



# INNOVATION FOR BETTER FUTURE

ANNUAL REPORT 2025

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## Get more information online

A pdf of the full Annual Report and further information about the Group and our businesses can be found online at our website: [www.ips-securex.com](http://www.ips-securex.com)

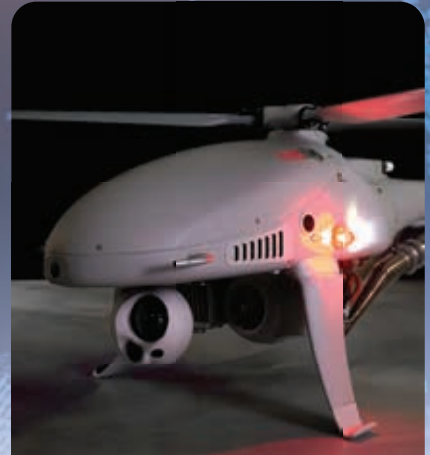
This Annual Report has been prepared by IPS Securex Holdings Limited ("Company") and has been reviewed by the Company's sponsor, United Overseas Bank Limited ("Sponsor"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This Annual Report has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this Annual Report, including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

The contact person for the Sponsor is Mr. David Tham, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.



## CORPORATE PROFILE



## A LEADING ONE-STOP SECURITY SOLUTIONS PROVIDER

IPS Securex Holdings Limited (“**IPS Securex**” or the “**Company**” and, together with its subsidiaries, the “**Group**”) has established itself as one of Singapore’s leading providers of security products and integrated security solutions to commercial entities and government bodies and agencies in the Asia-Pacific.

The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in 2014. Since 2000, the Group has been providing a diverse base of customers with security products and integrated security solutions which are deployed to address various security requirements, including checkpoint security, law enforcement and the protection and surveillance of buildings and critical infrastructure.

In Singapore, the Government Supplier Registration (“**GSR**”) is a process through which vendors and suppliers register with the government to be eligible to participate in certain public sector tenders and procurement opportunities. This registration process helps streamline the procurement process and ensures that only qualified suppliers are considered for certain government contracts.

The Company’s subsidiary, IPS Securex Pte. Ltd. (“**IPS Securex PL**”) is registered under the GSR with the financial grade of S9 and tendering capacity of up to S\$30,000,000. The Company’s subsidiary, Securex GS Pte. Ltd. (“**Securex GS**”) is also registered under GSR with the financial grade of S7 and tendering capacity of up to S\$5,000,000.

In Singapore, firms registered with Building and Construction Authority (“**BCA**”) and its Contractors Registration System (“**CRS**”) are eligible to participate in public sector construction tenders with project values corresponding to the tendering limit based on their grade. IPS Securex PL is registered with BCA and its CRS under the Mechanical & Electrical Workheads (ME) 04 for Communications & Security Systems with the financial grade of L6 and unlimited tendering limit. Securex GS is also registered with BCA under the same workhead with the financial grade of L5 and tendering limit of up to S\$16 million.

As a one-stop service provider that designs, supplies, installs, tests, commissions, maintains and leases security products and integrated security solutions, the Group has built an accomplished reputation in the security products and solutions industry.

# CHAIRMAN'S STATEMENT

**ONG BENG CHYE**

NON-EXECUTIVE AND NON-INDEPENDENT CHAIRMAN

## DEAR SHAREHOLDERS,

On behalf of the Board of Directors (the “**Board**”), it is my privilege to present the Annual Report of IPS Securex Holdings Limited (“**IPS Securex**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) for the financial year ended 30 June (“**FY**”) 2025. This year has been one of resilience and renewal, as we navigated challenges while laying stronger foundations for sustainable growth.

### REVIEW OF FY2025

FY2025 was a year of challenges but also one of important foundations being laid for the future. The Group reported revenue of S\$11.3 million and a net loss of S\$1.5 million, reflecting slower project deliveries and the expiry of a major maintenance contract. While these results fell short of our aspirations, they remind us of the cyclical nature of our industry and the importance of resilience.

What gives me optimism is that these challenges have not diminished our competitiveness or our reputation. On the contrary, we strengthened our internal governance, deepened relationships with core customers in the government and critical infrastructure sectors and positioned ourselves for the next stage of growth.

## BUILDING FOR THE FUTURE

During the financial year, we promoted Mr. Kendrick Boey Teik Heng who was the Deputy Chief Operating Officer of Securex GS Pte Ltd, to Acting CEO, a leader with deep knowledge of our operations and over two decades of industry experience. His appointment provides continuity in leadership and vision as we sharpen execution and pursue new opportunities.

We also continued to anchor ourselves as a trusted partner in the Singapore market. With our Government Supplier Registration (GSR) of up to S\$30 million and BCA registration at the highest L6 grade, IPS Securex remains well placed to secure and deliver large-scale projects in the government, data centres, and commercial buildings sectors. The continuity of these credentials signals to the market our proven capacity to take on complex projects and positions us to capture recurring opportunities that underpin long-term revenue stability.

### BUSINESS HIGHLIGHTS

In FY2025, the Group’s two core segments experienced softer demand, reflecting slower customer-driven project schedules, decrease in the sales of security products, lower demand for maintenance support services and the expiry of a maintenance contract.

# CHAIRMAN'S STATEMENT

## Security Solutions Business

Revenue amounted to S\$7.9 million, a decrease of 16.3 percent compared to the previous year. This was primarily due to slower project deliveries in Singapore, which fell by S\$2.1 million. Encouragingly, product sales in Singapore rose by S\$0.8 million and in East Asia by S\$60,000, demonstrating continued confidence in our solutions and reinforcing our relevance in these markets.

In September 2025, IPS Securex was awarded a major contract from a government agency, valued at approximately S\$16.9 million. The project involves the design, supply and installation of security systems across multiple sites, significantly strengthening our project pipeline. More than its scale, this win reinforces IPS Securex's reputation as a trusted partner in delivering critical security infrastructure – a role that reflects both our technical expertise and our commitment to safeguarding the communities we serve.

## Maintenance and Leasing Business

Revenue came in at S\$3.3 million, a decline of 20.5 percent year-on-year, driven by reduced demand for maintenance services and the expiry of a maintenance contract. Despite this, we continue to serve as a trusted partner to long-standing customers, and our focus remains on strengthening recurring service income to provide predictable and stable cash flows.

## Group Performance

Gross profit margin was 36.7 percent, compared to 42.2 percent in the previous year, reflecting the revenue decline. At the same time, administrative expenses were reduced by 2.7 percent, underscoring our commitment to disciplined cost management and operational efficiency.

While the year's financial performance reflected near-term headwinds, the steps we have taken underscore our resilience and readiness for recovery. They also highlight the importance of building growth on a foundation that goes beyond the numbers. For IPS Securex, that foundation is sustainability.

## SUSTAINABILITY AS A GROWTH DRIVER

The Board strongly believes that sustainable practices are not only ethical, but essential to long-term competitiveness. In FY2025, we approved a refreshed set of material ESG factors, prioritising climate change mitigation, occupational health & safety, and business ethics.

### Concrete progress was made:

- Expanding our low-carbon initiatives, from adopting electric vans to implementing default black-and-white printing to reduce waste.
- Enhancing our community impact through volunteering initiatives such as the SPD @ Canberra Kopi Session. SPD, formerly known as the Society for the Physically Disabled, is a Singapore charity dedicated to empowering people with disabilities to live independently and integrate into society. Our participation reflects our commitment to inclusivity and supporting vulnerable communities.
- Conducting a stakeholder ESG survey, which affirmed our direction and challenged us to strengthen transparency, diversity, and emissions reduction.

Our long-term targets-reducing emissions intensity by 20% by 2030 and 50% by 2050 remain firmly in place, and we are aligning our disclosures with IFRS Sustainability Standards and TCFD recommendations.

## APPRECIATION

On behalf of my fellow Directors, I extend my heartfelt thanks to our employees, whose dedication remains the bedrock of the Group; to our customers and partners, for their confidence in us; and to you, our shareholders, for your patience and unwavering support.

We step into FY2026 not only with determination but also with confidence that the values and capabilities we have built will translate into sustainable and profitable growth.

## ONG BENG CHYE

NON-EXECUTIVE AND  
NON-INDEPENDENT CHAIRMAN

### 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.

## BOARD OF DIRECTORS



**MR ONG BENG CHYE**

NON-EXECUTIVE AND NON-INDEPENDENT CHAIRMAN

**Mr Ong Beng Chye** was re-designated as the Non-Executive and Non-Independent Chairman on 25 October 2024 and was previously the Independent Non-Executive Chairman of the Company. He was re-appointed to the Board on 25 October 2024.

Mr Ong has more than 30 years of experience in areas such as accounting, auditing, public listings, due diligence, mergers and acquisitions, and business advisory. He is currently a director of Appleton Global Private Limited, a business management and consultancy services firm. He is also serving as an independent director of other public listed companies in Singapore.

Mr Ong is a Fellow of The Institute of Chartered Accountants in England and Wales, a Chartered Financial Analyst conferred by the CFA Institute and a non-practising member of the Institute of Singapore Chartered Accountants. He holds a Bachelor of Science (Honours) from City, University of London.



**MR BARNEY LAU TAI CHIAU**

INDEPENDENT DIRECTOR

**Mr Barney** is the Independent Director, Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee. He was appointed to the Board on 25 October 2024.

He is also an Independent Director and Chairman of the Executive and Resource Compensation Committee of IFS Capital Limited, the Chairman of the Council of the Biblical Graduate School of Theology. He was the Managing Director of Microsoft Singapore and held regional roles in global companies such as Cisco Systems, Lucent Technologies and Hewlett Packard.

He served as Independent Director of Ng Teng Fong Hospital and Jurong Community Hospital, and the Integrated Health Information System (now Synapse), as well as on the Councils of the Singapore Computer Society and Singapore IT Federation.

Mr Barney graduated with a Bachelor of Arts in Computer Science from Rutgers, State University Of New Jersey, USA.



## BOARD OF DIRECTORS



**MS LEE LI ING**  
INDEPENDENT DIRECTOR

**Ms Lee** is an Independent Director, Chairman of the Nominating Committee and Remuneration Committee and a member of the Audit Committee. She was appointed to the Board on 25 October 2024.

Previously, Ms. Lee held positions as a Director-Human Resources at Temasek Holdings Pte Ltd., an Executive Director & Head-Asia Pacific Human Resources for the Global Transaction Services Business Division at Royal Bank of Scotland Plc (Singapore Branch), an Executive Vice President & Head-Human Resources at Fullerton Financial Holdings, and a Group Chief Human Resources Officer at Singapore Post Ltd.

Ms. Lee graduated with a Bachelor Degree in Business Administration from La Trobe University, Australia as well as a Diploma in Business Studies majoring in Human Resources Management & International Marketing from Ngee Ann Polytechnics, Singapore.

## MANAGEMENT TEAM

### MR BOEY TEIK HENG ACTING CHIEF EXECUTIVE OFFICER

**Mr. Boey Teik Heng** is the Acting Chief Executive Officer of the Group.

He joined the Group on 1 August 2017 as Vice President of Operations, where he was responsible for strategic planning, overall management, and business development of the General Security Products division. In March 2020, he was promoted to General Manager, overseeing the division's sales and operations. On 20 September 2024, Mr Boey was appointed Acting Chief Executive Officer of the Group, entrusted with leading its overall business development, strategic planning, and operations.

Mr Boey has over two decades of experience in the security industry, with a strong background in system design, sales, service, and project management. From 2005 to 2017, he held managerial positions at Johnson Controls, Tyco Fire, Security and Services, TJ Systems, and Aeqon, where he honed his expertise across diverse areas. He is highly proficient in the design and implementation of integrated security management systems, cybersecurity operations, and advanced technology solutions.

In addition to his extensive experience, Mr Boey holds a Diploma in Marketing & Sales Management, awarded in 2011 by PSB Academy in collaboration with the University of Cambridge. He has also completed a broad range of professional courses and certifications, including AWS Certified Solutions Architect, TAPA Facility Security Requirements (FSR) 2023 Authorised Auditor (AA), and ISO/IEC 27001:2013 and ISO 22301:2019 Internal Auditor.

Further enhancing his credentials, he has undertaken the Listed Entity Director Essentials (LED) Programme, Basic Concept in Construction Productivity Enhancement (BCCPE), Top Executive WSH Programme (TEWP), BizSAFE Level 1 (Workshop for CEO/Top Management), Kaizen for Sustainability, and Deep Dive into IFRS S2 Climate-related Disclosures (Leadership).

