



**IPS Securex Holdings Limited
and its subsidiaries**
(Registration Number: 201327639H)

**Condensed interim financial statements
for the six months and full year ended
30 June 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 Catalyst.

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

		The Group					
		Unaudited 2H-2025 ⁽¹⁾	Unaudited 2H-2024 ⁽²⁾	Increase/ (Decrease) % change	Unaudited FY2025 ⁽³⁾	Audited FY2024 ⁽³⁾	Increase/ (Decrease) % change
	Note	S\$	S\$	%	S\$	S\$	%
Revenue	3.2	6,181,595	7,751,513	(20.3)	11,282,775	13,687,667	(17.6)
Cost of sales		(4,052,722)	(4,808,467)	(15.7)	(7,137,852)	(7,911,636)	(9.8)
Gross profit		2,128,873	2,943,046	(27.7)	4,144,923	5,776,031	(28.2)
Other income	5.1	94,969	265,494	(64.2)	84,468	297,397	(71.6)
Administrative expenses		(2,781,909)	(3,162,451)	(12.0)	(5,618,187)	(5,772,933)	(2.7)
Other operating expenses		(75,274)	(80,909)	(7.0)	(80,884)	(117,564)	(31.2)
Other losses	5.1	-	-	N.M	(5,911)	(327)	N.M
Finance income	5.1	5,668	824	N.M	13,699	1,513	N.M
Finance costs	5.1	(14,240)	(39,828)	(64.2)	(28,322)	(68,674)	(58.8)
(Loss)/profit before income tax		(641,913)	(73,824)	N.M	(1,490,214)	115,443	N.M
Income tax (expense)/benefit	6	-	(5,700)	N.M	15,100	(11,802)	N.M
(Loss)/profit for the period/year		(641,913)	(79,524)	N.M	(1,475,114)	103,641	N.M
Other comprehensive income/(loss)							
<i>Item that may be reclassified subsequently to profit or loss</i>							
Foreign currency translation		(322)	-	N.M	98	-	N.M
Total comprehensive (loss)/income for the period/year		(642,235)	(79,524)	N.M	(1,475,016)	103,641	N.M
<u>(Loss)/earnings per share for (loss)/profit attributable to the owners of the Company</u>							
Basic and diluted (cents) ⁽³⁾	7	(0.13)	(0.02)		(0.30)	0.02	

Notes:

⁽¹⁾ "2H-2025" refers to the second half year ended 30 June 2025

⁽²⁾ "2H-2024" refers to the second half year ended 30 June 2024

⁽³⁾ "FY" refers to the reporting year ended 30 June

⁽⁴⁾ The basic and diluted earnings per share were the same as there were no dilutive instruments as at 30 June 2024 and 30 June 2025

B. Condensed interim statements of financial position

		The Group		The Company	
		Unaudited As at 30.06.2025 S\$	Audited As at 30.06.2024 S\$	Unaudited As at 30.06.2025 S\$	Audited As at 30.06.2024 S\$
ASSETS	Note				
Current assets					
Restricted fixed deposits		-	453,133	-	-
Inventories	10	2,299,854	1,683,357	-	-
Contract assets		212,534	270,402	-	-
Contract costs		-	450	-	-
Trade and other receivables	9	3,609,804	5,316,417	2,517,595	2,400,211
Prepayments		616,895	252,538	2,842	4,277
Loans to subsidiaries		-	-	614,822	622,130
Cash and cash equivalents		2,167,392	3,141,339	112,972	199,054
Total current assets		8,906,479	11,117,636	3,248,231	3,225,672
Non-current assets					
Investment in subsidiaries	11	-	-	3,000,199	3,000,199
Plant and equipment	12	326,500	330,015	-	-
Other investments		-	7,605	-	-
Trade and other receivables	9	41,681	534,228	-	-
Total non-current assets		368,181	871,848	3,000,199	3,000,199
Total assets		9,274,660	11,989,484	6,248,430	6,225,871
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	13	3,391,598	3,193,151	328,482	203,247
Contract liabilities		182,153	337,008	-	-
Lease liabilities	14	8,604	11,006	-	-
Bank borrowings	14	130,989	1,228,980	-	-
Total current liabilities		3,713,344	4,770,145	328,482	203,247
Non-current liabilities					
Bank borrowings	14	-	174,403	-	-
Lease liabilities	14	-	8,604	-	-
Deferred tax liabilities		1,490	1,490	-	-
Total non-current liabilities		1,490	184,497	-	-
Capital and reserves					
Share capital	15	9,405,906	9,405,906	9,405,906	9,405,906
Treasury shares		(89,353)	(89,353)	(89,353)	(89,353)
Other reserves		(589,901)	(589,999)	210,000	210,000
Accumulated losses		(3,166,826)	(1,691,712)	(3,606,605)	(3,503,929)
Total capital and reserves		5,559,826	7,034,842	5,919,948	6,022,624
Total liabilities and equity		9,274,660	11,989,484	6,248,430	6,225,871

C. Condensed interim statements of changes in equity

Group	Share capital S\$	Treasury shares S\$	Other reserves S\$	Accumulated losses S\$	Total S\$
Balance at 1 July 2024	9,405,906	(89,353)	(589,999)	(1,691,712)	7,034,842
Loss for the year	-	-	-	(1,475,114)	(1,475,114)
<u>Other comprehensive income</u>					
Foreign currency translation gain	-	-	98	-	98
Balance at 30 June 2025	9,405,906	(89,353)	(589,901)	(3,166,826)	5,559,826
Balance at 1 July 2023	9,405,906	(89,353)	(589,999)	(1,795,353)	6,931,201
Profit for the year, representing total comprehensive income for the year	-	-	-	103,641	103,641
Balance at 30 June 2024	9,405,906	(89,353)	(589,999)	(1,691,712)	7,034,842
Company					
Balance at 1 July 2024	9,405,906	(89,353)	210,000	(3,503,929)	6,022,624
Loss for the year, representing total comprehensive loss for the year	-	-	-	(102,676)	(102,676)
Balance at 30 June 2025	9,405,906	(89,353)	210,000	(3,606,605)	5,919,948
Balance at 1 July 2023	9,405,906	(89,353)	210,000	(3,460,581)	6,065,972
Loss for the year, representing total comprehensive loss for the year	-	-	-	(43,348)	(43,348)
Balance at 30 June 2024	9,405,906	(89,353)	210,000	(3,503,929)	6,022,624

