. Condensed interim consolidated statements of cash flows

		The Group	
		Unaudited 1H-2026	Unaudited 1H-2025
	Note	S\$	S\$
Operating activities			
Profit/(loss) before tax		301,517	(848,301)
Adjustments for:			
Interest income	5.1	(164)	(691)
Interest expense	5.1	26,635	14,082
Depreciation of plant and equipment	5.1	89,287	72,470
Gain on modification of lease	5.1	(486)	-
Loss on disposal of other investment	5.1	-	5,911
Inventories written-off	5.1	-	429
Allowance for inventories obsolescence - (reversal)/charge	5.1	44,352	38,732
Allowance for expected credit loss - reversal	5.1	(926)	(1,266)
Net foreign exchange loss - unrealised		988	2,551
Operating cash flows before working capital changes		<u>461,203</u>	<u>(716,083)</u>
Trade and other receivables		(2,309,991)	2,897,780
Prepayments		(79,105)	-
Inventories		(1,271,371)	152,862
Contract assets		(118,861)	133,342
Contract costs		-	450
Trade and other payables		2,328,594	(996,417)
Contract liabilities		799,372	(112,148)
Cash generated (used in)/from operations		<u>(190,159)</u>	<u>1,359,786</u>
Income tax received		-	15,100
Interest received		-	1,373
Net cash (used in)/generated from operating activities		<u>(190,159)</u>	<u>1,376,259</u>
Investing activities			
Purchase of plant and equipment		(406,776)	(110,890)
Proceeds from disposal of other investment		-	1,694
Net cash used in investing activities		<u>(406,776)</u>	<u>(109,196)</u>
Financing activities			
Interest paid		(28,479)	(19,951)
Repayments of bank borrowings		(130,989)	(751,088)
Payments of lease liabilities		(5,290)	(5,438)
Utilisation of trade financing facilities		2,737,210	-
Repayment of trade financing facilities		(2,167,751)	(353,552)
Withdrawal of fixed deposit		-	18,331
Increase in restricted cash and fixed deposits pledged		(598,218)	(180,400)
Net cash used in financing activities		<u>(193,517)</u>	<u>(1,292,098)</u>
Net decrease in cash and cash equivalents		<u>(790,452)</u>	<u>(25,035)</u>
Effect of exchange rate changes on the balance of cash held in foreign currencies		3,250	(2,131)
Cash and cash equivalents at beginning of the period		2,167,392	3,054,013
Cash and cash equivalents at end of the period		<u>1,380,190</u>	<u>3,026,847</u>
Cash and cash equivalents above comprise the following:			
Cash at bank and on hand		1,380,190	3,026,847
Fixed deposit pledged		598,218	454,500
Restricted cash		-	248,028
Cash and cash equivalents at end of the period		<u>1,978,408</u>	<u>3,729,375</u>

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 ended 31 December 2025 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 Company's subsidiaries are:

- a. distribution, installation and commissioning of security equipment;
- b. provision of maintenance support; and
- c. 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 ended 31 December 2025 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. 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 not adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2025.

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

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

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 financial 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 financial 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 Acting 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