### MS LEE SIEW HAN FINANCE AND ADMINISTRATION DIRECTOR

**Ms Lee Siew Han** is the Finance and Administration Director of the Group.

She joined the Group in 2013 and is in charge of the Group's financial, administrative, and accounting operations. Ms Lee has more than 29 years of experience in accounting and finance related matters. Ms Lee has worked in the finance and administration department of IPSG as deputy general manager and financial controller with the responsibility of the management of the accounts and finance, sales administration support, purchasing, stock control and compliance functions of IPSG and its subsidiaries.

Before joining IPSG, Ms Lee gained experience in the management of accounting and finance matters from managerial positions held in KS Distribution Pte. Ltd., Aqua-Terra Supply Co., Ltd., and National University Hospital between 2004 and 2010. Prior to this, she had also held accounting positions at Sunshine Welfare Action Mission, NTUC Club, VICOM Ltd., AGRA Baymont Pte. Ltd. and Trident Travels Ltd. from 1984 to 2009.

Ms Lee is a member of the Institute of Singapore Chartered Accountants.



## MANAGEMENT TEAM

### MR LEE CHEA SIANG GENERAL MANAGER (HOMELAND)

**Mr Lee Chea Siang** is the General Manager (Homeland) of the Group.

He joined the Group in 2005 and is responsible for the management of the project team and service team of IPS Securex. Mr Lee also oversees the project management of the Group's Homeland Security Products division, which includes the initial planning of the project, supervision of the works, setup and system integration, programme management, and planning and monitoring of the project progress.

Prior to joining the Group, Mr Lee gained project management experience as a project engineer for Wilson Parking (Singapore) Pte. Ltd. where he worked on systems integration and specialised in carpark systems from 2003 to 2005. He was also involved in research and development as a software engineer for Omron Asia-Pacific Technical Centre from 2001 to 2003.

Mr Lee holds a Bachelor of Science with Honours in Computing and Management from the University of Bradford in 2000.

## FINANCIAL HIGHLIGHTS

### REVENUE (S\$'000)

FY2025	11,283
FY2024	13,688
FY2023	11,543
FY2022	15,768

### GROSS PROFIT (S\$'000)

FY2025	4,145
FY2024	5,776
FY2023	3,678
FY2022	5,771

### PROFIT/(LOSS) (S\$'000)

FY2025	(1,475)
FY2024	104
FY2023	(2,011)
FY2022	263

### CASH AND CASH EQUIVALENTS (S\$'000)

FY2025	2,167
FY2024	3,141
FY2023	7,113
FY2022	8,481

### NET ASSETS (S\$'000)

FY2025	5,560
FY2024	7,035
FY2023	6,931
FY2022	8,942

# FINANCIAL AND OPERATIONS REVIEW

## REVENUE

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\$2.4 million or 17.6% from S\$13.7 million in FY2024 to S\$11.3 million in FY2025.

### 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<sup>(2)</sup> of S\$230,000, in Indochina<sup>(1)</sup> 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<sup>(3)</sup> of S\$57,000.

### 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<sup>(2)</sup> of S\$398,000 due to the expiry of a maintenance contract.

## COST OF SALES

Cost of sales decreased by approximately S\$774,000 or 9.8% from S\$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\$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 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\$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 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\$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\$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 of 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 during FY2025.

## FINANCE INCOME

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\$40,000 or 58.8% from S\$68,000 in FY2024 to S\$28,000 in FY2025. 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 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.

### 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.

# FINANCIAL AND OPERATIONS REVIEW

## 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; and
- (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 was 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.





# FINANCIAL AND OPERATIONS REVIEW

## 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.

## CASH FLOW

### 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 outflow 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.



## OUR BUSINESSES



### SECURITY SOLUTIONS

The Group distributes and sells a wide range of security products from suppliers who are well recognised for their product quality and innovation. These products can be generally classified as Homeland Security Products and General Security Products.

Homeland Security Products are supplied to government bodies and agencies such as police, customs and other law enforcement agencies. Such products may be deployed offsite or at seaports, airports, navy, police, army and air bases, and customs border checkpoints.

General Security Products are supplied to commercial entities, private consumers and government bodies and agencies, and are installed in buildings such as schools, residential, industrial and commercial buildings, at critical infrastructure facilities in townships such as train stations and roads, and in vehicles.

The Group also offers integrated security solutions that meet customers' security system requirements. In designing such solutions, the Group would typically integrate various security products from suppliers to create customised integrated security solutions that meet customers' specific needs.

For integrated security systems, the Group will normally design, supply and install the systems, including developing the proprietary software to operate the systems if necessary. Alternatively, the Group is also able to design and supply the integrated security systems for customers that prefer to engage their appointed contractors to install the systems. In both instances, the Group would conduct a comprehensive testing and commissioning of the integrated security systems before handing them over to customers. Customers who procure such integrated security solutions include commercial entities, government bodies and agencies.

For the supply of security products or the design, supply, installation, testing and commissioning of integrated security solutions, the Group typically takes between 2 to 12 months from the date of entering into an agreement with a customer to fulfil the order. The Group has distribution agreements and maintains close business relationships with reputable and reliable suppliers for the distribution of a carefully selected range of their security products in the Asia-Pacific.

### MAINTENANCE AND LEASING

The Maintenance and Leasing Business focuses on providing regular, extended and/or ad-hoc maintenance support services and leasing services for the security products and integrated security solutions provided to the customers.

Extended maintenance support services are provided to the customers under a separate maintenance contract ranging from one year to five years upon the expiry of the warranty period. In addition, the Group provides ad-hoc maintenance support services at the request of customers who do not have maintenance support service contracts with the Group.

The Group is also able to provide long-term lease-and-maintenance services to customers on a case-by-case basis for the integrated security solutions that it designs, supplies and installs. Under a lease-and-maintenance arrangement, the Group will design, supply, install, test, commission and maintain the security systems for customers but would retain ownership of the systems, as well as the proprietary software that it develops. Customers would typically pay the Group an agreed monthly fee for the lease-and-maintenance of such systems, and such lease-and-maintenance contracts typically are for a period of at least seven years.

# AWARDS AND CERTIFICATIONS

ISO 9001:2000 Quality Management System

2004

Singapore SME 500 Company

Ultra Electronics – USSI HyperSpike Excellence in Sales Award  
ISO 9001:2008 Quality Management System

2010

Ultra Electronics – USSI HyperSpike Reseller of the Year 2012  
MOBOTIX AG Project of the Year 2012 in Singapore

2012

Asia-Pacific Brands Award 2014  
Midas Touch Asia 2014 Platinum Award  
Ultra Electronics – USSI Reseller of the Year 2014

2014

Singapore 1000 Company Public Listed Companies 2017

2017

Johnson Controls Official Partner of TYCO 2019  
Singapore 1000 Company Public Listed Companies 2019

2019

BOSCH Sales Excellence Award 2021  
ISO 45001:2018 Occupational Health and Safety Management System

2021

Johnson Controls Performance Excellence Award 2023  
Johnson Controls Open Globe Award 2023  
Bricomp Sales Excellent Award for Suprema Biometric and RFID access control 2022/2023  
Cisco Top SMB Partner Award 2023

2023

TP-Link Omada SMB Rising Star Partner  
ISO 22301:2019 Business Continuity Management (BCM) System (1st Surveillance)  
ISO/IEC 27001:2022 Information Security Management System (1st Surveillance)

2025

2009 Enterprise 50 Award

2011 Ultra Electronics – USSI HyperSpike Excellence in Sales Award

2013 Top 100 Singapore Excellence Award (Platinum)  
Ultra Electronics – USSI Reseller of the Year 2013

2015 MOBOTIX AG – Partner of the Year 2015  
Singapore Corporate Awards – Best Investor Relations Merit Award (First-Year Listed Companies)

2018 BOSCH Sales Excellence Award Singapore 2018  
bizSAFE Level STAR  
ISO 9001:2015 Quality Management System (latest version)  
ISO 45001:2018 Occupational Health and Safety Management System  
OHSAS 18001:2007 Occupational Health and Safety Management System

2020 RETECH Partnership Appreciation Award 2020  
ISO/IEC 27001:2013 Information Security Management System  
ISO 22301:2019 Business Continuity Management (BCM) System

2022 HDB Quality Partners Award 2022 (Service Provider Category)  
i-PRO Project Partner 2022  
SYNIX Loyal Partner Award 2022

2024 bizSAFE Level STAR (Re-certification)  
ISO 9001:2015 Quality Management System (Re-certification)  
ISO 45001:2018 Occupational Health and Safety Management System (Re-certification)  
ISO 22301:2019 Business Continuity Management (BCM) System (Re-certification)  
ISO/IEC 27001:2022 Information Security Management System (Re-certification)  
SMRT Contractors' Safety Award 2024



# PROJECT REFERENCE

## AIRPORT SURVEILLANCE SECURITY

### PROJECT OVERVIEW

IPS Securex was selected to design, install, and integrate a comprehensive security solution for an airport operator and authority, focusing on advanced aerial radar surveillance systems. The objective was to monitor the airfields and surroundings against potential security and safety threats, including wildlife activities, for airport operations. The deployment included cutting-edge radar technology and countermeasures, integrated into a unified surveillance security system.

### SCOPE OF WORK

#### 1. Multiple Radar Sensors (Doppler Radars, Thermal Cameras, Long Range Cameras)

- IPS Securex installed outdoor advanced radar sensors at specific locations in the airport, providing comprehensive coverage of the surrounding air space at the airfields and its boundaries beyond the airport buildings. These sensors are designed to operate in harsh outdoor conditions to ensure continuous scanning of the air space.

#### 2. Advanced Radar Surveillance System

- An advanced radar surveillance system was customized and integrated as a management system for information analysis and processing. This system allows the airport operator and air traffic controllers to monitor the defined air space, adding an additional layer of security against potential threats.

#### 3. Countermeasures (Acoustic Hailing Devices)

- A network of advanced acoustic hailing devices was deployed at specific locations in the airfields which can serve as both early warning systems to assist the airport operator and countermeasures for wildlife control in the natural environment surrounding the airport. These devices are remotely controlled in real-time on activation to counter the identified threats, ensuring deterrence and prevention against these threats.

### PROJECT OUTCOME

The comprehensive security solution provided by IPS Securex has significantly enhanced the airport's surveillance security infrastructure. The integration of various security systems into a unified platform has improved the airport ability to detect, deter, and respond to potential security threats. The project was completed within the stipulated timeframe, meeting all clients' specifications and expectations.





# PROJECT REFERENCE

## PORTS AND BORDERS SECURITY

### PROJECT OVERVIEW

IPS Securex was selected to design, install, and integrate a comprehensive security solution for ports and borders' authorities, focusing on advanced vehicle and cargo inspection systems. The objective was to detect and identify against potential security and safety threats, including illegal and smuggling activities, for border security. The deployment included cutting-edge scanning technology and protection, integrated into a unified inspection security system.

### SCOPE OF WORK

#### 1. Hostile Vehicle Mitigation

- o **Crash Bollards:** IPS Securex installed heavy-duty bollards to protect the inspection system and manage the incoming traffic. These bollards are designed to resist high-impact forces, providing a strong defensive barrier against potential hostile vehicle attacks.

#### 2. Optical Characteristic Recognition (OCR) System

- o An OCR system was deployed along the controlled access traffic lane, utilizing advanced sensors to detect and track all vehicles and cargoes. This system is integrated into the ISMS for immediate response and incident management.

#### 3. Advanced High Energy X-ray Scanners

- o IPS Securex installed outdoor advanced high energy X-ray scanners at designated entry points, providing controlled access for the scanning of the vehicles and cargoes. These scanners are designed to endure harsh outdoor conditions and integrate with the inspection system to ensure secured operations.

#### 4. Radiation Portal Monitors (RPM)

- o RPMs were integrated to monitor the radiation level of the vehicles and cargoes against potential radiation hazards and security threats. These monitors form a seamless operation along with the scanning process.

#### 5. Handheld Radiation Detectors and Identifiers

- o To enhance threat detection capabilities, handheld radiation detectors and identifiers were provided to allow for the secondary inspection of vehicles and cargoes, adding an additional layer of security against potential threats.

#### 6. Integrated Security Management System (ISMS)

- o An ISMS was implemented to centralize the monitoring and control of all integrated security systems for the inspection lane. This platform allows real-time information analysis, incident management, system diagnostics, and streamlined control across all security subsystems.

