



IPS SECUREX HOLDINGS LIMITED
(Company Registration No. 201327639H)
(Incorporated in the Republic of Singapore)

**ANNOUNCEMENT IN COMPLIANCE WITH RULE 905 OF THE LISTING MANUAL –
SECTION B: RULES OF CATALIST OF THE SINGAPORE EXCHANGE SECURITIES
TRADING LIMITED (“CATALIST RULES”)**

1. Introduction

The Board of Directors (“**Board**”) of IPS Securex Holdings Limited (“**Company**” and, together with its subsidiaries, “**Group**”) refers to the various unaudited results of the Group announced by the Company on 7 November 2018, 1 February 2019, 8 May 2019 and 21 August 2019 (collectively, “**FY2019 Results**”).

As disclosed in the FY2019 Results, the Group, from time to time, had entered into recurring interested person transactions (“**IPTs**”) with the following interested persons in the ordinary course of business:

- a. IPS Group Pte. Ltd. (“**IPSG**”); and
- b. IPS Realty Pte. Ltd. (“**IPSR**”).

(collectively, “**IPSG Group**”)

IPSG is a company incorporated in Singapore and is an investment holding company with interests ranging from the manufacturing of asphalt and concrete plants and concrete cooling system.

IPSR is a company incorporated in Singapore and is principally engaged in investment in commercial offices in Singapore and industry factories in Malaysia.

The board of directors of (i) IPSG comprises Mr. Chan Tien Lok (“**Mr. Chan**”), Mr. Ong Chin Hin, Mr. Tan Suan Yap (“**Mr. Tan**”) and Mr. Peter Isaac Chan Khoon Lau (“**Mr. Peter Chan**”). Ms. Christabel Chan Li Jing is the alternate director to Mr. Chan in IPSG; and (ii) IPSR comprises Mr. Chan and Mr. Ong Chin Hin. Mr. Peter Chan is the alternate director to Mr. Chan in IPSR. Mr. Peter Chan and Ms. Christabel Chan Li Jing are the children of Mr. Chan.

Mr. Chan is the Non-Executive Chairman and controlling shareholder of the Company through his deemed interest in 51.3% of the shareholding of the Company held by IPS Technologies Pte. Ltd. (“**IPST**”) by virtue of his 65.0% shareholding in IPST. Mr. Tan is also a controlling shareholder of the Company through his total deemed interest of 51.4% in the shareholding of the Company held by his spouse as well as by IPST by virtue of his 35.0% shareholding in IPST. Mr. Chan and Mr. Tan hold 65.0% and 35.0% of the shareholding of IPSG, respectively, while IPSR is wholly owned by IPST. IPSG Group is therefore deemed to be an associate of Mr. Chan and Mr. Tan under Rule 904(4) of the Catalist Rules.

For the purposes of Rule 908 of the Catalist Rules, IPSG Group is treated as the same interested person. The value of the transactions entered into between the Group and the IPSG Group are aggregated for the purpose of assessing whether the designated financial thresholds under Rule 905 of the Catalist Rules are triggered.

Rule 905(2) of the Catalist Rules provides that if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the Group’s latest audited net tangible assets, the Company must: (i) make an

immediate announcement of the latest transaction, and (ii) all future transactions entered into with that same interested person during that financial year.

2. Description of the IPTs

Pursuant to Rule 905(2) of the Catalist Rules, the Company wishes to announce that the Group has entered into the following IPTs with the IPSG Group for the period from 1 July 2018 to 30 June 2019:

Name	Details of IPTs	Aggregate Value of IPTs (S\$)
IPSG	Human resource and administration support fee	75,156
IPSR	Rental of office	216,000
	Total	291,156

The Board and the Audit Committee are of the view that both the human resource and administration support services and rental of office as above were not conducted on arm's length basis and were not based on normal commercial terms but they were beneficial to the Group and were not prejudicial to the interests of the Group or the Company's minority shareholders as they allowed the Group to leverage off the expertise of IPSG Group for the group services under a cost-effective arrangement. Please refer to the section entitled "Interested Person Transactions – Present and On-going Interested Person Transactions" of the Company's offer document dated 20 June 2014 in relation to its initial public offering and listing on the Catalist of the SGX-ST on 30 June 2014 for further details on the provision of group services by IPSG Group to the Group.

The aggregate value of the IPTs entered into between the Group and the IPSG Group for the period from 1 July 2018 to 30 June 2019, is approximately S\$291,156 ("**Aggregate Value**"), representing approximately 4.5% of the Group's latest audited net tangible assets of approximately S\$6,547,020 as at 30 June 2019.

3. Interest of Directors and Substantial Shareholders

Save as disclosed above, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the aforesaid transactions.

BY ORDER OF THE BOARD

Kelvin Lim Ching Song
Executive Director and Group Chief Executive Officer
9 October 2019

*This announcement has been prepared by IPS Securex Holdings Limited ("**Company**") and has been reviewed by the Company's sponsor, United Overseas Bank Limited ("**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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