Group	Security solutions		Maintenance and leasing		Total	
	1H-2026	1H-2025	1H-2026	1H-2025	1H-2026	1H-2025
External revenue	\$8,879,714	\$3,374,689	\$991,541	\$1,726,491	\$9,871,254	\$5,101,180
Inter-segment revenue	119,553	-	-	-	119,553	-
Interest income	164	686	-	-	164	686
Interest expense	(25,521)	(809)	-	(6)	(25,521)	(815)
Allowance for expected credit loss - charge	-	(5,450)	-	-	-	(5,450)
Reportable segment profit before tax	2,925,811	705,390	611,628	1,176,769	3,537,439	1,882,159
Profit margin	32.9%	20.9%	61.7%	68.2%		
Reportable segment assets	9,654,351	3,537,230	1,264,896	1,769,356	10,919,247	5,306,586
Reportable segment liabilities	(5,951,196)	(1,088,002)	(321,195)	(258,581)	(6,272,391)	(1,346,583)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items		
	1H-2026	1H-2025
	\$	\$
Revenues		
Total revenue for reportable segments	9,990,807	5,101,180
Elimination of inter-segment revenue	(119,553)	-
Consolidated revenue	9,871,254	5,101,180
Profit or loss		
Total profit for reportable segments	3,537,439	1,882,159
Elimination of inter-segment profits	21,893	-
Unallocated amounts:		
- Other income	13,291	26,942
- Allowance for expected credit loss - reversal	926	6,716
- Administrative expenses	(3,239,260)	(2,746,817)
- Other expenses	(23,810)	(11,379)
- Net finance costs	(8,963)	(5,922)
Consolidated profit/(loss) before tax	301,516	(848,301)
Assets		
Total assets for reportable segments	10,919,247	5,306,586
Unallocated amounts:		
- Plant and equipment	692,511	368,435
- Cash and cash equivalents	1,380,190	2,936,187
- Others	194,305	320,983
Consolidated total assets	13,186,253	8,932,191
Liabilities		
Total liabilities for reportable segments	(6,272,391)	(1,346,583)
Unallocated amounts:		
- Bank borrowings	-	(652,295)
- Finance lease liabilities	(49,850)	(14,172)
- Other payables	(996,941)	(715,590)
- Deferred tax liabilities	(1,490)	(1,490)
Consolidated total liabilities	(7,320,672)	(2,730,130)

3.2 Disaggregation of Revenue

	Security solutions		Maintenance and leasing		Total	
	1H-2026 S\$	1H-2025 S\$	1H-2026 S\$	1H-2025 S\$	1H-2026 S\$	1H-2025 S\$
Geographical markets						
Singapore	8,850,768	3,073,287	991,540	1,726,491	9,842,308	4,799,778
Rest of Southeast Asia ⁽¹⁾	28,103	291,089	-	-	28,103	291,089
East Asia ⁽²⁾	843	10,313	-	-	843	10,313
Total	8,879,714	3,374,689	991,540	1,726,491	9,871,254	5,101,180
Major product/service lines						
Sales of goods	1,264,480	878,089	-	-	1,264,480	878,089
Revenue from contracts	7,615,234	2,496,600			7,615,234	2,496,600
Maintenance and leasing services	-	-	991,540	1,726,491	991,540	1,726,491
	8,879,714	3,374,689	991,540	1,726,491	9,871,254	5,101,180
Timing of revenue recognition						
At a point in time	1,264,480	878,089	-	-	1,264,480	878,089
Over time	7,615,234	2,496,600	991,540	1,726,491	8,606,774	4,223,091
	8,879,714	3,374,689	991,540	1,726,491	9,871,254	5,101,180

Notes:

⁽¹⁾ "Rest of Southeast Asia" includes Malaysia, Brunei, Indonesia, Philippines and Timor Leste.

⁽²⁾ "East Asia" includes People's Republic of China, South Korea and Japan.

4. Financial assets and financial liabilities

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

Group	Carrying amount		
	Financial assets	Financial liabilities	Total carrying amount
	S\$	S\$	S\$
31 December 2025			
Financial assets measured at amortised cost			
Trade and other receivables ^	5,962,566	-	5,962,566
Cash and cash equivalents	1,380,190	-	1,380,190
Restricted fixed deposits	598,218	-	598,218
	7,940,974	-	7,940,974
Financial liabilities measured at amortised cost			
Trade and other payables	-	6,287,807	6,287,807
Loans and borrowings	-	49,850	49,850
	-	6,337,657	6,337,657
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

[^] Excludes prepayments.