#### 7. Network CCTV Surveillance

- o A network of high-resolution IP cameras was deployed to monitor the inspection system. These cameras are integrated into the ISMS, providing continuous surveillance and real-time video analytics for threat detection, ensuring comprehensive visual coverage.

### PROJECT OUTCOME

*The comprehensive security solution provided by IPS Securex has significantly enhanced the ports and borders' inspection security infrastructure. The integration of various security systems into a unified platform has improved the ports and borders' ability to detect, deter, and respond to potential security threats. The project was completed within the stipulated timeframe, meeting all clients' specifications and expectations.*



# PROJECT REFERENCE

## COMMERCIAL BUILDINGS SECURITY

### PROJECT OVERVIEW

IPS Securex was selected to design, install, and integrate comprehensive security solutions for various commercial buildings, focusing on advanced technologies and integrated security systems. The objective was to safeguard the buildings against potential security threats while ensuring continuous surveillance and mass notification for the public.

### SCOPE OF WORK

#### 1. Network Public Address System (PA)

- o A network of audio speakers integrated as a PA system was deployed, providing public address and mass notification within the buildings' premises, to inform and alert the public against any potential security threats as well as general notifications.

#### 2. Integrated Security Management System (ISMS)

- o An ISMS was implemented to centralize the monitoring and control of all security systems within the buildings. This platform allows real-time incident management, system diagnostics, and streamlined communication across all security subsystems, enhancing the facility's overall security posture.

#### 3. Network Video Surveillance

- o A network of high-resolution Internet Protocol ("IP") cameras was deployed across the buildings' internal and external areas. These cameras are integrated into the ISMS, providing continuous surveillance and real-time video analytics for threat detection, ensuring comprehensive visual coverage.



# PROJECT REFERENCE

## EDUCATIONAL FACILITIES SECURITY

### PROJECT OVERVIEW

IPS Securex was selected to design, install, and integrate comprehensive security solutions for various educational facilities, focusing on advanced technologies and integrated security systems. The objective was to safeguard the facilities against potential security threats while ensuring continuous surveillance and controlled access for the educators and students.

### SCOPE OF WORK

#### 1. Network Public Address System (PA)

- o A network of audio speakers was deployed along the facilities' perimeter, providing mass notification within the facilities, to inform and alert the users of the buildings against any potential security threats.

#### 2. Integrated Security Management System (ISMS)

- o An ISMS was implemented to centralize the monitoring and control of all security systems within the facilities. This platform allows real-time incident management, system diagnostics, and streamlined communication across all security subsystems, enhancing the facility's overall security posture.

#### 3. Network Video Surveillance

- o A network of high-resolution Internet Protocol ("IP") cameras was deployed across the facilities' internal and external areas. These cameras are integrated into the ISMS, providing continuous surveillance and real-time video analytics for threat detection, ensuring comprehensive visual coverage.

#### 4. Electronic Access Control System

- o To ensure secure access to sensitive areas, IPS Securex installed an electronic access control system featuring advanced biometric technology. This system controls and monitors access points, logging all entry attempts and integrating seamlessly with the ISMS for real-time alerts and reporting.

#### 5. Wireless Panic Alarm System

- o The Wireless Panic Alarm System was deployed within the premises to provide a rapid and reliable means of summoning reinforcement in the event of an emergency. This system ensures that assistance can be triggered immediately when staff or occupants are under threat or require urgent support. Integrated into the ISMS and Mimic Panel, it enables swift response and coordinated incident management, thereby enhancing overall safety and security within the facility.



# PROJECT REFERENCE

## DATA CENTRE SECURITY

### PROJECT OVERVIEW

IPS Securex was selected to design, install, and integrate a comprehensive security solution for a leading data centre, focusing on advanced hostile vehicle mitigation and integrated security systems. The objective was to safeguard the facility against potential security threats while ensuring seamless and controlled access for authorized personnel. The deployment included cutting-edge technology and robust physical barriers, integrated into a unified security management system.

### SCOPE OF WORK

#### 1. Hostile Vehicle Mitigation

- o **Bi-Fold Crash Gate:** IPS Securex installed a heavy-duty bi-fold crash gate at the main vehicular entry point. This gate is designed to resist high-impact forces, providing a strong defensive barrier against potential hostile vehicle attacks. The gate meets stringent international standards for vehicle security.
- o **Road Blockers/Wedges:** Additional security was provided through the installation of road blockers and wedges at secondary access points. These devices are capable of rapid deployment and offer an immediate response to unauthorized vehicle entry attempts.

#### 2. Perimeter Intrusion Detection System (PIDS)

- o A PIDS was deployed along the data centre's perimeter, utilizing advanced sensors to detect and alert against any unauthorized intrusion attempts. This system is integrated into the ISMS for immediate response and incident management.

#### 3. Outdoor Full-Height Turnstile

- o IPS Securex installed outdoor full-height turnstiles at strategic entry points, providing controlled access for employees and visitors. These turnstiles are designed to endure harsh outdoor conditions and integrated with the access control system to ensure secure entry.

#### 4. Handheld Bomb Sniffer

- o To enhance threat detection capabilities, handheld bomb sniffers were provided for security personnel. These devices allow for the random inspection of vehicles and packages, adding an additional layer of security against potential threats.

#### 5. High-Security Mantrap Portals

- o High-security mantrap portals were installed at key access points to prevent unauthorized entry. These portals feature biometric verification and interlocking doors, ensuring that only one person can enter at a time, thereby eliminating the risk of tailgating.





## PROJECT REFERENCE



### DATA CENTRE SECURITY

#### 6. Integrated Security Management System (ISMS)

- o An ISMS was implemented to centralize the monitoring and control of all security systems within the data centre. This platform allows real-time incident management, system diagnostics, and streamlined communication across all security subsystems, enhancing the facility's overall security posture.

#### 7. Network Video Surveillance

- o A network of high-resolution Internet Protocol ("IP") cameras was deployed across the data centre's internal and external areas. These cameras are integrated into the ISMS, providing continuous surveillance and real-time video analytics for threat detection, ensuring comprehensive visual coverage.

#### 8. Electronic Access Control System with Face Recognition

- o To ensure secure access to sensitive areas, IPS Securex installed an electronic access control system featuring advanced face recognition technology. This system controls and monitors access points, logging all entry attempts and integrating seamlessly with the ISMS for real-time alerts and reporting.

#### 9. Intelligent Key Management System

- o The project included the deployment of an intelligent key management system to oversee the use and distribution of physical keys within the data centre. This system tracks key usage, logs transactions, and ensures that keys are only accessible to authorized personnel.

#### 10. Identity Document ("ID") Badging and Printing

- o An ID badging and printing system was implemented to manage and issue secure identification credentials for all data centre personnel. This system is integrated with the electronic access control system to regulate access and ensure that only authorized individuals can enter restricted areas.

### PROJECTS OUTCOME

*The comprehensive security solutions provided by IPS Securex have significantly enhanced the security infrastructure of the projects listed above. The integration of various security systems into a unified platform has improved the facilities' ability to detect, deter, and respond to potential security threats. The projects were completed within the agreed timeframe and budget, meeting all clients' specifications and expectations.*

# PROJECT REFERENCE

## SMART WATER PUMP MONITORING SYSTEM (SMART NATION INITIATIVE)

### PROJECT OVERVIEW

Smart water pumps have been deployed across the Residential housing estates to provide residents with a reliable and continuous supply of potable water. IPS Securex was appointed to design, install, and integrate our IoT controllers with a Cloud Device Management System for these pumps. This integration allows for real-time remote monitoring and management, supports fault detection, and enables the scheduling of pre-emptive maintenance to ensure optimal performance.

### SCOPE OF WORK

#### 1. Network Edge Controllers (4G)

IoT Smart controllers and associated control devices are deployed at each pump site, forming the local edge layer of the system architecture. These edge devices provide secure 4G connectivity and act as the communication bridge between the pumps and our Cloud Device Management System (DMS). From a technical standpoint, they enable bi-directional data exchange, real-time remote monitoring, and automated fault detection with minimal latency. From a business perspective, this setup enhances operational efficiency, reduces downtime through predictive maintenance, and lowers lifecycle costs by minimising the need for on-site interventions.

#### 2. Cloud Device Management System (DMS)

The DMS, developed by IPS Securex, is a purpose-built backend platform hosted on Microsoft Azure Virtual Machines (VMs), ensuring scalability, high availability, and enterprise-grade security. It delivers a Progressive Web Application (PWA) interface, enabling seamless access for monitoring and controlling pump operations from any device. From a technical perspective, the PWA integrates real-time telemetry, automated alerts, and fault diagnostics, while leveraging Azure's cloud infrastructure for redundancy and data integrity. From a business standpoint, the system enhances operational oversight, streamlines maintenance workflows, and reduces total cost of ownership by minimising on-site support requirements.

# PROJECT REFERENCE

## INTEGRATED ENVIRONMENTAL SERVICES AND WASTE TREATMENT PROCESS PLANT

### PROJECT OVERVIEW

Securex GS was appointed to design and install the Extra-Low Voltage (ELV) system, integrating advanced security solutions and Information and Communication Technology (ICT) infrastructure with structured cabling for both employer and security networks.

The unified platform enables real-time monitoring, strengthens safety measures, prevents unauthorised access, and enhances overall operational efficiency. The project centred on the deployment of advanced surveillance systems to monitor the facility and its surrounding areas, addressing potential security and safety threats, including unauthorised intrusions and operational hazards.

By leveraging cutting-edge detection technologies and countermeasures, fully integrated into a unified security architecture, the system significantly improves situational awareness, operational safety, and facility protection for the Integrated Waste Treatment Process Plant.

### SCOPE OF WORK

#### 1. Structured Cabling System for Employer Network (Data & Telephone)

- o A comprehensive structured cabling network was implemented to support both data and telecommunication services throughout the premises. This infrastructure delivers high-speed, reliable connectivity essential for business operations, while also forming the backbone for other integrated communication and security systems.

#### 2. Structured Cabling System for Information and Communication Technology (ICT) and Security Networks

- o A dedicated structured cabling network was deployed for the security subsystems, providing a robust, secure, and interference-free platform. This segregation of security data enhances resilience, ensures greater reliability, and strengthens network security, whilst also simplifying maintenance and supporting future scalability.

#### 3. Wireless @ SG Network

- o The Wireless@SG network infrastructure was deployed to provide seamless, high-speed wireless connectivity throughout the buildings. This system enhances public convenience whilst also supporting operational requirements for various building management and security subsystems.

#### 4. Integrated Security Management System (ISMS)

- o An ISMS was implemented to centralize the monitoring and control of all security systems within the buildings. This platform allows real-time incident management, system diagnostics, and streamlined communication across all security subsystems, enhancing the facility's overall security posture.

#### 5. Network Video Surveillance (CCTV)

- o A network of high-resolution Internet Protocol (IP) cameras was deployed across both the internal and external areas of the buildings. These cameras are fully integrated into the Integrated Security Management System (ISMS), delivering continuous surveillance and real-time video analytics for threat detection, thereby ensuring comprehensive visual coverage.

#### 6. Building Access Control (BACS) System

- o The Building Access Control (BAC) system was implemented to regulate secure entry and exit across the facilities. Leveraging card readers, biometric devices, and electronic locks, the system ensures that only authorised personnel can access restricted areas, with all activity centrally monitored through the Integrated Security Management System (ISMS).

# PROJECT REFERENCE

## INTEGRATED ENVIRONMENTAL SERVICES AND WASTE TREATMENT PROCESS PLANT

### 7. Radio Communication System (RCS)

- o A professional radio communication system was established to support reliable, instant communication among security and operations personnel. Integrated with emergency protocols, the system enables rapid coordination during critical events and daily operations.

### 8. Network Public Address System (PA)

- o The networked Emergency Voice Communication (EVC) system was integrated to provide direct, one-way communication during emergencies, ensuring that clear instructions can be delivered to occupants. This system supports safe and orderly evacuation whilst ensuring compliance with regulatory requirements for emergency preparedness and general announcements.

### 9. Emergency Call Bell System (ECB)

- o An ECB system was deployed across strategic points within the buildings to enable occupants to raise alerts quickly during emergencies. The system provides a direct link to security personnel, ensuring swift response to incidents requiring immediate attention.

### 10. Person with Disability System (PWD)

- o The PWD system was integrated to ensure accessibility and safety for persons with disabilities. Features such as assistance call points, audio/visual alerts, and accessible interfaces allow inclusive participation in emergency evacuation and daily use of facilities.