D. Condensed interim consolidated statements of cash flows

		Group	
		Unaudited FY2025	Audited FY2024
	Note	S\$	S\$
Operating activities			
(Loss)/Profit before tax		(1,490,214)	115,443
Adjustments for:			
Interest income	5.1	(1,147)	(1,513)
Interest expense	5.1	28,322	62,334
Depreciation of plant and equipment	5.1	147,943	134,874
Loss on disposal of plant and equipment	5.1	-	327
Loss on disposal of other investment	5.1	5,911	-
Inventories written-off	5.1	61,161	70,683
Bad debts written-off	5.1	9,370	-
Allowance for inventories obsolescence - (reversal)/charge	5.1	(13,446)	24,434
Allowance for expected credit loss - reversal	5.1	(7,439)	(3,662)
Trade payables derecognised	5.1	-	(208,442)
Net foreign exchange loss - unrealised		26,382	8,216
Operating cash flows before working capital changes		(1,233,157)	202,694
Inventories		(664,212)	22,105
Contract assets		57,868	60,108
Contract costs		450	44,750
Trade and other receivables		2,196,439	(3,613,143)
Prepayments		(364,357)	25,848
Trade and other payables		(219,155)	679,660
Contract liabilities		(154,855)	(450,118)
Cash used in operations		(380,979)	(3,028,096)
Income tax refund/(paid)		15,100	(11,802)
Interest received		1,937	835
Net cash used in operating activities		(363,942)	(3,039,063)
Investing activities			
Purchase of plant and equipment		(144,428)	(55,336)
Proceeds from disposal of plant and equipment		-	3,119
Proceeds from disposal of other investments		1,694	-
Net cash used in investing activities		(142,734)	(52,217)
Financing activities			
Interest paid		(28,346)	(56,465)
Repayments of bank borrowings		(1,272,394)	(1,158,438)
Payments of lease liabilities		(11,006)	(10,496)
Utilisation of trade financing facilities		1,084,524	1,023,068
Repayment of trade financing facilities		(666,898)	(669,516)
Fixed deposit withdrawn/(placed) with a financial institution		18,331	(145)
Decrease in restricted cash and fixed deposits pledged		522,128	85,937
Net cash used in financing activities		(353,661)	(786,055)
Net decrease in cash and cash equivalents		(860,337)	(3,877,335)
Effect of exchange rate changes on the balance of cash held in foreign currencies		(26,284)	(8,216)
Cash and cash equivalents at beginning of the year		3,054,013	6,939,564
Cash and cash equivalents at end of the year		2,167,392	3,054,013
Cash and cash equivalents above comprise the following:			
Cash at bank and on hand		2,167,392	3,054,013
Fixed deposit with a financial institution		-	18,331
Fixed deposit pledged		-	453,133
Restricted cash		-	68,995
Cash and cash equivalents at end of the year		2,167,392	3,594,472

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 and year ended 30 June 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 subsidiaries are:

- a. distribution, installation and commissioning of security equipment;
- b. provision of maintenance support; and
- c. provision of leasing services.

The latest audited annual financial statements of the Group for the reporting year ended 30 June 2024 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 and year ended 30 June 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 2024. 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 2024. 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 reporting year ended 30 June 2024.

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 reporting 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	
	FY2025	FY2024	FY2025	FY2024	FY2025	FY2024
	S\$	S\$	S\$	S\$	S\$	S\$
External revenue	7,942,074	9,484,423	3,340,701	4,203,244	11,282,775	13,687,667
Inter-segment revenue	1,467,917	-	-	-	1,467,917	-
Other income	13,445	206,978	-	-	13,445	206,978
Interest income	1,258	1,359	-	-	1,258	1,359
Interest expense	(10,134)	(8,908)	(6)	(51)	(10,140)	(8,959)
Allowance for expected credit loss - reversal	7,439	3,662	-	-	7,439	3,662
Reportable segment profit before tax	1,704,854	2,774,104	2,222,556	2,941,520	3,927,410	5,715,624
Reportable segment assets	5,138,308	6,659,754	1,557,614	1,805,528	6,695,922	8,465,282
Reportable segment liabilities	(2,357,286)	(1,847,965)	(645,034)	(676,443)	(3,002,320)	(2,524,408)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items		
	Group	
	FY2025	FY2024
	S\$	S\$
Revenue		
Total revenue for reportable segments	12,750,692	13,687,667
Elimination of inter-segment revenue	(1,467,917)	-
Consolidated revenue	11,282,775	13,687,667
Profit or loss		
Total profit for reportable segments	3,927,410	5,715,624
Elimination of inter-segment profits	(37,247)	-
Unallocated amounts:		
- Other income	63,584	88,164
- Allowance for expected credit loss - reversal	7,439	-
- Administrative expenses	(5,429,885)	(5,596,906)
- Other expenses	(15,773)	(31,878)
- Net finance costs	(5,742)	(59,561)
Consolidated (loss)/profit before tax	(1,490,214)	115,443
Assets		
Total assets for reportable segments	6,695,922	8,465,282
Unallocated amounts:		
- Plant and equipment	326,500	330,015
- Cash and cash equivalents	2,167,392	3,072,345
- Others	84,846	121,842
Consolidated total assets	9,274,660	11,989,484
Liabilities		
Total liabilities for reportable segments	(3,002,320)	(2,524,408)
Unallocated amounts:		
- Bank borrowings	(130,989)	(1,403,383)
- Lease liabilities	(8,604)	(19,610)
- Deferred tax liabilities	(1,490)	(1,490)
- Others	(571,431)	(1,005,751)
Consolidated total liabilities	(3,714,834)	(4,954,642)