5. Profit/(loss) before taxation

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

	The Group	
	Unaudited 1H-2026 S\$	Unaudited 1H-2025 S\$
Income		
Miscellaneous income	3,544	1,797
Allowance for expected credit loss - reversal	926	1,266
Gain on modification of lease	486	-
Government grant and subsidies	9,261	25,145
Other income	14,217	28,208
Foreign exchange gain (net)	-	7,340
Interest income	164	691
Finance income	164	8,031
Expenses		
Foreign exchange loss (net)	(7,849)	-
Interest expense	(26,635)	(14,082)
Finance costs	(34,484)	(14,082)
Loss on disposal of other investment	-	(5,911)
Other losses	-	(5,911)
Depreciation of plant and equipment	(89,287)	(72,470)
Inventories written-off	-	(429)
Rental expense	(144,925)	(109,500)
Allowance for inventories obsolescence	(44,352)	(38,732)

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 1H-2026 S\$	Unaudited 1H-2025 S\$
Related parties which a director has controlling interest		
Accounting and administrative services	38,804	38,604
Rental expenses	108,000	108,000
Recharge of expenses	-	47

6. Taxation

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore statutory tax rate of 17% (1H-2025: 17%) to profit or loss before tax as a result of the following differences:

	Group	
	Unaudited 1H-2026 S\$	Unaudited 1H-2025 S\$
Current tax (expense)/benefit		
Changes in estimates in respect of prior years	-	17,000
Withholding tax	-	(1,900)
	<hr/>	<hr/>
	15,100	15,100

Reconciliation of effective tax rate

Profit/(loss) before tax	301,517	<u>(848,301)</u>
Tax using the Singapore tax rate of 17%	51,258	(144,212)
Effect of tax rates in foreign jurisdiction	(11)	(39)
Non-deductible expenses	(689)	15,026
Non-taxable income	(368)	(3,400)
Unrecognised deferred tax assets	43,175	132,625
Utilisation of previously unrecognised tax losses	(93,365)	-
Changes in estimates in respect of prior years	-	17,000
Withholding tax	-	(1,900)
	<hr/>	<hr/>
	15,100	15,100

7. Earnings/(loss) per share

	Group	
	Unaudited 1H-2026	Unaudited 1H-2025
Profit/(loss) for the period attributable to equity holders of the Company (S\$)	301,517	<u>(833,201)</u>
Weighted average number of ordinary shares	484,844,100	<u>484,844,100</u>
Earnings/(loss) per share (cents)	<u>0.06</u>	<u>(0.17)</u>

Earnings/(loss) per share is calculated by dividing the Group's profit/(loss) attributable to shareholders by the weighted average number of shares in issue during the period, excluding treasury shares.

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

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

8. Net asset value

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	As at 31.12.2025	As at 30.06.2025	As at 31.12.2025	As at 30.06.2025
Net asset value per ordinary share based on the number of shares in issue at end of period/year (cents)	1.2	1.1	1.2	1.2

9. Trade and other receivables

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	As at 31.12.2025	As at 30.06.2025	As at 31.12.2025	As at 30.06.2025
	S\$	S\$	S\$	S\$
Trade receivables	4,607,158	2,794,326	-	-
Allowance for expected credit loss	(2,538)	(3,464)	-	-
	4,604,620	2,790,862	-	-
Other receivables	1,937	1,305	-	-
Amounts due from subsidiaries (non-trade)	-	-	2,637,466	2,477,215
Deposits	1,356,009	859,318	40,380	40,380
	5,962,566	3,651,485	2,677,846	2,517,595
Presented in the statement of financial position as:				
Current	4,956,218	3,609,804	2,677,846	2,517,595
Non-current	1,006,348	41,681	-	-
	5,962,566	3,651,485	2,677,846	2,517,595

The Group's deposits included refundable cash margin placed with financial institutions amounting to S\$1,254,376. The margins are required for the financial institutions to issue performance guarantees for the Group's trade contracts entered with its customers. Certain performance guarantees cover periods that exceeded 12 months from the end of the reporting year, and the cash margin amounting to S\$1,006,348 was classified as non-current assets.

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

10. Inventories

	Group	
	Unaudited	Audited
	As at 31.12.2025	As at 30.06.2025
	S\$	S\$
Inventories, net of allowance for inventories obsolescence	3,525,373	2,299,854

The movements in the allowance for inventories obsolescence during the period/year was as follows:

At 1 July	259,220	272,666
Write down/(back) during the period/year	44,352	(13,446)
At 31 December/30 June	303,572	259,220

During the period, inventories of S\$2,795,318 (1H-2025: S\$2,024,402) were recognised as an expense and included in "cost of sales".