### 11. Key Management System (KMS)

- o An electronic key management system was deployed to securely store, issue, and track keys for critical areas. This ensures accountability, prevents unauthorized access, and integrates with ISMS for real-time monitoring of key usage.

### 12. Industrial TV System (ITV)

- o The Industrial Television (ITV) system was deployed to facilitate real-time monitoring, broadcast, and distribution of video footage relating to process operations and safety conditions. Strategically positioned cameras provide continuous visual oversight of critical plant areas, enabling operators to monitor production activities, detect abnormalities, and respond swiftly to operational or safety incidents. The system also supports centralised control room functions by delivering live feeds and recorded footage, enhancing situational awareness, operational efficiency, and compliance with stringent process plant safety standards.



# SUSTAINABILITY REPORT

## MESSAGE FROM OUR BOARD OF DIRECTORS

The Board of Directors (“**Board**”) of IPS Securex Holdings Limited (“**IPS Securex**” or the “**Company**” and, together with its subsidiaries, the “**Group**”) is pleased to present our Sustainability Report (“**Report**”) for the financial year ended 30 June FY2025.

This Report has been prepared in accordance with the “comply or explain” requirements under Rule 711B and Practice Note 7F of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. It is prepared with reference to the Global Reporting Initiative Standards 2021 (“**GRI Standards**”), the Task Force on Climate-related Financial Disclosures (“**TCFD**”) Recommendations, and the SGX Core ESG Metrics 2023.

The Group has adopted the GRI Standards as they are globally recognised and provide a comprehensive framework for reporting across economic, environmental, social, and governance (“**EESG**”) dimensions. Our TCFD-aligned disclosures in this Report outline our approach to identifying, assessing, and managing climate-related risks and opportunities. We are committed to progressively enhancing our climate-related disclosures to achieve full alignment with TCFD Recommendations in the coming years.

This Report covers our EESG-related initiatives undertaken during the 12-month period from 1 July 2024 to 30 June 2025 (“**Reporting Period**”) across all entities in the Group. In defining report content, we applied the four GRI content principles – materiality, stakeholder inclusiveness, sustainability context, and completeness – and ensured quality through balance, comparability, accuracy, timeliness, clarity, and reliability.

During FY2025, we conducted a formal materiality assessment and an EESG stakeholder engagement survey to identify and prioritise EESG factors most relevant to our operations and stakeholders. Based on stakeholder input, internal assessments, and Board deliberations, the following were endorsed as high-priority EESG factors:

- Climate Change Mitigation & Energy Efficiency
- Occupational Health & Safety
- Business Ethics & Anti-Corruption

Medium-priority factors include Diversity, Equity & Inclusion, Cybersecurity & Data Privacy, and Employee Well-being, while Green Procurement and Corporate Social Responsibility Programmes were identified as emerging focus areas.

The Board retains overall responsibility for overseeing these material factors, integrating them into the Group’s strategic direction and policies. Implementation of sustainability initiatives is led by key management, headed by the Operations Director, with annual progress reporting to the Board. The Board also oversees and approves the preparation of this Report in accordance with the Sustainability Reporting Policies and Procedures endorsed in FY2025.

We recognise that strong sustainability practices are essential to the long-term success of the Group. While the EESG data and information disclosed herein have been verified internally, we are considering the adoption of independent third-party assurance in future reporting cycles to further enhance transparency and credibility.

In FY2025, the Board consisting of our Independent Directors and Chairman attended the Listed Entity Director (LED) Programme – Environmental, Social and Governance Essentials Core Module conducted by the Singapore Institute of Directors (“**SID**”), as required by the SGX-ST, to strengthen our governance capability in sustainability oversight.

We remain committed to transparency, accountability, and continuous improvement in our sustainability performance. We welcome feedback from stakeholders on our sustainability initiatives, which will assist us in refining our policies, practices, and results. Please send any comments or suggestions to [investorrelations@ips-securex.com](mailto:investorrelations@ips-securex.com).

# SUSTAINABILITY REPORT

## SUSTAINABILITY GOVERNANCE

At IPS Securex, our foremost priority is safeguarding our customers and their businesses. We pursue this with unwavering dedication, bringing together stability, intelligence, and innovation in everything we do. By taking a holistic approach, we ensure that our services not only uphold the highest standards of security but also contribute meaningfully to building a more sustainable future.

To embed sustainability into our operations, we have established a clear governance framework that drives accountability at every level. This structure ensures that sustainability considerations are integrated into strategic decision-making, risk management, and day-to-day practices.

Management Level	Functions	Responsibilities
<b>Board</b>	The Board provides overall oversight and direction on sustainability. It:	<ul style="list-style-type: none"> <li>Endorses the Group's material EESG factors.</li> <li>Incorporates EESG priorities into long-term corporate strategy and enterprise risk management.</li> <li>Tracks performance against sustainability objectives, including climate-related goals.</li> <li>Reviews and approves the annual Sustainability Report prior to release.</li> </ul>
<b>Executive Leadership</b>	The Executive Leadership Team (ELT), led by the Acting CEO and supported by senior functional heads, is tasked with:	<ul style="list-style-type: none"> <li>Translating the Board's guidance into actionable strategies and initiatives.</li> <li>Ensuring compliance with frameworks such as SGX Core ESG Metrics, GRI Standards, and TCFD.</li> <li>Providing regular updates to the Board on EESG progress and outcomes.</li> </ul>
<b>Sustainability Taskforce</b>	The cross-functional Sustainability Taskforce, coordinated by the Operations Director, plays an executional role by:	<ul style="list-style-type: none"> <li>Rolling out EESG initiatives across different business units.</li> <li>Engaging stakeholders and incorporating their feedback into the materiality assessment.</li> <li>Gathering, validating, and reporting EESG performance data in line with established reporting procedures.</li> </ul>
<b>All Employees</b>	Every staff member contributes to our sustainability journey. Employees are encouraged to:	<ul style="list-style-type: none"> <li>Uphold ethical conduct and anti-corruption principles in their roles.</li> <li>Take part in company-wide programmes focused on community outreach, operational efficiency, and workplace safety.</li> <li>Share feedback during engagement exercises to refine sustainability priorities.</li> </ul>

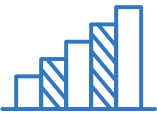



# SUSTAINABILITY REPORT

## OUR APPROACH TO SUSTAINABILITY

### STAKEHOLDERS ENGAGEMENT



We begin our sustainability journey by identifying stakeholders and material EESG factors most relevant to our business. The views and expectations of customers, suppliers, shareholders, regulators, employees, and other key partners are integral to shaping our sustainability strategies.

We engage stakeholders through formal and informal channels-such as surveys, meetings, and feedback platforms – to understand their priorities and incorporate them into our corporate decision-making. This approach fosters transparency, aligns business objectives with stakeholder needs, and builds mutually beneficial relationships.

Stakeholders	Engagement Platforms	Frequency	Key Concerns Raised	Our Responses
<b>Suppliers</b> 	Vendor assessment	Annually	<ul style="list-style-type: none"> <li>– Fair and transparent procurement</li> </ul>	<ul style="list-style-type: none"> <li>– Annual supplier evaluation exercise</li> </ul>
	Face-to-face meetings	Ongoing		
<b>Shareholders</b> 	Annual General Meeting/ Extraordinary General Meeting	Annually	<ul style="list-style-type: none"> <li>– Financial and operational performance</li> <li>– Corporate Governance</li> </ul>	<ul style="list-style-type: none"> <li>– Ensure compliance with Code of Corporate Governance</li> </ul>
	Annual Report	Annually		
	Results Announcement	Semi-Annually		
<b>Customers</b> 	Face-to-face meetings and virtual meetings	Ongoing	<ul style="list-style-type: none"> <li>– Customer Privacy</li> <li>– Quality of services</li> </ul>	<ul style="list-style-type: none"> <li>– Take steps to ensure that customer data are protected and secured</li> <li>– Collaborate with external experts to strengthen information security systems and processes</li> </ul>
	Email feedback	Ongoing		
	Customer cold calls	Ongoing		
<b>Employees</b> 	Staff appraisal	Annually	<ul style="list-style-type: none"> <li>– Equal employment opportunity</li> <li>– Workplace safety and health</li> <li>– Training and education opportunities</li> </ul>	<ul style="list-style-type: none"> <li>– Equal Opportunities Policy in place to ensure fair hiring and employment practices</li> <li>– Ensure a safe and healthy workforce through strict set of workplace health, safety policies</li> <li>– Provide career development programmes to employees</li> </ul>
	Training programs and courses	As required		
	Staff bonding sessions	As required		



# SUSTAINABILITY REPORT

Stakeholders	Engagement Platforms	Frequency	Key Concerns Raised	Our Responses
<b>Board</b> 	Board meetings	Semi-Annually	<ul style="list-style-type: none"> <li>Financial sustainability</li> <li>Regular updates on operational activities</li> <li>Sustainability efforts</li> </ul>	<ul style="list-style-type: none"> <li>Aim to deliver long-term profitability to its shareholders through financial sustainability</li> <li>Conduct regular meeting to communicate business strategy</li> </ul>
	Board circulation via e-mails	Semi-Annually		
	Board papers	Semi-Annually		
<b>Regulators</b> 	SGX Announcements Annual report	As required	<ul style="list-style-type: none"> <li>Ensuring full compliance with regulations</li> </ul>	<ul style="list-style-type: none"> <li>Strictly adhere to laws and regulations</li> </ul>

## MATERIALITY ASSESSMENT

01

### IDENTIFICATION

Identification of the EESG factors that are of relevance to the Group's activities based on the list of 27 factors on the SGX Core ESG Metrics

02

### PRIORITISATION

Prioritisation of the EESG factors that are deemed material based on their relative importance to the Group and stakeholders

03

### VALIDATION

Validation of the completeness of material EESG factors identified to finalise the sustainability report content

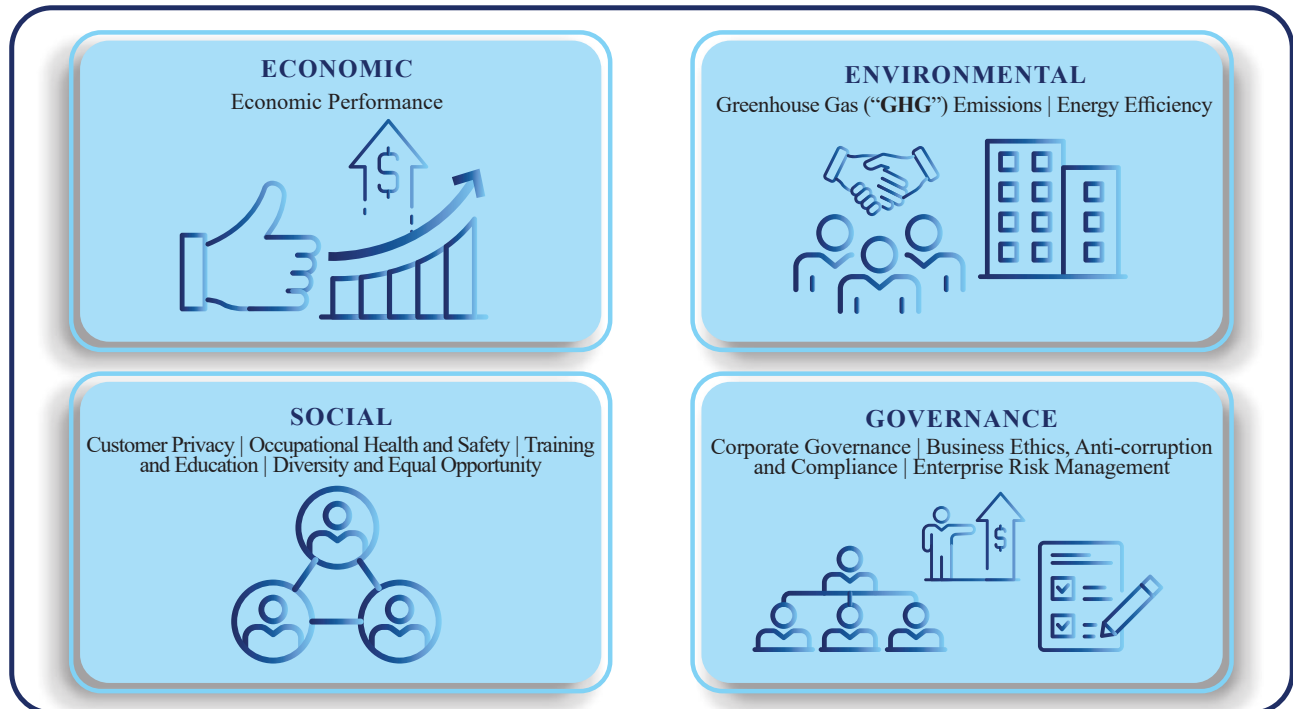
04

### REVIEW

Review focuses on the material factors in previous reporting period and also considers stakeholder's feedback, changing business landscape and emerging trends

# SUSTAINABILITY REPORT

Guided by the GRI Standards, our materiality assessment considers both the potential impact of these factors on our business and their significance to stakeholders. Our review reaffirmed the following material EESG factors, which continue to be most relevant to IPS Securex's operations and stakeholder interests:



In FY2025, we strengthened this process by conducting a formal **EESG Stakeholder Engagement Survey** with customers, employees, suppliers, investors, sponsors and our Board of Directors.

