



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

FOR IMMEDIATE RELEASE

LMS Compliance Records 5.8% Increase in 1H FY2025 Revenue to RM12.95 Million

- Net profit grew 1.1% y-o-y to RM2.77 million in 1H FY2025
- Dual VVB accreditations position LMS Compliance to capitalise on emerging opportunities in ESG assurance and regulatory consulting
- Completion of the ACC acquisition broadens LMS Compliance's regulatory consulting and certification footprint to the novel foods industry

Singapore, 13 August 2025 – LMS Compliance Ltd. (“LMS Compliance” or the “Company”, and together with its subsidiaries, the “Group”) is pleased to announce its unaudited financial results for the six months (“1H”) ended 30 June 2025 (“1H FY2025”).

Financial Highlights

In RM million (except for per share items)	1H FY2025	1H FY2024	y-o-y % change
Revenue	12.95	12.24	5.8%
Profit before income tax	4.06	4.01	1.3%
Profit before income tax margin	31.4%	32.8%	
Net profit	2.77	2.74	1.1%
Net profit margin	21.4%	22.4%	
Basic & diluted earnings per share (RM cents)	2.64	2.61	1.1%



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The Group's 1H FY2025 revenue increased by RM0.70 million or 5.8% to RM12.9 million with higher contributions from three of the Group's five segments: (i) laboratory testing services by RM0.73 million (+6.4%), (ii) training and assurance by RM0.08 million (+80.4%), (iii) certification service by RM0.07 million (+32.6%), partially offset by a decrease in sales of goods by RM0.18 million (-54.7%). Revenue from the conformity assessment technology services remained relatively stable at RM0.09 million (+2.2%). The higher revenue from laboratory testing services was mainly driven by an increase in demand from the Group's customers in the medical device, pharmaceutical and environment industries. Materials, consumables and subcontractor costs decreased by RM0.14 million or 11.2%, primarily attributable to lower microbe purchases and improved cost efficiencies resulting from enhanced production capacity following the acquisition of new machinery.

In addition, the Group recorded a 64.7% or RM0.11 million reduction in the net reversal of loss allowance on receivables, due to the write-off of previously provisioned bad debts, and a RM0.02 million or 22.1% decrease in finance costs, reflecting lower lease and borrowing interest expenses.

These were partially offset by a RM0.10 million or 15.9% increases in depreciation expenses related to additional machinery, tools and equipment acquisitions, a RM0.44 million or 9.2% increase in employee benefit expenses arising from growth in employee headcount and salaries and a RM0.10 million or 4.6% increase in other expenses, mainly linked to higher training and development fees, professional services, uniform purchases, and staff welfare.

Additionally, the Group incurred a RM0.17 million share of loss from the associated company, Prismatic Technologies Sdn. Bhd..

As a result, net profit for 1HFY2025 rose modestly by 1.1% year-on-year to RM2.77 million.



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Business Outlook

In June 2025, LMS Compliance, through its principal subsidiaries, achieved accreditation as a Validation and Verification Body (“**VVB**”) from both the Singapore Accreditation Council (“**SAC**”) and the Department of Standards Malaysia (“**DSM**”). These accreditations position the Company as a regionally recognised VVB across two significant Southeast Asian markets. This accomplishment underscores LMS Compliance’s commitment to lead in environmental, social and governance (“**ESG**”) assurance throughout the region and demonstrates alignment with international standards such as ISO 14064-1 Greenhouse Gases, ISO/IEC 17029 Conformity Assessment and the AA1000AS license. Furthermore, these recognitions strengthen the Company’s global credibility through their participation in multilateral recognition arrangements (MLAs) affiliated with the Asia Pacific Accreditation Cooperation (APAC) and the International Accreditation Forum (IAF).

With dual accreditation in both Singapore and Malaysia, alongside an expanding suite of ISO-compliant ESG assurance services, LMS Compliance is well positioned to capitalise on opportunities arising from strengthening sustainability regulations and increasing stakeholder expectations. The Group anticipates sustained growth in demand for independent greenhouse gas verification services and broader ESG reporting support, especially from organisations seeking to bolster compliance credibility, access green financing, and align with global climate disclosure frameworks. LMS Compliance remains committed to enhancing its capabilities, broadening regional reach, and delivering reliable solutions that empower clients to navigate the changing sustainability landscape effectively.

On 11 July 2025, the Company announced that its wholly-owned subsidiary, LMS Compliance International Pte. Ltd., has completed the acquisition of 75% of the issued and paid-up ordinary shares in the capital of Anchor Technology Co. Ltd. (“**ACC**”) for an aggregate consideration of US\$4,511,867 (approximately S\$5,984,089).



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ACC and its wholly owned subsidiaries provide a comprehensive suite of services within the novel food sector. These offerings encompass certification, product registration, and research and development of new products. In addition, ACC delivers consulting in quality assurance, safety, and regulatory compliance. The company also specialises in providing regulatory support for Generally Recognized as Safe and New Dietary Ingredient registrations within the United States. This broad service portfolio aligns strategically with the Group's recent expansion into regulatory consulting and its ongoing efforts to strengthen its certification presence in the Asia-Pacific region.

Barring unforeseen circumstance, the Group believes the acquisition will strengthen its testing and certification operations, contribute to future revenue and cash flow growth, enhance shareholder value, and expand its geographical presence within Asia.

"Our performance in the first half of 2025 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 successful completion of the ACC acquisition and our recent dual accreditations as a VVB in Singapore and Malaysia position us strategically to capitalise on emerging opportunities in ESG assurance, regulatory consulting and certification. We remain committed to delivering sustainable value to our stakeholders while expanding our regional footprint."***

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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, (3) Trading, (4) Provision of Conformity Assessment Technology, and (5) Training and Assurance.

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 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 Conformity Assessment Technology, 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 Assurance, Validation & Verification segment provides 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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Disclaimer

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*This press release has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

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