11. Investments in subsidiaries

	Company	
	Unaudited As at 31.12.2025 S\$	Audited As at 30.06.2025 S\$
Unquoted equity shares, at cost	5,344,199	5,344,199
Allowance for impairment	(2,344,000)	(2,344,000)
	<hr/>	<hr/>
	3,000,199	3,000,199

Movements in the allowance for impairment of subsidiaries are as follows:

At 1 July and 31 December / 30 June	2,344,000	2,344,000
	<hr/>	<hr/>

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. Plant and equipment

	Computers and office equipment S\$	Furniture, fixtures and office renovation S\$	Tools and equipment S\$	Motor vehicles S\$	Total S\$
Group					
Cost					
At 30 June 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	85,063	-	373,067	-	458,130
Transfers	1,500	-	-	-	1,500
Disposals/Write-off	(55,181)	(173)	-	-	(55,354)
At 31 December 2025	732,294	783,055	522,076	439,325	2,476,750
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 period	33,434	3,436	21,574	30,843	89,287
Disposals/Write-off	(50,849)	(173)	-	-	(51,022)
At 31 December 2025	598,233	763,299	144,817	277,890	1,784,239
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 31 December 2025	134,061	19,756	377,259	161,435	692,511

During 1H-2026, the Group acquired assets amounting to S\$458,130 and disposed and wrote off assets amounting to S\$55,354. The assets acquired includes right-of-use assets of S\$51,354 which are under lease arrangements.

During 1H-2026, the Group had disposed of office equipment, acquired under lease agreement, with 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.

13. Trade and other payables

	Group		Company	
	Unaudited As at 31.12.2025	Audited As at 30.06.2025	Unaudited As at 31.12.2025	Audited As at 30.06.2025
	S\$	S\$	S\$	S\$
Trade payables	3,430,614	1,716,795	-	-
Bills payable	1,368,003	771,178	-	-
Other payables	485,911	173,413	90,943	27,345
Amounts due to:				
– Subsidiary (non-trade)	-	-	248,288	100,248
– Related parties (non-trade)	53,484	53,266	53,484	53,266
Accruals	949,795	676,946	80,935	109,823
	6,287,807	3,391,598	473,650	290,682
Deposit received	-	-	37,800	37,800
	6,287,807	3,391,598	511,450	328,482

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

Deposit received from subsidiaries are non-trade, unsecured, interest-free and are repayable on demand.

14. Loans and borrowings

<u>Amount repayable in one year or less or on demand</u>	Group			
	Unaudited As at 31.12.2025		Audited As at 30.06.2025	
	Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
Bank borrowings	-	-	130,989	-
Lease liabilities	9,305	-	8,604	-
	9,305	-	139,593	-
<u>Amount repayable after one year</u>				
Lease liabilities	40,545	-	-	-
	40,545	-	-	-
	49,850	-	139,593	-

The Group's bank borrowings were fully repaid on 30 September 2025.

Details of collaterals

The Group's borrowings were covered by corporate guarantees provided by the Company. The Group's lease liabilities are secured by the plant and equipment purchased under the leases.

15. Share capital

	Group and Company			
	Unaudited	Audited	Unaudited	Audited
	As at 31.12.2025	As at 30.06.2025	As at 31.12.2025	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	<u>484,844,100</u>	<u>484,844,100</u>	<u>9,316,553</u>	<u>9,316,553</u>

There was no change in the Company's issued share capital during 1H-2026. There were no outstanding convertibles and subsidiary holdings held by the Company as at 31 December 2025 and 31 December 2024. The number of shares held as treasury shares as at 31 December 2025 and 31 December 2024 is 1,155,900 treasury shares. The percentage of the aggregate number of treasury shares held against the total number of shares outstanding, excluding treasury shares, that is listed as at 31 December 2025 and 31 December 2024 is 0.24%.