The survey confirmed that the above EESG factors remain material. Stakeholders highlighted particular priorities such as:

- Stronger actions on **GHG reduction and energy efficiency**;
- Enhanced focus on **diversity, equity and inclusion (DEI)**, alongside employee well-being;
- Reinforcement of **business ethics, anti-corruption and governance frameworks**.

# SUSTAINABILITY REPORT

## SUSTAINABILITY COMMITMENTS

In FY2024, we established sustainability performance targets across three horizons: short-term (2025), medium-term (2030), and long-term (2050). These targets provide a clear framework to guide our management of sustainability-related risks and opportunities.

From FY2025 onwards, we will track our progress against these benchmarks, enabling year-on-year comparisons and continuous improvement of our sustainability measures. This structured approach ensures accountability, strengthens resilience, and positions IPS Securex to meet evolving stakeholder and regulatory expectations.

Pillars	EESG Factors	FY2025 Sustainability Performance/Initiative	Short Term Target	Medium Term Target	Long Term Target
<b>ECONOMIC</b>	Economic Performance	Refer to Annual Report for FY2025.	To ensure sustainable cash flow and earnings before interest, taxes, depreciation and amortisation EBITDA for continuous growth.		
<b>ENVIRONMENTAL</b>	Greenhouse Gas (GHG) Emissions	Commenced tracking of Scope 1 & 2 emissions (fleet fuel, office electricity). Explored transition to EV fleet.	Adopt use of renewable energy sources and equipment/vehicles with lower emissions.	(by 2030): Reduce GHG emission levels and emission intensities by 20% (from base year 2023).  Track Scope 3 emissions  Disclose more categories under Scope 3 emissions.	(by 2050): Reduce GHG emission levels and emission intensities by 50% (from base year 2023).  Perform scenario analysis with more quantitative outcomes.
	Energy Efficiency	Rolled out office energy saving measures (LED lighting, auto-off policies).	We will continue to enhance our disclosures on the implementation of our plans to reach net zero emissions by 2050.  Adopt the use of energy efficient features and fittings.	Reduce electricity consumption and intensities by 10%.  Launch initiatives to install solar panels.	To enforce green energy to be part of the Net Zero Carbon Emission 2050 roadmap.  Achieve 80% of features and fitting that are energy efficient and environmentally friendly.



# SUSTAINABILITY REPORT

Pillars	EESG Factors	FY2025 Sustainability Performance/Initiative	Short Term Target	Medium Term Target	Long Term Target
SOCIAL	Customer Privacy	Strengthened IT systems, enhanced penetration testing, and trained staff on phishing risks	We aim to achieve zero complaints of breaches of customer privacy and losses of customer data.		
	Occupational Health and Safety	Successfully maintained a zero-incident workplace in FY2025.	We aim to maintain a zero-incident workplace environment.  Maintain zero incidents of non-compliance with health and safety laws, as well as regulations concerning the health and safety of our operations.		
	Training and Education	In FY2025, employees clocked a total of 614.5 training hours, averaging approximately 11 hours per employee.	The Company aims to continue investing and developing its workforce by organising further courses, trainings and seminars for everyone.  Offer internal and external trainings that are beneficial to the development and career progression of our employees at all levels.		
	Diversity and Equal Opportunity	As at 30 June 2025, our Group employed 57 full-time staff supporting operations across all business units.	Going forward, we strive to have a more diverse workplace in terms of gender, nationality and age group and provide an equal opportunity for all employees.  Improve employee recruitment and retention.  Increase ratio of local workers.		

# SUSTAINABILITY REPORT

Pillars	EESG Factors	FY2025 Sustainability Performance/Initiative	Short Term Target	Medium Term Target	Long Term Target
GOVERNANCE	Corporate Governance	We achieved the targets set for the year, including zero workplace incidents and zero breaches of company policies.	We also strive to maintain our compliance in environmental rules and regulations, anti-competitive practices and the Workplace Safety and Health Act in the long run.		
	Business Ethics, Anti-corruption and Compliance	There were no significant fines or non-monetary sanctions for non-compliance with laws and regulations, and no reported cases of corruption.	We endeavour to maintain this compliance and zero incident record for the upcoming year. We will also ensure that regular communication and training about anti-corruption will be conducted for the upcoming year.		
	Enterprise Risk Management	As part of our annual Enterprise Risk Management (ERM) exercise, EESG risks are systematically identified, assessed, and managed alongside other business risks to ensure they remain within the Group's risk appetite.	The Board is committed to ensuring that the Group has an effective and practical enterprise risk management ("ERM") framework in place to safeguard Shareholders' interests, and the sustainability of the Group as well as provide a basis to make informed decisions having regard to the risk exposure of the Group.		

## ECONOMIC

### ECONOMIC PERFORMANCE

IPS Securex recognises that financial sustainability is essential to long-term success. We are committed to upholding the highest standards of corporate governance, ensuring transparency, accountability, and integrity in all aspects of our business.

Our guiding principle is that enduring profitability and shareholder value can only be achieved when we consider the interests of all stakeholders-including shareholders, employees, customers, suppliers, business partners, and the wider community. This balanced approach enables us to create sustainable value while building trust and resilience across our operations.

For a detailed review of our financial performance in FY2025, please refer to the following sections of our Annual Report:

- Financial Highlights, page 8
- Financial and Operations Review, pages 9 to 11
- Financial Statements, pages 80 to 111

# SUSTAINABILITY REPORT

## TCFD REPORT

### Governance Structure

The Board holds overall responsibility for the Group's sustainability strategy, including oversight of climate-related risks and opportunities. Climate considerations are regularly evaluated as part of the Group's comprehensive risk management framework, ensuring that potential impacts are identified, assessed, and addressed in a timely manner. The Board also approves the Group's material EESG factors and sets climate-related metrics and targets, maintaining accountability and alignment with stakeholder expectations.

### Strategy

Our climate strategy is to build a resilient, future-ready business that can thrive in a low-carbon economy. We adopt a systematic approach to identifying, assessing, prioritising, mitigating, and monitoring both physical and transition risks arising from climate change. At the same time, we aim to capture opportunities presented by the global shift toward decarbonisation, in line with Singapore's Green Plan 2030 and the international goal of achieving net-zero emissions by 2050. As the landscape evolves, our strategy will continue to mature, guided by deepening insights into climate science, regulation, and stakeholder needs.

### Scenario Analysis

To assess the impact of climate change on our business, we have performed scenario analysis to review the risks and opportunities under two specific climate scenarios. In the first scenario aligned to the Paris Agreement, we assessed transition risks in a scenario where the rise in global temperatures is limited to an average of well below 2°C above pre-industrial levels by the end of the century. In the second no mitigation scenario, we assessed physical risks by selecting a stressed physical scenario which assumes limited policy changes are implemented to curb the current volume of emissions, resulting in an increase of 4°C in average global temperatures within the same time frame.

Scenario	Paris Agreement-aligned scenario (below 2°C)	No mitigation scenario (4°C)
<b>Rationale</b>	We selected this scenario to assess the transition impacts in an economy shifting to a low carbon world. It reflects actions required to limit global warming within the century to under 2°C.	We selected this scenario to assess our physical risk under a high-emission scenario, consistent with a future with limited policy changes to reduce emissions.
<b>Underlying model</b>	International Energy Agency's Sustainable Development Scenario	Intergovernmental Panel on Climate Change ("IPCC") Representative Concentration Pathway 8.5
<b>Used to analyse</b>	Transition impacts	Physical impacts
<b>Assumptions</b>	Transition features: <ul style="list-style-type: none"> <li>• Carbon tax introduced</li> <li>• Fossil fuel subsidies phased out by 2050 in net-importers and by 2035 in net-exporters</li> <li>• Increased generation from renewable energy</li> </ul>	Physical features: <ul style="list-style-type: none"> <li>• Global emissions continue to rise because of high carbon intensity</li> <li>• Global mean sea level rise of 0.63 metres by year 2100</li> <li>• High frequency and intensity of heat waves and extreme precipitation events</li> </ul>



# SUSTAINABILITY REPORT

## Climate-related Risks and Opportunities

Taking into consideration the above scenarios, we have identified the following risks/opportunities and their impact on our business should the above scenarios materialise:

Climate-related Risks	
Risk Type	Impact
<b>Physical Risks</b>	
Acute: Increased severity of extreme weather events such as frequent flooding	<ul style="list-style-type: none"> <li>• Prolonged project timeline</li> <li>• Increased insurance premiums</li> <li>• Reduced revenue from lower sales output</li> </ul>
Chronic: Rising mean temperatures	<ul style="list-style-type: none"> <li>• Increased thermal stress and a health risk for our employees working on projects which require prolonged outdoor working</li> <li>• Lower work productivity</li> </ul>
<b>Transition Risks</b>	
Policy and Legal	<ul style="list-style-type: none"> <li>• Increased compliance costs and the operation costs</li> <li>• Increased insurance premiums</li> </ul>
Technology	<ul style="list-style-type: none"> <li>• Capital investments into technology development</li> <li>• Cost of adoption</li> <li>• Increased write-offs and early retirement of existing assets</li> <li>• Reduced demand for services</li> </ul>
Market	<ul style="list-style-type: none"> <li>• Shifts in energy costs</li> <li>• Changing client preferences such as demand for smart building facilities and green real estate could affect the yield of projects</li> <li>• Inability to meet customers' sustainability expectations could make our services less attractive</li> </ul>
Reputation	<ul style="list-style-type: none"> <li>• Reduced revenue from negative image</li> <li>• Reduction in capital availability</li> </ul>
<b>Climate-Related Opportunities</b>	
Resource Efficiency	<ul style="list-style-type: none"> <li>• Enhancing energy efficiency in our operations can reduce costs</li> </ul>
Energy Sources	<ul style="list-style-type: none"> <li>• Reduced exposure to fossil fuel price increase</li> <li>• Returns on investment in low emission technology</li> <li>• Increased energy resilience</li> </ul>
Products and Services	<ul style="list-style-type: none"> <li>• Enhanced competitiveness</li> <li>• Offerings with sustainable designs can attract clients looking for smart building and facility services</li> </ul>

# SUSTAINABILITY REPORT

The table below illustrates our key mitigation strategies for material risks:

Climate-related Risks	
Risk Type	Mitigating Measures
<b>Physical Risks</b>	
Acute: Increased severity of extreme weather events such as frequent flooding	<ul style="list-style-type: none"> <li>• Business continuity plan and crisis management plan</li> <li>• Develop climate-resilient policies and procedures as well as integrate them as a part of risk management</li> <li>• Conduct stress-test total exposure against projected climate hazards</li> </ul>
Chronic: Rising mean temperatures	<ul style="list-style-type: none"> <li>• Shorten exposure time and use frequent rest breaks for onsite workers</li> <li>• Provide a better indoor environmental quality for our employees</li> </ul>
<b>Transition Risks</b>	
Policy and Legal	<ul style="list-style-type: none"> <li>• Use of sustainable materials and technologies that are compliant with laws and regulations</li> <li>• Adoption of renewable energy</li> </ul>
Technology	<ul style="list-style-type: none"> <li>• Switch to low-emission technologies</li> </ul>
Market	<ul style="list-style-type: none"> <li>• Prioritise the reduction of emissions and pollutions in our value chain</li> <li>• Leverage on opportunities to develop new markets</li> </ul>
Reputation	<ul style="list-style-type: none"> <li>• Work closely with stakeholders to promote environmental-friendly practices in value chain</li> </ul>

## ENVIRONMENTAL

Climate change such as rising global temperatures can lead to extreme weather conditions such as floods, heatwaves, and rising sea levels which can both directly and indirectly affect business supply chains, environmental ecosystems, as well as social well-being.