3.1 Reportable Segments

Group	Security solutions		Maintenance and leasing		Total	
	2H-2025	2H-2024	2H-2025	2H-2024	2H-2025	2H-2024
	S\$	S\$	S\$	S\$	S\$	S\$
External revenue	4,567,385	5,820,453	1,614,210	1,931,060	6,181,595	7,751,513
Inter-segment revenue	1,467,917	-	-	-	1,467,917	-
Other income	52,178	206,978	-	-	52,178	206,978
Interest income	572	675	-	-	572	675
Interest expense	(9,063)	(5,684)	-	(51)	(9,063)	(5,735)
Allowance for expected credit loss - reversal	5,450	3,662	-	-	5,450	3,662
Reportable segment profit before tax	<u>999,724</u>	<u>1,576,918</u>	<u>1,045,787</u>	<u>1,356,346</u>	<u>2,045,511</u>	<u>2,933,264</u>
Reportable segment assets	<u>5,138,308</u>	<u>6,659,754</u>	<u>1,557,614</u>	<u>1,805,528</u>	<u>6,695,922</u>	<u>8,465,282</u>
Reportable segment liabilities	<u>(2,357,286)</u>	<u>(1,847,965)</u>	<u>(645,034)</u>	<u>(676,443)</u>	<u>(3,002,320)</u>	<u>(2,524,408)</u>

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	Group	
	2H-2025	2H-2024
	S\$	S\$
Revenue		
Total revenue for reportable segments	7,649,512	7,751,513
Elimination of inter-segment revenue	(1,467,917)	-
Consolidated revenue	<u>6,181,595</u>	<u>7,751,513</u>
Profit or loss		
Total profit for reportable segments	2,045,511	2,933,264
Elimination of inter-segment profits	(37,246)	
Unallocated amounts:		
- Other income	36,617	56,261
- Allowance for expected credit loss - reversal	723	-
- Administrative expenses	(2,683,067)	(3,015,990)
- Other expenses	(4,370)	(13,415)
- Net finance costs	(81)	(33,944)
Consolidated loss before tax	<u>(641,913)</u>	<u>(73,824)</u>
Assets		
Total assets for reportable segments	6,695,922	8,465,282
Unallocated amounts:		
- Plant and equipment	326,500	330,015
- Cash and cash equivalents	2,167,392	3,072,345
- Others	84,846	121,842
Consolidated total assets	<u>9,274,660</u>	<u>11,989,484</u>
Liabilities		
Total liabilities for reportable segments	(3,002,320)	(2,524,408)
Unallocated amounts:		
- Bank borrowings	(130,989)	(1,403,383)
- Lease liabilities	(8,604)	(19,610)
- Deferred tax liabilities	(1,490)	(1,490)
- Others	(571,431)	(1,005,751)
Consolidated total liabilities	<u>(3,714,834)</u>	<u>(4,954,642)</u>

3.2 Disaggregation of Revenue

	Security solutions		Maintenance and leasing		Total	
	FY2025	FY2024	FY2025	FY2024	FY2025	FY2024
	S\$	S\$	S\$	S\$	S\$	S\$
Geographical markets						
Singapore	7,599,876	8,932,472	3,340,701	3,805,125	10,940,577	12,737,597
Indochina ⁽¹⁾	11,568	48,525	-	-	11,568	48,525
Rest of Southeast Asia ⁽²⁾	271,755	501,649	-	398,119	271,755	899,768
East Asia ⁽³⁾	58,875	1,777	-	-	58,875	1,777
	<u>7,942,074</u>	<u>9,484,423</u>	<u>3,340,701</u>	<u>4,203,244</u>	<u>11,282,775</u>	<u>13,687,667</u>
Major product/ service lines						
Sale of goods	1,859,375	1,313,418	-	-	1,859,375	1,313,418
Revenue from contracts	6,082,699	8,171,005	-	-	6,082,699	8,171,005
Maintenance and leasing services	-	-	3,340,701	4,203,244	3,340,701	4,203,244
	<u>7,942,074</u>	<u>9,484,423</u>	<u>3,340,701</u>	<u>4,203,244</u>	<u>11,282,775</u>	<u>13,687,667</u>
Timing of revenue recognition						
At a point in time	1,859,375	1,313,418	-	-	1,859,375	1,313,418
Over time	6,082,699	8,171,005	3,340,701	4,203,244	9,423,400	12,374,249
	<u>7,942,074</u>	<u>9,484,423</u>	<u>3,340,701</u>	<u>4,203,244</u>	<u>11,282,775</u>	<u>13,687,667</u>

	Security solutions		Maintenance and leasing		Total	
	2H-2025	2H-2024	2H-2025	2H-2024	2H-2025	2H-2024
	S\$	S\$	S\$	S\$	S\$	S\$
Geographical markets						
Singapore	4,507,255	5,771,928	1,614,210	1,931,060	6,121,465	7,702,988
Indochina ⁽¹⁾	11,568	48,525	-	-	11,568	48,525
Rest of Southeast Asia ⁽²⁾	-	-	-	-	-	-
East Asia ⁽³⁾	48,562	-	-	-	48,562	-
	<u>4,567,385</u>	<u>5,820,453</u>	<u>1,614,210</u>	<u>1,931,060</u>	<u>6,181,595</u>	<u>7,751,513</u>
Major product/ service lines						
Sale of goods	981,286	609,050	-	-	981,286	609,050
Revenue from contracts	3,586,099	5,211,403	-	-	3,586,099	5,211,403
Maintenance and leasing services	-	-	1,614,210	1,931,060	1,614,210	1,931,060
	<u>4,567,385</u>	<u>5,820,453</u>	<u>1,614,210</u>	<u>1,931,060</u>	<u>6,181,595</u>	<u>7,751,513</u>
Timing of revenue recognition						
At a point in time	981,286	609,050	-	-	981,286	609,050
Over time	3,586,099	5,211,403	1,614,210	1,931,060	5,200,309	7,142,463
	<u>4,567,385</u>	<u>5,820,453</u>	<u>1,614,210</u>	<u>1,931,060</u>	<u>6,181,595</u>	<u>7,751,513</u>