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 31 December 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six-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\$4.8 million or 93.5% from S\$5.1 million in 1H-2025 to S\$9.9 million in 1H-2026.

Security Solutions Business

Revenue from the Security Solutions Business increased by approximately S\$5.5 million or 163.1% from S\$3.4 million in 1H-2025 to S\$8.9 million in 1H-2026. This was mainly attributable to an increase in revenue from providing integrated security solutions in Singapore of S\$5.1 million, reflecting accelerated project execution in line with customer schedules; and an increase in sales of security products to customers in Singapore of S\$0.7 million, partially offset by a decrease in sales of security products to customer in the rest of Southeast Asia⁽¹⁾ of S\$0.3 million and East Asia⁽²⁾ of S\$9,000.

Maintenance and Leasing Business

Revenue from the Maintenance and Leasing Business decreased by approximately S\$0.7 million or 42.6% from S\$1.7 million in 1H-2025 to S\$1.0 million in 1H-2026. This was mainly attributable to lower demand for maintenance support services by customers in Singapore, due to the non-renewal of customer contracts and a decline in fault-related service activities.

Cost of sales

Cost of sales increased by S\$3.1 million or 100.8% from S\$3.1 million in 1H-2025 to S\$6.2 million in 1H-2026. This was mainly due to an increase in direct material costs incurred, in line with the increase in the Group's revenue.

Gross profit

Gross profit increased by approximately S\$1.7 million or 82.4% from S\$2.0 million in 1H-2025 to S\$3.7 million in 1H-2026 as a result of the factors discussed above.

Gross margin decreased from 39.5% in 1H-2025 to 37.2% in 1H-2026 due to lower demand for higher margin maintenance support services by customers in Singapore.

Notes:

⁽¹⁾ "Rest of Southeast Asia" includes Malaysia, Brunei, Indonesia, Philippines and Timor Leste.

⁽²⁾ "East Asia" includes People's Republic of China, South Korea and Japan.

2. Review of performance of the Group

Other income

Other income decreased by approximately S\$14,000 or 49.6% from S\$28,000 in 1H-2025 to S\$14,000 in 1H-2026. This was mainly due to a decrease in government grants and subsidies.

Administrative expenses

Administrative expenses increased by approximately S\$0.5 million or 15.9% from S\$2.8 million in 1H-2025 to S\$3.3 million in 1H-2026. This was mainly due to an increase in employees' remuneration and benefit expenses due to an increase in headcount for projects.

Other operating expenses

Other operating expenses increased by approximately S\$24,000 or 54.8% from S\$44,000 in 1H-2025 to S\$69,000 in 1H-2026. This was mainly due to an increase in bank charges of S\$19,000 and allowance for inventories obsolescence of S\$6,000; partially offset by a decrease in miscellaneous expenses of S\$1,000.

Other losses

There were no other losses in 1H-2026, compared to other losses of S\$6,000 in 1H-2025 mainly due to the loss on disposal of club membership

Finance income

Finance income decreased by approximately S\$7,900 or 98.0% from S\$8,000 in 1H-2025 to S\$160 in 1H-2026. This was mainly due to an absence in 1H-2026 of the net foreign exchange gain of S\$7,400 in 1H-2025 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; and a decrease in interest income of S\$500.

Finance costs

Finance costs increased by approximately S\$20,000 or 144.9% from S\$14,000 in 1H-2025 to S\$34,000 in 1H-2026. This was mainly due to an increase in utilization of trade financing facilities of S\$24,000, and an increase in foreign exchange loss (net) of S\$7,800; partially offset by a decrease in interest expense of S\$12,000 due to repayment of term loans.

Income tax benefit

Income tax benefit decreased by S\$15,000 from a tax credit of S\$15,000 in 1H-2025 to nil in 1H-2026. The decrease was mainly due to absence of the tax refund in 1H-2026 of S\$17,000 arising from the claim of loss-carry back relief and withholding tax expenses of S\$2,000 in 1H-2025.