The Group seeks to contribute to the global efforts to combat climate change by reducing our GHG emissions and developing strategies to enhance our climate resilience across our business division. To achieve this, we have performed a comprehensive assessment to understand the potential climate related risks and opportunities, and their impacts on our business.

Even though the environmental impact of our office activities is relatively immaterial, we believe it is important to instil values of environmental stewardship in our people. Promoting a paperless environment culture, whereby documents should only be printed if necessary and required. We also stress the importance of ensuring that all devices are turned off or in sleep mode before the last person leaves the office. By regularly engaging our staff on environmental issues, we hope to be environmentally conscious in everything that we do.

### GHG Emissions & Energy Efficiency

The Group's greenhouse gas (GHG) emissions primarily stem from electricity consumption and fuel usage in our operations, with transportation activities remaining a significant contributor.

We closely track our GHG emissions and disclose Scope 1 direct emissions, as well as Scope 2 and 3 indirect emissions, in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) and the GRI Standards.

### Scope 1 Emissions

At our office premises, air-conditioning systems using R410A refrigerants contribute to emissions, while diesel-powered vehicles account for the majority of Scope 1 output. Combustion of fossil fuels releases GHGs that intensify global warming, reduce air quality, and pose public health risks.

# SUSTAINABILITY REPORT

To address these impacts, our fleet of light goods vehicles is maintained regularly for optimal efficiency and designed to meet Euro V Emission Standards. At the same time, we are advancing our transition to cleaner mobility by progressively phasing out diesel vehicles and introducing electric vans.

In FY2025, the Group operated a mixed fleet comprising one diesel vehicle and two electric vans. This transition year resulted in total GHG emissions of 12.21 tCO<sub>2</sub>e, down from 14.17 tCO<sub>2</sub>e in FY2024 and 18.19 tCO<sub>2</sub>e in FY2023. Our emissions intensity improved further to 0.22 tCO<sub>2</sub>e per employee, compared with 0.27 in FY2024 and 0.40 in FY2023. These reductions underscore the effectiveness of our electrification efforts and our commitment to lowering the environmental footprint of our operations.

Fuel Consumption and Scope 1 Emissions	FY2025	FY2024	FY2023
Diesel Consumed (L)	2,823	2,980	4,978
Diesel Van CO <sub>2</sub> Emissions (tCO <sub>2</sub> e)	8.37	8.17	13.65
Electric Vehicles – CO <sub>2</sub> Emissions (tCO <sub>2</sub> e)	4.02	5.74	4.29
Office Air-Conditioning – CO <sub>2</sub> Emissions (tCO <sub>2</sub> e)	0.25	0.25	0.25
Total GHG Emissions (tCO <sub>2</sub> e) <sup>1</sup>	12.21	14.17	18.19
Number of employees <sup>2</sup>	57	53	46
GHG Emissions Intensity (tCO <sub>2</sub> e/employee)	0.22	0.27	0.4

<sup>1</sup> Emission factors and global warming potential used in computation of GHG emissions are derived from the following:

- Office Air-Conditioning – Emission factors for GHG reporting from UK Department for Business, Energy & Industrial Strategy (BEIS) [2023]
- Diesel Van – Mobile Combustion for Diesel Vehicle Type of Industrial/Commercial Equipment from US EPA – United States [2023]
- Electric Vehicles – Calculated Emissions based on the manufacturer's specifications of the Electric Vehicle

<sup>2</sup> Total number of employees as at 30 June.

## Scope 2 Emissions

The Group's Scope 2 emissions arise from the consumption of purchased electricity, which in Singapore is largely generated from fossil fuels. Electricity remains essential to our operations, powering office facilities and supporting daily business activities.

We continue to focus on improving energy efficiency and minimising unnecessary usage through the following measures:

- Switching off appliances and equipment when not in use;
- Installing motion-sensor lighting systems;
- Conducting regular maintenance of equipment to optimise efficiency; and
- Purchasing only energy-efficient appliances, such as LED lighting, air-conditioning systems, and refrigerators rated with at least 4 ticks under the NEA Energy Label.

# SUSTAINABILITY REPORT

In FY2025, the Group's total electricity consumption was 94,029 kWh, resulting in 41.53 tCO<sub>2</sub>e of emissions. This represents a slight reduction from 42.28 tCO<sub>2</sub>e in FY2024, despite higher operational demands compared to prior years. With a workforce of 57 employees as at 30 June 2025, emissions intensity improved to 0.73 tCO<sub>2</sub>e per employee, down from 0.80 in FY2024. This demonstrates the effectiveness of our ongoing efficiency measures in managing energy use and limiting our environmental footprint.

Electricity Consumption and Scope 2 Emissions	FY2025	FY2024	FY2023
Office premises – Electricity Consumed (kWh)	92,733.90	101,445.54	81,357.33
Total GHG Emissions (tCO <sub>2</sub> e) <sup>3</sup>	41.5276	42.2829	33.9096
Number of employees <sup>4</sup>	57	53	46
Energy Intensity (kWh/per employee)	1,649.63	1,914.07	1,768.64
GHG Emissions Intensity (tCO <sub>2</sub> e/employee)	0.7286	0.7978	0.7372

<sup>3</sup> GHG emissions from purchased electricity are calculated using the average emissions factor published by the Energy Market Authority (EMA)

<sup>4</sup> Total number of employees as at 30 June of each financial year.

## Scope 3 Emissions

Scope 3 emissions constitute the broadest category of greenhouse gas emissions, encompassing all indirect emissions across the Group's value chain. These emissions extend beyond the Group's direct operational activities and stem from external factors that indirectly influence its carbon footprint. Managing scope 3 emissions presents unique challenges due to their diverse and extensive nature.

Scope 3 emissions are inherently complex to track and manage compared to Scope 1 and Scope 2 emissions. They are influenced by numerous external entities, necessitating data collection from multiple sources for thorough assessment. Despite the challenges, addressing Scope 3 emissions are crucial for gaining a comprehensive understanding of the Group's environmental impact and carbon footprint. We have started our journey in FY2024 in the following categories:

Scope 3 Category	Scope 3 Emissions (tCO <sub>2</sub> e)	FY2025	FY2024
6	Business travelling by air	18.558	11.708
7	Employees commute	40.281	39.2425
	Total Scope 3 emissions <sup>5</sup>	58.839	50.9505
	Number of employees <sup>6</sup>	57	53
	GHG Intensity (tCO <sub>2</sub> e/employee)	1.032	0.9613

<sup>5</sup> Emission factors and global warming potential used in computation of GHG emissions are derived from the following: Business travelling by air

i) Commodity All Other Transit and Ground Passenger Transportation Without Margins – United States Environmental Protection Agency, Supply Chain Greenhouse Gas Emission Factors by NAICS – United States [2019]

Employee Commute

i) Business Travel Land Bus Local Bus (Not London) – BEIS – United Kingdom [2023]

ii) Passenger Vehicle Cars (By Size) Average Car Petrol V2 – BEIS – United Kingdom [2023]

iii) Passenger Vehicle Motorbike Average V2 – BEIS – United Kingdom [2023]

iv) Business Travel Land Rail National Rail – Land Transport Authority – Singapore [2023]

v) Passenger Vehicle Cars (By Size) Average Car Hybrid – BEIS – United Kingdom [2023]

<sup>6</sup> Total number of employees as at 30 June of each financial year.



# SUSTAINABILITY REPORT

## SOCIAL

We recognise that the nature of the security industry, and the range of products and services IPS Securex provides, play a vital role in contributing to society. Our solutions support personal security, law enforcement, and business resilience by harnessing advanced technology to safeguard people and assets. Our offerings span two core segments: Homeland Security and General Security.

At IPS Securex, we believe every life is valuable. Our Homeland Security segment is built on this conviction, with a strong emphasis on non-lethal countermeasures. These solutions are not merely alternatives to conventional options but are often more relevant, effective, and scalable for law enforcement agencies. By equipping officers with non-lethal systems, we help to minimise unnecessary loss of life and collateral damage, while enhancing the operational capability of law enforcers to manage security challenges responsibly.

In FY2025, our General Security segment made a meaningful societal contribution through a major project to design, supply, and install integrated security systems in schools. These include a three-in-one solution that combines access control, CCTV, and intrusion detection technologies, aimed at strengthening the safety and resilience of school environments. By adopting an integrated approach, we enhance protection for students and staff while helping schools optimise resources and reduce reliance on traditional, manpower-intensive monitoring methods.

Through these initiatives, IPS Securex contributes to safer communities, supports public institutions such as schools and law enforcement agencies, and delivers value-creating innovations that serve both people and society.

## CUSTOMER PRIVACY

The Board affirms that cybersecurity and data privacy are fundamental to protecting the Group's integrity and maintaining stakeholder trust. Safeguarding the information of our customers, suppliers, business partners, and employees is central to our operations. IPS Securex enforces strict data governance protocols, with access to personal data restricted to authorised personnel on a need-to-know basis.

In FY2024, the Group experienced one incident of customer privacy breach and data loss (FY2023: Nil) following a ransomware attack announced on 2 January 2024. Subsequent investigations with the support of external cybersecurity specialists confirmed, on 31 January 2024, that certain data had been leaked. The Group promptly notified affected parties and undertook a comprehensive review of systems and processes to address vulnerabilities and strengthen defences.

In FY2025, no breaches of customer privacy or data loss were reported. This improvement reflects the successful implementation of enhanced cybersecurity measures, including tighter access controls, ongoing vulnerability testing, employee awareness training, and reinforced incident response protocols.

IPS Securex remains committed to continuous improvement in data protection and cyber resilience, recognising that strong privacy safeguards are essential to sustaining trust with stakeholders and aligning with our material EESG focus on Cybersecurity and Data Privacy.

## OCCUPATIONAL HEALTH AND SAFETY

Our people are the foundation of IPS Securex, and their safety and well-being are our top priorities. We are committed to achieving a zero-incident workplace and have embedded occupational health and safety (OHS) into our daily operations through structured policies, strict compliance with standards, and continuous improvement.

We maintain a comprehensive set of workplace health, safety, and security policies supported by a risk management manual. These cover hazard identification, risk evaluation, and implementation of appropriate controls to minimise risks. Our Incident Investigation process ensures that all accidents, near-misses, and non-conformances are thoroughly investigated, with root causes addressed and corrective actions implemented to prevent recurrence.

To strengthen resilience, IPS Securex provides insurance coverage above statutory requirements, including hospitalisation, personal accident, and travel insurance for staff, alongside term life policies for key employees.

## Certifications and External Recognition

- **ISO 45001:2018** – Recertified by Guardian Independent Certification (GIC), valid until April 2027.
- **bizSAFE Level Star** – Awarded by the Workplace Safety and Health Council, recognising our robust Workplace Safety and Health Management System.

# SUSTAINABILITY REPORT

## FY2025 Performance

We are pleased to report that in FY2025, IPS Securex recorded zero workplace incidents, maintaining our track record of a safe workplace (FY2024: Zero; FY2023: Zero).

Additionally, during the **2025 ISO Surveillance Audit**:

- **ISO 45001:2018 (Occupational Health & Safety)** – Audit conducted on 12 March 2025, with 0 major non-conformities, 0 minor non-conformities, and 3 potential improvement areas (PIAs) identified.
- The findings confirm that our OHS management system is sound, with opportunities to further strengthen hazard identification processes and proactive safety engagement.

Building on the progress achieved in FY2025, IPS Securex will continue to refine its approach to workplace safety by strengthening employee training and awareness programmes, deepening proactive risk assessments, and enhancing engagement with staff to nurture a strong safety culture. We will also act on the potential improvement areas highlighted in the recent ISO audit to further embed preventive measures and hazard controls into daily operations. With these ongoing efforts, IPS Securex remains fully committed to sustaining its zero-incident workplace objective while continuously improving its occupational health and safety performance.

## TRAINING AND EDUCATION

IPS Securex believes in investing in the continuous development of our employees to enable them to meet evolving business needs while realising their individual career potential. Career development programmes are tailored to employees' needs and goals, with managers assessing performance and supporting learning through targeted training plans. Regular appraisals provide a platform for two-way communication, enabling employees and managers to evaluate progress, identify areas for improvement, and plan for future growth.