Notes:

⁽¹⁾ "Indochina" includes Myanmar, Thailand, Laos, Cambodia and Vietnam

⁽²⁾ "Rest of Southeast Asia" includes Malaysia, Brunei, Indonesia, Philippines and Timor Leste

⁽³⁾ "East Asia" includes People's Republic of China, South Korea and Japan

3.2 Disaggregation of Revenue

A breakdown of sales:

	Group		
	FY2025	FY2024	% change
	S\$	S\$	
Revenue - First Half Year	5,101,180	5,936,154	(14.1)
Revenue - Second Half Year	6,181,595	7,751,513	(20.3)
Revenue - Total	<u>11,282,775</u>	<u>13,687,667</u>	(17.6)
(Loss)/Profit after tax - First Half Year	(833,201)	183,165	(554.9)
Loss after tax - Second Half year	<u>(641,913)</u>	<u>(79,524)</u>	707.2
(Loss)/Profit after tax - Total	<u>(1,475,114)</u>	<u>103,641</u>	(1,523.3)

4. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 30 June 2024:

	Carrying amount		
	Amortised cost	Other financial liabilities	Total carrying amount
Group	S\$	S\$	S\$
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
	<u>5,818,877</u>	<u>-</u>	<u>5,818,877</u>
Financial liabilities measured at amortised cost			
Trade and other payables	-	3,391,598	3,391,598
Loans and borrowings	-	139,593	139,593
	<u>-</u>	<u>3,531,191</u>	<u>3,531,191</u>
30 June 2024			
Financial assets measured at amortised cost			
Trade and other receivables ^	5,850,645	-	5,850,645
Cash and cash equivalents	3,141,339	-	3,141,339
Restricted fixed deposits	453,133	-	453,133
	<u>9,445,117</u>	<u>-</u>	<u>9,445,117</u>
Financial liabilities measured at amortised cost			
Trade and other payables	-	3,193,151	3,193,151
Loans and borrowings	-	1,422,993	1,422,993
	<u>-</u>	<u>4,616,144</u>	<u>4,616,144</u>

^ Excludes prepayments.

5 Profit/(loss) before taxation

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

	The Group			
	Unaudited 2H-2025 S\$	Unaudited 2H-2024 S\$	Unaudited FY2025 S\$	Audited FY2024 S\$
<u>Income</u>				
Other income				
Miscellaneous income	5,920	8,567	7,740	10,382
Trade payables derecognised	-	208,442	-	208,442
Allowance for expected credit loss - reversal	6,174	1,274	7,439	3,662
Write-back of allowance for inventories obsolescence	52,178	-	13,446	-
Government grant and subsidies	30,697	47,211	55,843	74,911
	94,969	265,494	84,468	297,397
Finance income				
Foreign exchange gain (net)	5,212	-	12,552	-
Interest income	456	824	1,147	1,513
	5,668	824	13,699	1,513
<u>Expenses</u>				
Other losses				
Loss on disposal of plant and equipment	-	-	-	(327)
Loss on disposal of other investment	-	-	(5,911)	-
	-	-	(5,911)	(327)
Finance costs				
Interest expense	(14,240)	(29,304)	(28,322)	(62,334)
Foreign exchange loss (net)	-	(10,524)	-	(6,340)
	(14,240)	(39,828)	(28,322)	(68,674)
Depreciation of plant and equipment	(75,473)	(68,915)	(147,943)	(134,874)
Inventories written off	(60,732)	(70,683)	(61,161)	(70,683)
Bad debts written off	(9,370)	-	(9,370)	-
Rental expense	(116,433)	(109,992)	(225,933)	(225,742)
Allowance for inventories obsolescence	-	(5,915)	-	(24,434)

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 FY2025 S\$	Audited FY2024 S\$
Related parties which a director has controlling interest		
Sales	-	(5,020)
Accounting and administrative services	77,208	77,208
Rental expenses	216,000	216,000
Recharge of expenses	8,392	7,624

6. Taxation

The income tax in profit or loss varied from the amount determined by applying the Singapore statutory tax rate of 17% (2024: 17%) to profit or loss before tax as a result of the following differences:

	Unaudited 2H-2025 S\$	Unaudited 2H-2024 S\$	Unaudited FY2025 S\$	Audited FY2024 S\$
Current tax (expense)/benefit				
Changes in estimates in respect of prior years	-	-	17,000	(2,302)
Withholding tax	-	(5,700)	(1,900)	(9,500)
	-	(5,700)	15,100	(11,802)

Reconciliation of effective tax rate

(Loss)/Profit before tax	(641,913)	(73,824)	(1,490,214)	115,443
Tax using the Singapore tax rate of 17%	(109,126)	(12,550)	(253,336)	19,625
Effect of tax rates in foreign jurisdiction	(30)	(795)	(69)	(1,141)
Non-deductible expenses	13,019	10,579	25,483	23,601
Non-taxable income	(20,493)	(118)	(3,691)	(6,436)
Tax exempt income	-	-	-	(8,892)
Unrecognised deferred tax assets	116,630	2,884	231,613	(26,757)
Changes in estimates in respect of prior years	-	-	17,000	(2,302)
Withholding tax	-	(5,700)	(1,900)	(9,500)
	-	(5,700)	15,100	(11,802)

7. (Loss)/Earnings per share

	Group			
	Unaudited 2H-2025	Unaudited 2H-2024	Unaudited FY2025	Audited FY2024
(Loss)/profit for the year attributable to equity holders of the Company (S\$)	(642,235)	(79,524)	(1,475,016)	103,641
Weighted average number of ordinary shares	484,844,100	484,844,100	484,844,100	484,844,100
(Loss)/Earnings per share (cents)	(0.13)	(0.02)	(0.30)	0.02

(Loss)/Earnings per share is calculated by dividing the Group's (loss)/profit attributable to shareholders by the weighted number of shares of no par value in issue during the period/year.