Review of the Group's financial position

Current assets

Current assets increased by approximately S\$2.6 million from S\$8.9 million as at 30 June 2025 to S\$11.5 million as at 31 December 2025. The increase in current assets was mainly due to:

- (i) an increase in inventories of S\$1.2 million arising from an increase in the purchase of parts and components for the Security Solutions Business during 1H-2026 of S\$1.2 million and an increase in allowance for inventories obsolescence of S\$44,000;
- (ii) an increase in contract assets of S\$0.1 million mainly attributable to revenue recognized for work completed but where billings had yet to be raised as at 31 December 2025;
- (iii) an increase in trade and other receivables of S\$1.3 million mainly due to an increase in the amounts receivable from customers of S\$1.8 million, partially offset by a decrease in refundable deposits of S\$0.5 million relating to trade contracts entered into previous year that required a deposit to be placed with the financial institution that provided financing;
- (iv) an increase in restricted fixed deposits of S\$0.6 million; and
- (v) an increase in prepayments of S\$79,000 mainly due to an increase of S\$84,000 for the advance payment made to supplier partially offset by the decrease of S\$5,000 for purchase of parts for maintenance support services;

partially offset by:

- (vi) a decrease in cash and cash equivalents of S\$0.8 million.

Non-current assets

Non-current assets increased by approximately S\$1.3 million from S\$0.4 million as at 30 June 2025 to S\$1.7 million as at 31 December 2025. The increase in non-current assets was mainly due to an increase in trade and other receivables of S\$1.0 million relating to trade contracts entered into during the period 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\$0.4 million; and an increase in right-of-use assets of S\$51,000, partially offset by depreciation charges of S\$89,000.

Current liabilities

Current liabilities increased by approximately S\$3.6 million from S\$3.7 million as at 30 June 2025 to S\$7.3 million as at 31 December 2025. The increase in current liabilities was mainly due to:

- (i) an increase in contract liabilities of S\$0.8 million mainly due to advance consideration received from customers in Singapore in relation to the provision of integrated security solutions;
- (ii) an increase in trade and other payables of S\$2.9 million mainly attributable to an increase in amount payable to trade suppliers of S\$1.7 million, an increase in trade financing facilities of S\$0.6 million, an increase in accrual of project costs for integrity security of S\$0.1 million; an increase in other payables of S\$0.3 million which comprised mainly GST payables and payables for staff reimbursements, sundry creditors and an increase of operating expenses of S\$0.1 million; and
- (iii) an increase in lease liabilities of S\$700;

partially offset by:

- (iv) a decrease in bank borrowings of S\$0.1 million arising from the repayment of bank borrowings.

Non-current liabilities

Non-current liabilities increased by approximately S\$41,000 from S\$1,500 as at 30 June 2025 to S\$42,000 as at 31 December 2025. This was due to an increase in the lease liabilities pertaining to office equipment.

Capital and reserves

Capital and reserves increased by approximately S\$306,000 from S\$5.6 million as at 30 June 2025 to S\$5.9 million as at 31 December 2025. This was due to profit of S\$0.3 million as well as foreign currency translation gains of S\$4,000 in 1H-2026.

Review of the Group's cashflows

Net cash used in operating activities

In 1H-2026, the net cash used in operating activities was approximately S\$190,000, which was mainly due to operating cash flow before working capital changes of S\$461,000, and net working capital outflow of S\$651,000.

The net working capital outflow arose mainly from the following:

- (i) an increase in trade and other receivables of S\$2.3 million mainly to an increase in the amounts receivable from customers of S\$1.8 million, and an increase in trade and other receivables of S\$1.0 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. This is partially offset by a decrease in refundable deposits of S\$0.5 million relating to trade contracts entered into in the previous year that required a deposit to be placed with the financial institution that provided financing;
- (ii) an increase in inventories of S\$1.3 million arising from an increase in purchase of parts and components for the Security Solutions Business during 1H-2026 of S\$1.2 million, offset by an increase in allowance for inventories obsolescence of S\$44,000;
- (iii) an increase in contract assets of S\$0.1 million mainly attributable to revenue recognized for work completed but where billings had yet to be raised as at 31 December 2025;
- (iv) an increase in trade and other payables of S\$2.3 million mainly attributable to an increase in amount payable to trade suppliers of S\$1.7 million, an increase in accrual of project costs for integrity security of S\$0.1 million; an increase in other payables of S\$0.3 million which comprised mainly GST payables and payables for staff reimbursements, sundry creditors and an increase in operating expenses of S\$0.1 million;
- (v) an increase in prepayments of S\$79,000 mainly due to an increase of S\$84,000 for the advance payment made to supplier, partially offset by the decrease of S\$5,000 for purchase of parts for maintenance support services; and
- (vi) an increase in contract liabilities of S\$0.8 million mainly due to advance consideration received from customers in Singapore in relation to the provision of integrated security solutions.