In FY2025, employees clocked a total of 614.5 hours of training, compared to 884 hours in FY2024 and 1,067 hours in FY2023. This translates to an average of 11 training hours per employee (FY2024: 17 hours; FY2023: 20 hours). While training hours were lower in FY2025, the Group remains committed to strengthening learning opportunities and embedding EESG awareness, digitalisation, and operational excellence into its training framework.

Average Training Hours Per Employee	FY2025	FY2024	FY2023
<b>Gender</b>			
Male	40	20	6
Female	16	5	24
<b>Employee Category</b>			
Management	17	8	18
Non-Management	39	20	21

**Note:** In FY2025, training hours were more evenly distributed across gender and employee categories, reflecting a consistent approach to workforce development.

Looking forward, IPS Securex will continue to invest in capability building through structured training, workshops, and seminars, with a focus on strengthening technical expertise, digital transformation, and sustainability-related competencies.

## DIVERSITY AND EQUAL OPPORTUNITY

At IPS Securex, we are committed to fostering a fair, inclusive, and respectful workplace where every employee is valued and empowered to reach their potential. Our Equal Opportunities Policy ensures that no employee is discriminated against on the grounds of gender, sexual orientation, marital status, nationality, ethnic origin, race, religion, age, or disability. This commitment applies across all aspects of employment, including recruitment, training, career progression, performance evaluation, promotion, and termination. Employment and advancement within the Group are based solely on personal merit, qualifications, and ability.

All employees share the responsibility of upholding these principles, and IPS Securex maintains a zero-tolerance approach towards discriminatory behaviour. Any actions that contravene our Equal Opportunities Policy, or encourage others to do so, are treated as misconduct and subject to disciplinary action.

# SUSTAINABILITY REPORT

Beyond compliance with legislation, IPS Securex strives to cultivate a workplace culture where diversity, equity, and inclusion (DEI) are actively embraced. We believe that diverse perspectives enrich decision-making, strengthen collaboration, and drive innovation. By encouraging inclusiveness and respecting differences, we aim to build a work environment where all individuals can thrive, free from bias or discrimination.

## – BOARD DIVERSITY

We value a diverse workforce. We firmly believe that a Board comprising members with different backgrounds, experiences, and perspectives is essential for the growth and success of IPS Securex. We maintain a board diversity policy that addresses gender, skills and experience, and any other relevant aspects of diversity.

All Board appointments are made based on different aspects of diversity, which includes the skills, experience, independence, gender and knowledge which the Board as a whole requires to be effective.

Board Diversity	FY2025	FY2024	FY2023
<b>By Gender</b>			
Male	67%	100%	100%
Female	33%	0%	0%
<b>By Age Group</b>			
< 30 Years Old	0%	0%	0%
30 – 50 Years Old	33%	25%	25%
> 50 Years Old	67%	75%	75%
<b>By Nationality</b>			
Singaporean	100%	100%	100%

## – EMPLOYEE DIVERSITY

As of 30 June 2025, our headcount was distributed as follows:

Employee Diversity	FY2025		FY2024		FY2023	
	Managerial	Non-managerial	Managerial	Non-managerial	Managerial	Non-managerial
<b>Current Employee By Gender</b>						
Male	23.21%	51.79%	22.64%	54.72%	23.91%	47.83%
Female	7.14%	17.86%	7.55%	15.09%	8.70%	19.57%
<b>New Hire By Gender</b>						
Male	1.79%	5.36%	0.00%	0.00%	0.00%	4.35%
Female	0.00%	1.79%	0.00%	1.89%	0.00%	2.17%
<b>Current Employee By Age Group</b>						
< 30 Years Old	0.00%	7.14%	0.00%	5.66%	0.00%	8.70%
30 – 50 Years Old	23.21%	53.57%	22.64%	52.83%	26.09%	47.83%
>50 Years Old	7.14%	8.93%	7.55%	11.32%	6.52%	10.87%
<b>New Hire By Age Group</b>						
< 30 Years Old	0.00%	3.57%	0.00%	0.00%	0.00%	0.00%
30 – 50 Years Old	1.79%	3.57%	0.00%	0.00%	0.00%	4.35%
>50 Years Old	0.00%	0.00%	0.00%	1.89%	0.00%	2.17%
<b>Turnover By Gender</b>						
Male	1.79%	12.50%	0.00%	0.00%	0.00%	4.35%
Female	1.79%	5.36%	0.00%	1.89%	0.00%	2.17%
<b>Turnover By Age Group</b>						
< 30 Years Old	0.00%	1.79%	0.00%	0.00%	0.00%	0.00%
30 – 50 Years Old	1.79%	12.50%	0.00%	0.00%	0.00%	4.35%
>50 Years Old	1.79%	3.57%	0.00%	1.89%	0.00%	2.17%
<b>Total Turnover</b>	3.58%	17.86%	0.00%	1.89%	0.00%	6.52%

# SUSTAINABILITY REPORT

Employee Diversity	FY2025		FY2024		FY2023	
	Managerial	Non-managerial	Managerial	Non-managerial	Managerial	Non-managerial
<b>By Nationality</b>						
Singaporean	23.21%	51.79%	24.53%	45.28%	23.91%	47.83%
Malaysian	3.57%	8.93%	3.77%	7.55%	6.52%	2.17%
Indian	0.00%	12.50%	0.00%	11.32%	0.00%	8.70%
Filipino	1.79%	1.79%	1.89%	0.00%	2.17%	0.00%
Others	1.79%	0.00%	0.00%	5.66%	0.00%	8.70%

As of 30 June 2025, the Group employed 57 full-time staff across our operations (FY2024: 56; FY2023: 46). While the overall workforce size has remained relatively stable, we continue to focus on building a workplace that reflects diversity across gender, nationality, and age groups. We are committed to ensuring equal opportunities in recruitment, career development, and progression, and will further strengthen initiatives that foster an inclusive, fair, and supportive environment for all employees.

## MEMBERSHIP OF ASSOCIATIONS

IPS Securex is an active member of key industry associations that provide platforms for collaboration, advocacy, and the advancement of industry standards.

- **Singapore Business Federation (SBF):** As the apex business chamber, SBF represents more than 29,000 companies and plays a pivotal role in championing the interests of the Singapore business community in areas such as trade, investment, and industrial relations.
- **Security Systems Association of Singapore (SSAS):** Established in 1995, SSAS serves as the leading body supporting the electronic security industry in Singapore. The association promotes high standards of professionalism, integrity, and excellence among its members, while fostering innovation and growth in the provision of security products and services.

In addition to these memberships, IPS Securex actively contributes to the wider community through Corporate Social Responsibility (CSR) initiatives. In June 2025, our volunteers participated in a *Kopi Session* with seniors from SPD @ Canberra's Day Care programme, held at Bukit Canberra Hawker Centre. SPD, formerly known as the Society for the Physically Disabled, is a Singapore charity dedicated to empowering people with disabilities to live independently and integrate into society. The event provided meaningful companionship to elderly participants, many of whom face mobility or cognitive challenges, and reflects our commitment to inclusivity, intergenerational connection, and support for local community initiatives.



## GOVERNANCE

Strong governance is the cornerstone of building a sustainable business. Managing environmental and social challenges is an ongoing responsibility, and IPS Securex has embedded these considerations into our business model. Across the Group, we have put in place sustainable and responsible policies, practices, and performance monitoring to ensure accountability and continuous improvement. We remain committed to delivering high-quality services that meet the stringent safety, health, and environmental standards required by our customers and regulators.

At the heart of our philosophy is the belief that every life matters. In line with this, our Homeland Security segment focuses on providing non-lethal countermeasures that are safer, more effective, and adaptable in application compared to conventional lethal solutions. Beyond our operations, IPS Securex enforces fair labour practices across the value chain, including with our suppliers, while investing in continuous training and professional development for our employees. This emphasis on people and skills directly strengthens the quality and reliability of our services.

We also value the strong relationships we have built with our customers, suppliers, stakeholders, and the wider community. These partnerships have enabled us to navigate challenges and build resilience over the years. We believe that in the long term, these efforts will not only reinforce stakeholder trust but also translate into positive contributions to the Group's economic performance.



# SUSTAINABILITY REPORT

For FY2025, we are pleased to report that we once again achieved our targets of zero workplace incidents, zero breaches of policies, and no significant fines or sanctions for non-compliance with laws and regulations (FY2024: zero incidents and breaches). We also maintained full compliance with environmental requirements, anti-competitive practice standards, and the Workplace Safety and Health Act, underscoring our ongoing commitment to integrity, safety, and sustainability.

## ENTERPRISE RISK MANAGEMENT

The Board remains committed to maintaining a robust and practical enterprise risk management (“ERM”) framework that safeguards shareholders’ interests, supports the Group’s long-term sustainability, and enables informed decision-making in light of the Group’s risk exposure. For detailed disclosure on our ERM framework, please refer to pages 58 to 59 of our FY2025 Annual Report.

As part of our annual ERM exercise, environmental, employee, social, and governance (“EESG”) risks are identified, assessed, and managed alongside other business risks. This integration ensures that material EESG risks are systematically monitored and addressed within the Group’s established risk appetite, reinforcing our commitment to resilience and sustainable growth.

## WHISTLEBLOWING POLICY

The Group has established a Whistleblowing Policy to provide accessible and confidential channels for employees and external parties to report any concerns regarding potential improprieties, including matters related to financial reporting, internal controls, or other forms of misconduct. The policy is designed to ensure that:

- i. Independent investigations are carried out in an appropriate and timely manner;
- ii. Corrective actions are taken to address weaknesses in internal controls and policies, preventing recurrence of fraud and/or misconduct; and
- iii. Administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, fair and reasonable, while providing reassurance that employees will be protected from reprisals or victimisation for whistleblowing in good faith and without malice.

As of the date of this Annual Report, no reports were received through the whistleblowing mechanism.

## BUSINESS ETHICS, ANTI-CORRUPTION & COMPLIANCE

The Group adopts a zero-tolerance stance towards corruption in any form, a position that is clearly communicated to all employees, customers, suppliers, and business partners. We have established dedicated and confidential whistleblowing channels via email and electronic platforms to enable stakeholders to report ethical concerns safely. All reports are reviewed by the Chief Executive Officer, while cases involving fraud or breaches of corporate governance are escalated to the Audit Committee and the Chairman of the Board.

When hiring, we carefully assess potential conflicts of interest to uphold integrity in our operations. Our Code of Conduct sets out clear expectations for ethical behaviour and the consequences of non-compliance. All employees are regularly reminded of their responsibility to maintain the highest standards of conduct, supported by updates on developments in local and international regulations.

We prohibit all forms of corruption, including bribery and extortion. To strengthen awareness, the Group communicates its anti-corruption policies and procedures to both employees and members of governance bodies, provides targeted anti-corruption training, and engages with business partners to reinforce adherence to these standards.

For FY2025, we are pleased to report that there were no significant fines, penalties, or non-monetary sanctions for non-compliance with laws and regulations (FY2024: Nil), and no reported incidents of corruption (FY2024: Nil). We remain committed to maintaining this strong record of compliance and will continue to reinforce awareness through regular training, communication, and stakeholder engagement.

## CORPORATE GOVERNANCE

The Board and Management of IPS Securex are firmly committed to upholding the highest standards of corporate governance to ensure the Group’s long-term sustainability and resilience. We believe that our continuous pursuit of corporate excellence strengthens transparency, accountability, and fairness across our operations, thereby enhancing both the value of the Company and the value delivered to our shareholders.

Details of the Group’s Corporate Governance Report can be found in the FY2025 Annual Report on pages 48 to 71. We remain fully aligned with the principles of the Code of Corporate Governance and will continue to review and refine our practices to meet evolving regulatory requirements and stakeholder expectations.