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

The basic amount per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting period/year. It is after the neutralisation by the treasury shares.

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

8. Net asset value

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	As at 30.06.2025	As at 30.06.2024	As at 30.06.2025	As at 30.06.2024
Net asset value per ordinary share based on the number of shares in issue at end of year (cents)	1.1	1.5	1.2	1.2

9. Trade and other receivables

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	As at 30.06.2025	As at 30.06.2024	As at 30.06.2025	As at 30.06.2024
	S\$	S\$	S\$	S\$
Trade receivables	2,794,326	5,077,888	-	-
Allowance for expected credit loss	(3,464)	(10,903)	-	-
	2,790,862	5,066,985	-	-
Other receivables	1,305	10,915	-	-
Amounts due from subsidiaries (non-trade)	-	-	2,477,215	2,359,291
Deposits	859,318	772,745	40,380	40,920
	3,651,485	5,850,645	2,517,595	2,400,211
Presented in the statement of financial position as:				
Current	3,609,804	5,316,417	2,517,595	2,400,211
Non-current	41,681	534,228	-	-
	3,651,485	5,850,645	2,517,595	2,400,211

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

10. Inventories

	Group	
	Unaudited	Audited
	As at 30.06.2025	As at 30.06.2024
	S\$	S\$
Inventories, net of allowance for inventories obsolescence	2,299,854	1,683,357

The movements in the allowance for inventories obsolescence during the year were as follows:

	Group	
	Unaudited	Audited
	FY2025	FY2024
	S\$	S\$
At 1 July	272,666	248,232
Write (back)/down during the year	(13,446)	24,434
At 30 June	259,220	272,666

During the year, inventories of S\$4,671,924 (FY2024: S\$5,881,654) were recognised as an expense and included in "cost of sales".

11. Investment in subsidiaries

	Company	
	Unaudited	Audited
	As at 30.06.25	As at 30.06.24
	S\$	S\$
Unquoted equity shares, at cost	5,344,199	5,344,199
Allowance for impairment	(2,344,000)	(2,344,000)
	<u>3,000,199</u>	<u>3,000,199</u>

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

	Company	
	Unaudited	Audited
	FY2025	FY2024
	S\$	S\$
At 1 July / 30 June	<u>2,344,000</u>	<u>2,344,000</u>

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

Group	Computers and office equipment S\$	Furniture, fixtures and office renovation S\$	Tools and equipment S\$	Motor vehicles S\$	Total S\$
Cost					
At 1 July 2023	643,645	760,021	140,242	440,520	1,984,428
Additions	43,541	7,020	4,775	-	55,336
Transfers	-	-	4,615	-	4,615
Disposals/Write-off	(14,120)	-	(1,740)	(71,961)	(87,821)
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
Accumulated depreciation and impairment losses					
At 1 July 2023	545,556	752,514	88,876	189,098	1,576,044
Depreciation for the year	49,838	3,028	17,848	64,160	134,874
Disposals/Write-off	(14,120)	-	(1,740)	(68,515)	(84,375)
At 30 June 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
Carrying amounts					
At 1 July 2023	98,089	7,507	51,366	251,422	408,384
At 30 June 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

During the year ended 30 June 2025, the Group acquired assets amounting to S\$144,428 (30 June 2024: S\$55,336) and disposed and wrote off assets with carrying amounts of Nil. (30 June 2024: S\$3,446).

During the year ended 30 June 2025, the Group did not transfer any inventories.

13. Trade and other payables

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	As at 30.06.2025	As at 30.06.2024	As at 30.06.2025	As at 30.06.2024
	S\$	S\$	S\$	S\$
Trade payables	1,716,795	1,765,947	-	-
Bills payable	771,178	353,552	-	-
Other payables	173,413	387,076	27,345	20,036
Amounts due to:				
– Subsidiary (non-trade)	-	-	100,248	169
– Related parties (non-trade)	53,266	53,266	53,266	53,266
Accruals	676,946	633,310	109,823	91,976
	3,391,598	3,193,151	290,682	165,447
Deposit received	-	-	37,800	37,800
	3,391,598	3,193,151	328,482	203,247

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

	Group			
	As at 30.06.2025		As at 30.06.2024	
	Secured	Unsecured	Secured	Unsecured
	S\$	S\$	S\$	S\$
<u>Amount repayable in one year or less or on demand</u>				
Bank borrowings	130,989	-	1,228,980	-
Lease liabilities	8,604	-	11,006	-
	139,593	-	1,239,986	-
<u>Amount repayable after one year</u>				
Bank borrowings	-	-	174,403	-
Lease liabilities	-	-	8,604	-
	-	-	183,007	-
	139,593	-	1,422,993	-

The Group expects to fund the repayment of the balance of the borrowings with internal resources by the maturity date.

Details of the collaterals:

The Group's borrowings are covered by corporate guarantees provided by IPS Securex Holdings Limited. The Group's lease liabilities are secured by the plant and equipment purchased under the leases.

15. Share capital

	Group and Company			
	Unaudited As at 30.06.2025 Number of ordinary shares	Audited As at 30.06.2024	Unaudited As at 30.06.2025 S\$	Audited As at 30.06.2024 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	484,844,100	484,844,100	9,316,553	9,316,553

There was no change in the Company's issued share capital during 2H-2025. There were no outstanding convertibles and subsidiary holdings held by the Company as at 30 June 2025 and 30 June 2024. The number of shares held as treasury shares as at 30 June 2025 and 30 June 2024 is 1,155,900 treasury shares. The percentage of the aggregate number of treasury shares held against the total number of shares outstanding that is listed as at 30 June 2025 and 30 June 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 30 June 2025 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim consolidated statement of cash flows for the twelve-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 decreased by approximately S\$1.6 million or 20.3% from S\$7.8 million in 2H-2024 to S\$6.2 million in 2H-2025; and decreased by approximately S\$2.4 million or 17.6% from S\$13.7 million in FY2024 to S\$11.3 million in FY2025.