Net cash used in investing activities

Net cash used in investing activities amounted to approximately S\$0.4 million in 1H-2026 mainly due to purchase of plant and equipment.

Net cash used in financing activities

Net cash used in financing activities amounted to approximately S\$0.2 million in 1H-2026. This was mainly due to repayment of bank borrowings of S\$0.1 million, payment of lease liabilities of S\$5,000, interest paid of S\$29,000; and an increase in net restricted fixed deposits of S\$0.6 million, partially offset a net increase in trade financing facilities utilized of S\$0.6 million.

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 was previously disclosed 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.

At the date of this announcement, the Group continues to operate in a competitive and evolving security solutions industry, particularly in Singapore, where demand is increasingly driven by large-scale infrastructure projects, public-sector initiatives, and heightened focus on safety, security, and operational resilience.

The Group recorded a net profit after tax in 1H-2026, mainly attributable to higher revenue from the provision of integrated security solutions in Singapore. This increase was driven by accelerated project execution in line with customers' schedules, as well as higher sales of security products during the period. The Group benefited from timely project mobilisation, effective execution capabilities, and its ability to deliver integrated solutions across multiple security domains.

Revenue from the Maintenance and Leasing Business was lower during the period, primarily due to reduced demand for maintenance support services in Singapore. This was largely attributable to the non-renewal of certain customer contracts and a decline in fault-related service activities. The Group continues to monitor this segment closely and is reviewing its service offerings, contract structures, and pricing strategies to enhance competitiveness and improve long-term sustainability of recurring revenue streams.

Looking ahead, the Group expects demand for integrated security solutions to remain stable over the next reporting period and the next 12 months, supported by ongoing investments in critical infrastructure, transportation, data centres, and public-sector facilities. Customers are increasingly seeking end-to-end, multi-system solutions with stronger integration, and lifecycle support, which aligns with the Group's core capabilities.

However, the industry remains highly competitive, with pricing pressure arising from increased competition, evolving customer procurement practices, and cost sensitivity. The Group also faces potential challenges from rising manpower costs, supply-chain constraints, and project execution risks associated with large and complex contracts. In addition, delays in project awards, changes in customer timelines, or further non-renewal of maintenance contracts may impact short-term revenue visibility.

Notwithstanding these challenges, the Group remains cautiously optimistic. It will continue to focus on disciplined project execution, selective bidding, cost management, and strengthening its solution and service offerings. The Group will also actively pursue opportunities to rebalance its revenue mix, enhance operational efficiency, and build longer-term customer relationships to 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) Date payable

Not applicable.

(d) 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 1H-2026 as the Group continues to operate prudently to seek to retain cash in the current economic environment.

7. 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 Listing Manual Section B: Rules of Catalist of the SGX-ST ("Catalist Rules"). The following IPTs were entered into during 1H-2026:

	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)
<u>Provision of group services (such as finance and human resources expenses)</u> by:- IPS Group Pte. Ltd.	1H-2026 S\$ 52,272

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

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

9. Negative confirmation by the Board pursuant to Rule 705(5)

The Board of Directors (the "Board") hereby confirms that, to the best of its knowledge, nothing has come to the attention of the Board, which may render the unaudited financial statements of the Group for 1H-2026 to be false or misleading in any material aspect.

By Order of the Board

Ong Beng Chye
Non-Executive Chairman
11 February 2026