

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

ANNOUNCEMENT

SIGNING OF MEMORANDUM OF UNDERSTANDING

The Board of Directors (the “**Board**” or the “**Directors**”) of IPS Securex Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that it has on 26 September 2014 signed a Memorandum of Understanding (the “**MOU**”) with Ultra Electronics Undersea Sensor System, Inc. (“**USSI**”) to expand the marketing channel with respect to USSI’s acoustic hailing devices.

USSI is a company located at 4868 East Park 30 Drive, Columbia City, Indiana, United States of America. USSI is principally engaged in the design, development, and production of advanced electronics, electro-mechanical, and hydro-acoustic sensor and sensor systems for military, homeland security and commercial applications. Currently, the Company and USSI have between them a Reseller Agreement signed on 3 October 2013 for the Company to market and distribute USSI’s HyperSpike line of acoustic hailing devices (“**HyperSpike AHD**”) in Singapore, Sri Lanka, Brunei Darussalam, Indonesia, Malaysia, Vietnam, Thailand, Macau, Hong Kong, Australia and India. In Australia and India, the sales are undertaken exclusively with certain customers with whom the Group has existing relationships with.

Under the terms of this MOU, USSI will support the Company for its marketing and business expansion in countries that are currently not listed in the Reseller Agreement. The Company will evaluate the potential and feasibility for business expansion into the following countries, that is, Japan, Korea, Taiwan, South Africa, Cambodia, Myanmar and the Philippines. If the Company chooses to expand into any of these mentioned countries, the Company and USSI will amend the existing Reseller Agreement accordingly to provide the Company with exclusivity as USSI’s master distributor in the new markets.

The Company expects that the additional work or activities arising from or related to this MOU can be financed from the Group’s current general working capital.

The Company will make such further announcements to inform shareholders of any updates or developments in due course.

Cautionary Statement

Shareholders and potential investors of the Company are hereby reminded to exercise caution when dealing in the securities of the Company. In particular, shareholders and potential investors of the Company are reminded that there is no assurance that any business activities or transactions mentioned in this announcement will materialise.

Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisors.

By Order Of the Board

Ong Chin Hin
Non-Executive Director
26 September 2014

*This announcement has been prepared by IPS Securex Holdings Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

The contact persons for the Sponsor are Mr Khong Choun Mun, Managing Director, Corporate Finance and Mr David Tham, Senior Director, Corporate Finance, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6539 1177.