Security Solutions Business: 2H-2025

Revenue from the Security Solutions Business decreased by approximately S\$1.2 million or 21.5% from S\$5.8 million in 2H-2024 to S\$4.6 million in 2H-2025. This was mainly attributable to a decrease in revenue in 2H2025 from providing integrated security solutions in Singapore of S\$1.6 million due to slower project delivery in accordance with the schedules of certain customers at their request, a decrease in the sales of security products to customers in Rest Of Southeast Asia⁽²⁾ of S\$19,000, a decrease in the sales of security products to customers in Indochina⁽¹⁾ of S\$37,000; and partially offset by an increase in the sales of security products to customers in Singapore of S\$380,000 and an increase in East Asia⁽³⁾ of S\$48,000.

Security Solutions Business: FY2025

Revenue from the Security Solutions Business decreased by approximately S\$1.5 million or 16.3% from S\$9.5 million in FY2024 to S\$7.9 million in FY2025. This was mainly attributable to a decrease in revenue in FY2025 from providing integrated security solutions in Singapore of S\$2.1 million due to slower project delivery in accordance with the schedules of certain customers at their request, a decrease in the sales of security products to customers in Rest Of Southeast Asia⁽²⁾ of S\$230,000, in Indochina⁽¹⁾ of S\$37,000; and partially offset by an increase in the sale of security products to customers in Singapore of S\$756,000 and in East Asia⁽³⁾ of S\$57,000.

Maintenance and Leasing Business: 2H-2025

Revenue from the Maintenance and Leasing Business decreased by approximately S\$317,000 or 16.4% from \$1.9 million in 2H-2024 to \$1.6 million in 2H-2025. This was mainly due to a decrease in revenue from a lower demand for maintenance support services by customers in Singapore.

Maintenance and Leasing Business: FY2025

Revenue from the Maintenance and Leasing Business decreased by approximately S\$862,000 or 20.5% from S\$4.2 million in FY2024 to S\$3.3 million in FY2025. This was mainly due to a decrease in revenue from a lower demand for maintenance support services by customers in Singapore of S\$464,000 and a decrease in revenue from the provision of maintenance support services to customers in Rest of Southeast Asia⁽²⁾ of S\$398,000 due to the expiry of a maintenance contract.

Notes:

⁽¹⁾ "Indochina" includes Myanmar, Thailand, Laos, Cambodia and Vietnam.

⁽²⁾ "Rest of Southeast Asia" includes Malaysia, Brunei, Indonesia, Philippines and Timor Leste.

⁽³⁾ "East Asia" includes People's Republic of China, South Korea and Japan.

⁽⁴⁾ "Others" includes Australia, United States of America and India.

Cost of sales

Cost of sales decreased by approximately S\$756,000 or 15.7% from S\$4.8 million in 2H-2024 to S\$4.0 million in 2H-2025 and decreased by approximately S\$774,000 or 9.8% from 7.9 million in FY2024 to S\$7.1 million in FY2025. This was mainly due to a decrease in direct material costs incurred in line with the decline in the Group's revenue.

Gross profit

Gross profit decreased by approximately S\$814,000 or 27.7% from S\$2.9 million in 2H-2024 to S\$2.1 million in 2H-2025 and decreased by approximately S\$1.7 million or 28.2% from S\$5.8 million in FY2024 to S\$4.1 million in FY2025 as a result of the factors discussed above.

Gross margin decreased from 38.0% in 2H-2024 to 34.4% in 2H-2025 and from 42.2% in FY2024 to 36.7% in FY2025 due to a higher proportion of integrated security solution projects undertaken by the Group which had a higher cost base relative to revenue as the project had just commenced during the year, and lower demand for higher margin maintenance support services by customers in Singapore as well as expiry of a maintenance contract with a customer in Rest of Southeast Asia.

Other income

Other income decreased by approximately S\$170,000 or 64.2% from S\$265,000 in 2H-2024 to S\$95,000 in 2H-2025. This was mainly due to derecognition of long outstanding trade payables amounting to S\$208,000 in 2H-2024 as the creditor has been uncontactable for over 6 years. Additionally, in 2H-2025, there was a decrease in government grants and subsidies of S\$16,000, a decrease in miscellaneous income of \$3,000; and partially offset by an increase in write back of provision of bad debts of S\$5,000 and increase in write back of allowance for inventories obsolescence of S\$52,000.

Other income decreased by approximately S\$213,000 or 71.6% from S\$297,000 in FY2024 to S\$84,000 in FY2025. This was mainly due to trade payables derecognized of S\$208,000 (as referred to above) in FY2024, a decrease in government grants and subsidies of S\$19,000, a decrease in miscellaneous income of S\$3,000; and partially offset by an increase in write back of provision of bad debts of S\$4,000 and an increase in write back of allowance for inventories obsolescence of S\$13,000.

Administrative expenses

Administrative expenses decreased by approximately S\$381,000 or 12.0% from S\$3.2 million in 2H-2024 to S\$2.8 million in 2H-2025. This was mainly due to a decrease in travelling expenses of S\$9,000, decrease in sales commission of S\$47,000, decrease in office expenses of S\$5,000, decrease in employees' remuneration and benefits expenses of S\$343,000; partially offset by an increase in exhibition related expenses of S\$13,000 and miscellaneous expenses of S\$2,000, an increase in depreciation of S\$6,000 and an increase in professional fees of S\$2,000.

Administrative expenses decreased by approximately S\$155,000 or 2.7% from S\$5.8 million in FY2024 to S\$5.6 million in FY2025. This was mainly due to a decrease in employees' remuneration and benefits expenses of S\$207,000, partially offset by an increase in depreciation of S\$13,000, an increase in office related expenses of S\$39,000 mainly due to IT computer enhancements.

Other operating expenses

Other operating expenses decreased by approximately S\$6,000 or 7.0% from S\$81,000 in 2H-2024 to S\$75,000 in 2H-2025. This was mainly due to a decrease in inventories written-off of S\$10,000, a decrease in allowance for inventories obsolescence of S\$6,000; partially offset by an increase in bank charges of S\$1,000 and bad debts written off S\$9,000.

Other operating expenses decreased by approximately S\$37,000 or 31.2% from S\$117,000 in FY2024 to S\$81,000 in FY2025. This was mainly due to a decrease in inventories written-off of S\$9,000, a decrease in allowance for inventories obsolescence of S\$24,000 and a decrease in bank charges of S\$13,000 and partially offset by an increase in bad debts written off S\$9,000.

Other losses

Other losses increased by approximately S\$5,600 from S\$300 in FY2024 to S\$6,000 in FY2025. This was mainly due to the loss on disposal of club membership that was recognised in 1H-2025.

Finance income

Finance income increased by approximately S\$5,000 from S\$800 in 2H-2024 to S\$6,000 in 2H-2025. This was mainly due to an increase in 2H-2025 of a net foreign exchange gain of S\$5,000, 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 in 2H-2025.

Finance income increased by approximately S\$12,000 from S\$2,000 in FY2024 to S\$14,000 in FY2025. This was mainly due to an increase in FY2025 of a net foreign exchange gain of S\$12,000, 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 in FY2025.

Finance costs

Finance costs decreased by approximately S\$26,000 or 64.2% from S\$40,000 in 2H-2024 to S\$14,000 in 2H-2025. This was mainly due to a decrease in interest expense of S\$16,000 due to repayment of term loans, an absence of foreign exchange loss (net) of S\$11,000 in 2H-2025 and offset by an increase in interest expense due to an increase in utilization of trade financing facilities of S\$1,000.

Finance costs decreased by approximately S\$40,000 or 58.8% from S\$68,000 in FY2025 to S\$28,000 in FY2024. This was mainly due to a decrease in interest expense of S\$33,000 due to repayment of term loans, an absence of foreign exchange loss (net) of S\$6,000 in FY2025 and decrease in utilization of trade financing facilities of S\$1,000.

Tax (expense)/credit

Tax expenses decreased by approximately S\$6,000 from S\$6,000 in 2H-2024 to nil in 2H-2025. There was no tax movement in 2H-2025 while the tax expense in 2H-2024 was due to payment of withholding tax expense of S\$6,000.

Tax credit increased by approximately S\$27,000 from a tax expense of S\$12,000 in FY2024 to a tax credit of S\$15,000 in FY2025. This was due to tax refund of S\$17,000 from loss carry-back relief and offset by lower withholding tax expenses of S\$2,000.

Review of the Group's financial position

Current assets

Current assets decreased by approximately S\$2.2 million from S\$11.1 million as at 30 June 2024 to S\$8.9 million as at 30 June 2025. The decrease in current assets was mainly due to:

- (i) a decrease in cash and cash equivalents of S\$974,000.
- (ii) a decrease in restricted fixed deposits of S\$453,000.
- (iii) a decrease in contract assets of S\$58,000 mainly attributable to an increase in billing upon the completion of integrated security solutions projects.
- (iv) a decrease in trade and other receivables of S\$1.7 million mainly due to (a) receipt of payment from customers of S\$2.2 million, (b) a decrease in other receivables of S\$10,000 and bad debts written off of S\$9,000, (c) a decrease in deposits placed with suppliers for the purchase of security products of S\$165,000; and partially offset by (d) an increase in refundable deposits of S\$248,000 relating to trade contracts entered into during the year that required a deposit to be placed with the financial institution that provided financing and (e) a reclassification of a refundable deposit from non-current to current assets of S\$493,000,

partially offset by:

- (v) an increase in prepayment of S\$364,000 mainly due to an increase of S\$372,000 for the advance payment made to supplier partially offset by the decrease of S\$8,000 for purchase of parts for maintenance support services;
- (vi) an increase in inventories of S\$616,000 arising from an increase in the purchase of parts and components for the Security Solutions Business during the period of S\$664,000 and a write back for inventories obsolescence of S\$13,000 partially offset by inventories written off of S\$61,000.

Non-current assets

Non-current assets decreased by approximately S\$504,000 from S\$872,000 as at 30 June 2024 to S\$368,000 as at 30 June 2025. The decrease in non-current assets was mainly due to a decrease in plant and equipment of S\$3,000 largely due to depreciation charges on plant and equipment, a disposal of club membership with a book value of \$8,000 and reclassification of trade and other receivables to current assets relating to trade contracts entered into in the previous year that required a deposit to be placed with the financial institution that provided financing equivalent to 10% of its contract sum in relation to integrated security projects. The total deposits paid amounted to S\$493,000 and is due to be refunded upon completion of the projects within a year.

Current liabilities

Current liabilities decreased by approximately S\$1.1 million from S\$4.8 million as at 30 June 2024 to S\$3.7 million as at 30 June 2025. The decrease in current liabilities was mainly due to:

- (i) a decrease in contract liabilities of S\$155,000 mainly due to delivery of services for which consideration had been received in advance;
- (ii) a decrease in bank borrowings of S\$1.1 million arising from the repayment of bank borrowings; and
- (iii) a decrease in lease liabilities of S\$2,000,

partially offset by:

- (iv) an increase in trade and other payables of S\$199,000 mainly attributable to an increase in trade financing facilities of S\$418,000, an increase in accrual of project cost for integrity security of S\$244,000; and partially offset by a decrease in amount payable to trade suppliers of S\$49,000, a decrease in other payables of S\$214,000 which comprised mainly GST payables and payables for staff reimbursements, and a decrease in accrual of operating expenses of S\$200,000.

Non-current liabilities

Non-current liabilities decreased by approximately S\$183,000 from S\$184,000 as at 30 June 2024 to S\$1,000 as at 30 June 2025. This was due to repayment of bank borrowings of S\$174,000 in respect of the loan secured by the Group for general corporate purposes, and payment of lease liabilities of S\$9,000.

Capital and reserves

Capital and reserves decreased by approximately S\$1.5 million from S\$7.0 million as at 30 June 2024 to S\$5.6 million as at 30 June 2025. This was due to the net loss recognised in FY2025 of S\$1.5 million.

Review of the Group's cashflows

Net cash used in operating activities

In FY2025, the net cash used in operating activities was approximately S\$364,000, which mainly consisted of operating cash inflow before working capital changes of S\$1.2 million, net working capital inflow of S\$850,000 and income tax refund of S\$15,000.

The net working capital inflow arose mainly from the following:

- (i) an increase in inventories of S\$616,000 arising from an increase in the purchase of parts and components for the Security Solutions Business during the period of S\$664,000 and a write back for inventories obsolescence of S\$13,000 partially offset by an inventories written off of S\$61,000;
- (ii) a decrease in contract assets of S\$58,000 mainly attributable to an increase in billing upon the completion of integrated security solutions projects;
- (iii) a decrease in trade and other receivables of S\$1.7 million mainly due to (a) receipt of payment from customers of S\$2.2 million, (b) a decrease in other receivables of S\$10,000 and bad debts written off of S\$9,000 and partially offset by (c) an increase in refundable deposits of S\$248,000 relating to trade contracts entered into during the year that required a deposit to be placed with the financial institution that provided financing and (d) a reclassification of a refundable deposit from non-current to current assets of S\$493,000;
- (iv) a decrease in trade and other payables of S\$219,000 mainly attributable to a decrease in amount payable to trade suppliers of S\$49,000, a decrease in other payables of S\$214,000 which comprised mainly GST payables and payables for staff reimbursements, and a decrease in accrual of operating expenses of S\$200,000; and partially offset by an increase in accrual of project cost for integrity security solutions of S\$244,000;
- (v) an increase in prepayment of S\$364,000 mainly due to an increase of S\$372,000 for the advance payment made to supplier partially offset by the decrease of S\$8,000 for purchase of parts for maintenance support services; and
- (vi) a decrease in contract liabilities of S\$155,000 mainly due to delivery of services for which consideration had been received in advance.

Net cash used in investing activities

Net cash used in investing activities amounted to approximately S\$142,000 in FY2025 mainly arising from the purchase of plant and equipment of S\$144,000 and partially offset by the sales proceeds from disposal of club membership of S\$2,000.

Net cash used in financing activities

Net cash used in financing activities amounted to approximately S\$354,000 in FY2025. This was mainly due to the repayment of bank borrowings of S\$1.3 million, payment of lease liabilities of S\$11,000, and partially offset by a decrease in restricted cash pledged of S\$522,000, an increase in net trade financing facilities utilised of S\$418,000 and fixed deposit withdrawal with a financial institution of S\$18,000.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

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.

The Group incurred a net loss after tax for FY2025 mainly due to a decrease in revenue from Security Solutions Business in Singapore as a result of slower project delivery in accordance with the schedules of certain customers at their request; decrease in revenue from Maintenance and Leasing Business due to a lower demand for maintenance support services by customers in Singapore as well as expiry of a maintenance contract with a customer in Rest of Southeast Asia; and decline in gross margin due to the above decrease in revenue and a higher contribution from an integrated security solutions project undertaken by the Group which had a higher cost base relative to revenue as the project had just commenced during the year.

In May 2025, Securex GS was awarded a contract valued at approximately S\$1.9 million for the design, supply, delivery, and commissioning of the Extra Low Voltage (ELV) system for an Integrated Waste Treatment Process Plant. This project highlights the Group's technical expertise and alignment with national sustainability initiatives.

In June 2025, IPS Securex secured a pilot contract valued at approximately S\$700,000 for the implementation of Domestic Smart Water Pump Monitoring Solutions across nine Build-To-Order (BTO) developments. The solution includes a recurring annual cloud subscription and renewal, supporting a long-term revenue model. This project further reinforces the Group's position as a trusted provider of smart and connected infrastructure, leveraging on its proprietary IoT-enabled Cloud Monitoring platform to enhance operational efficiency in public housing.

Looking ahead, the Group anticipates continued demand for cost-effective security solutions, but remains cautious about the impact of economic uncertainties and geopolitical risks on project timelines and customers' budget allocations.

Strategic initiatives focused on cost containment and targeted marketing efforts in core sectors — including governmental infrastructure such as airports, air bases, ports, and borders, as well as data centres and commercial buildings — will be critical to navigating the challenging landscape over the next reporting period and the next 12 months.

* Rest of Asia includes the following:

(1) "Indochina" includes Myanmar, Thailand, Laos, Cambodia and Vietnam.

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

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

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 FY2025 in view that the Group recorded a net loss for the reporting year.

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"). However, pursuant to Rule 905 of the Catalist Rules, the following is disclosed.

	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, corporate secretarial, human resources, warehouse operation cost and rental expense) by:-</u>	2H-2025 S\$	2H-2024 S\$	FY2025 S\$	FY2024 S\$
IPS Realty Pte Ltd	(108,000)	(108,000)	(216,000)	(216,000)
IPS Group Pte. Ltd.	(38,604)	(38,604)	(77,208)	(77,208)

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. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer

Pursuant to Rule 704(10) of the Catalist Rules, IPS Securex Holdings Limited confirms that there are no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

By Order of the Board

Ong Beng Chye
Non-Executive and Non-Independent Chairman
27 August 2025