# SUSTAINABILITY REPORT

## GRI CONTENT INDEX

<b>Statement of use</b>	IPS Securex Holdings Limited has reported the information cited in this GRI content index for the period of 1 July 2024 to 30 June 2025 with reference to the GRI Standards 2021.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	Corporate Profile section
	2-2 Entities included in the organization's sustainability reporting	01 (Message from BOD)
	2-3 Reporting period, frequency and contact point	01 (Message from BOD)
	2-4 Restatements of information	None
	2-5 External assurance	01 (Message from BOD)
	2-6 Activities, value chain and other business relationships	Our Businesses section
	2-7 Employees	11 (Employee Diversity)
	2-8 Workers who are not employees	None
	2-9 Governance structure and composition	Corporate Governance Report
	2-10 Nomination and selection of the highest governance body	Corporate Governance Report
	2-11 Chair of the highest governance body	Corporate Governance Report
	2-12 Role of the highest governance body in overseeing the management of impacts	01 (Message from BOD)
	2-13 Delegation of responsibility for managing impacts	01 (Message from BOD)
	2-14 Role of the highest governance body in sustainability reporting	01 (Message from BOD)
	2-15 Conflicts of interest	Corporate Governance Report
	2-16 Communication of critical concerns	02 (Stakeholder Engagement)
	2-17 Collective knowledge of the highest governance body	01 (Message from BOD)
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Report
	2-19 Remuneration policies	Corporate Governance Report
	2-20 Process to determine remuneration	Corporate Governance Report
	2-21 Annual total compensation ratio	Corporate Governance Report
	2-22 Statement on sustainable development strategy	01 (Message from BOD)
	2-23 Policy commitments	09 – 11 (Social – Customer Privacy, Occupational Health and Safety, Training and Education, Diversity and Equal Opportunity)

# SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location
	2-24 Embedding policy commitments	09 – 11 (Social – Customer Privacy, Occupational Health and Safety, Training and Education, Diversity and Equal Opportunity)
	2-25 Processes to remediate negative impacts	13 (Governance, Enterprise Risk Management)
	2-26 Mechanisms for seeking advice and raising concerns	13 (Whistleblowing Policy)
	2-27 Compliance with laws and regulations	13 (Business Ethics, Anti-Corruption and Compliance)
	2-28 Membership associations	13 (Membership of Associations)
	2-29 Approach to stakeholder engagement	02 (Stakeholder Engagement)
	2-30 Collective bargaining agreements	None
GRI 3: Material Topics 2021	3-1 Process to determine material topics	02 (Materiality Assessment)
	3-2 List of material topics	02 (Materiality Assessment)
	3-3 Management of material topics	02 (Materiality Assessment)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	05 (Economic Performance)
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	13 (Business Ethics, Anti-Corruption and Compliance)
GRI 403: Occupational health and safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	10 (Occupational Health and Safety)
GRI 404: Training and Education	404-1 Average hours of training per year per employee	11 (Training and Education)
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	11 (Diversity and Equal Opportunity)
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	10 (Customer Privacy)
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	08 – 09 (GHG Emissions and Energy Efficiency)
	302-3 Energy intensity	08 – 09 (GHG Emissions and Energy Efficiency)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	08 – 09 (GHG Emissions and Energy Efficiency)
	305-2 Energy indirect (Scope 2) GHG emissions	08 – 09 (GHG Emissions and Energy Efficiency)
	305-3 Other indirect (Scope 3) GHG emissions	08 – 09 (GHG Emissions and Energy Efficiency)
	305-4 GHG emissions intensity	08 – 09 (GHG Emissions and Energy Efficiency)

# SUSTAINABILITY REPORT

## TCFD DISCLOSURES

Code	TCFD Recommendations	Location
<b>Governance</b>		
TCFD 1(a)	Describe the board's oversight of climate-related risks and opportunities.	06 (Governance Structure)
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	01 (Message from BOD)
<b>Strategy</b>		
TCFD 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	06 – 07 (Climate-related risks and opportunities)
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	06 – 07 (Climate-related risks and opportunities)
TCFD 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	06 (Strategy, Scenario Analysis)
<b>Enterprise Risk Management</b>		
TCFD 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	05 (Strategy, Scenario Analysis)
TCFD 3(b)	Describe the organisation's processes for managing climate-related risks.	05 (Strategy, Scenario Analysis)
TCFD 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	05 (Strategy, Scenario Analysis)
<b>Metrics and Targets</b>		
TCFD 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	03 (Sustainability Commitments)
TCFD 4(b)	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	08 – 09 (GHG Emissions and Energy Efficiency)
TCFD 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	03 (Sustainability Commitments)

## SGX CORE METRICS

Topic	Metric	Unit	Framework Alignment	Location
<b>ENVIRONMENTAL</b>				
Greenhouse Gas Emissions ("GHG")	Absolute emissions by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO <sub>2</sub> e	GRI 305-1, GRI 305-2, GRI 305-3, TCFD	08 – 09 (GHG Emissions and Energy Efficiency)
	Emission intensities by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO <sub>2</sub> e/organisation-specific metrics	GRI 305-4, TCFD	08 – 09 (GHG Emissions and Energy Efficiency)
Energy Consumption	Total energy consumption	MWhs or GJ	GRI 302-1, TCFD	08 – 09 (GHG Emissions and Energy Efficiency)
	Energy consumption intensity	MWhs or GJ/organisation-specific metrics	GRI 302-3, TCFD	08 – 09 (GHG Emissions and Energy Efficiency)



# SUSTAINABILITY REPORT

Topic	Metric	Unit	Framework Alignment	Location
Water Consumption	Total water consumption	ML or m <sup>3</sup>	GRI 303-5, SASB 140, TCFD, WEF core metrics	Not material factor
	Water consumption intensity	ML or m <sup>3</sup> /organisation-specific metrics	TCFD, SASB IF-RE-140a.1	Not material factor
Waste Generation	Total waste generated	t	GRI 306-3, SASB 150, TCFD, WEF expanded metrics	Not material factor
<b>SOCIAL</b>				
Gender Diversity	Current employees by gender	Percentage (%)	GRI 405-1	11 (Diversity and Equal Opportunity)
	New hires and turnover by gender	Percentage (%)	GRI 401-1	11 (Diversity and Equal Opportunity)
Age-Based Diversity	Current employees by age groups	Percentage (%)	GRI 405-1	11 (Diversity and Equal Opportunity)
	New hires and turnover by age groups	Percentage (%)	GRI 401-1	11 (Diversity and Equal Opportunity)
Employment	Total number of employees	Number	GRI 2-7	11 (Diversity and Equal Opportunity)
	Total turnover	Number and Percentage (%)	GRI 401-1	11 (Diversity and Equal Opportunity)
Development & Training	Average training hours per employee	Hours/No. of employees	GRI 404-1	11 (Training and Education)
	Average training hours per employee by gender	Hours/No. of employees	GRI 404-1	11 (Training and Education)
Occupational Health & Safety	Fatalities	Number of cases	MOM (Singapore)	10 (Occupational Health and Safety)
	High-consequence injuries	Number of cases	MOM (Singapore)	10 (Occupational Health and Safety)
	Recordable injuries	Number of cases	MOM (Singapore)	10 (Occupational Health and Safety)
	Recordable work-related ill health cases	Number of cases	MOM (Singapore)	10 (Occupational Health and Safety)
<b>GOVERNANCE</b>				
Board Composition	Board independence	Percentage (%)	GRI 2-9	Corporate Governance Report
	Women on the board	Percentage (%)	GRI 2-9, GRI 405-1	Corporate Governance Report
	Women in the management team	Percentage (%)	GRI 2-9, GRI 405-1	Corporate Governance Report
Ethical Behaviour	Anti-corruption disclosures	Discussion and number of standards	GRI 205-2	13 (Business Ethics, Anti-Corruption and Compliance)
	Anti-corruption training for employees	Number and Percentage (%)	GRI 205-2	13 (Business Ethics, Anti-Corruption and Compliance)

# SUSTAINABILITY REPORT

Topic	Metric	Unit	Framework Alignment	Location
Certifications	List of relevant certifications	List	Commonly reported metric by SGX issuers	10 (Occupational Health and Safety)
Alignment with Frameworks	Alignment with frameworks and disclosure practices	GRI/TCFD/SASB/SDGs/others	SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	13 (Business Ethics, Anti-Corruption and Compliance)
Assurance	Assurance of sustainability report	Internal/External/None	GRI 2-5, SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	01 (Message from BOD)

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### ONG BENG CHYE

(Non-Executive and Non-Independent Chairman)

### BARNEY LAU TAI CHIAU

(Independent Director)

### LEE LI ING

(Independent Director)

## COMPANY SECRETARY

### SHIRLEY TAN SEY LIY

(MSc Mgmt (Hons) (UCD), FCS, FCG)

## REGISTERED OFFICE

213 Henderson Road  
#04-09 Henderson Industrial Park  
Singapore 159553

## COMPANY REGISTRATION NUMBER

201327639H

## AUDITORS

### RSM SG ASSURANCE LLP

#### Public Accountants and Chartered Accountants

8 Wilkie Road  
#03-08 Wilkie Edge  
Singapore 228095

Partner-in-charge:

ADRIAN TAN KHAI-CHUNG

(A practising member of the Institute of Singapore  
Chartered Accountants)

Date of Appointment: 25 October 2022

## SHARE REGISTRAR AND SHARE TRANSFER OFFICE

### BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.

1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632

## PRINCIPAL BANKERS

### UNITED OVERSEAS BANK LIMITED

80 Raffles Place  
UOB Plaza  
Singapore 048624

### OVERSEA-CHINESE BANKING CORPORATION LIMITED

65 Chulia Street  
OCBC Centre #09-00  
Singapore 049513

### DBS BANK LTD

12 Marina Boulevard, Level 46  
DBS Asia Central @ MBFC Tower 3  
Singapore 018982

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# CORPORATE GOVERNANCE REPORT

IPS Securex Holdings Limited (“**Company**” and, together with its subsidiaries, “**Group**”) is committed to set corporate governance practices in place which are in line with the recommendations of the Code of Corporate Governance 2018 (“**Code**”) to provide the structure through which the objectives of protection of the interests of the Company’s shareholders (“**Shareholders**”) and enhancement of long-term Shareholders’ value are met.

This report describes the corporate governance practices adopted by the Company for the financial year ended 30 June 2025 (“**FY2025**”) with specific reference made to each of the principles of the Code. The Company has complied substantially with the requirements of the Code and will continue to review its practices on an ongoing basis. It has provided an explanation for any deviation from the Code, where applicable.

## (A) BOARD MATTERS

### THE BOARD’S CONDUCT OF ITS AFFAIRS

**Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.**

The Board of Directors (“**Board**” or “**Directors**”) oversees the business and corporate affairs of the Group. The principal duties of the Board include the following:

- Protecting and enhancing long-term value and returns to Shareholders;
- Reviewing and approving, inter alia, the release of the periodic and full year results announcements, the annual report and financial statements, material acquisitions and disposals of assets, and interested person transactions of the Group;
- Providing leadership and guidance on corporate strategy, business directions, risk management policies and implementation of corporate objectives;
- Establishing, reviewing and approving the annual budget,
- Ensuring the effectiveness and integrity of management (“**Management**”);
- Monitoring Management’s achievement of goals and overseeing succession planning for Management;
- Conducting periodic reviews of the Group’s financial performance against the budget, internal controls and compliance with the relevant statutory and regulatory requirements;
- Approving nominations to the Board and appointment of key management personnel (“**Key Management Personnel**”);
- Ensuring the Group’s compliance with all relevant and applicable laws and regulations; and
- Assuming responsibility for the corporate governance of the Group.

All Directors objectively discharge their duties and responsibilities at all times as fiduciaries in dealing with the business affairs of the Group and take objective decisions in the interests of the Company. The Board holds the Management accountable for performance. The Group’s code of conduct, business ethics and organisational culture are discussed in the Company’s Sustainability Report. Directors facing conflicts of interest will recuse themselves from discussions and decisions involving the issues of conflict. The Directors would abstain from voting and decisions involving the issues of conflict.

To assist in the execution of its responsibilities, the Board has established the Audit Committee (“**AC**”), the Nominating Committee (“**NC**”) and the Remuneration Committee (“**RC**”) (collectively, “**Board Committees**”). The Board Committees function within clearly defined terms of references and operating procedures, which are reviewed on a regular basis to ensure their continued relevance. The effectiveness of each Board Committee is also constantly reviewed by the Board.

The Company’s constitution (“**Constitution**”) provides for meetings for the Directors to be held by means of telephonic conference or other methods of simultaneous communication be it electronic or telegraphic means when necessary. The Board also approves transactions through circular resolutions which are circulated to the Board together with all relevant information to the proposed transaction.

# CORPORATE GOVERNANCE REPORT

The frequency of meetings and the attendance of each Director at each Board and Board Committees meeting for FY2025 are disclosed in the table reflected below:

Name	Board		AC		NC		RC		Annual General Meeting ("AGM")	
	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended
Ong Beng Chye	2	2	2	2	1	1	1	1	1	1
Barney Lau Tai Chiau <sup>(1)</sup>	2	1	2	1	1	0	1	0	1	0
Lee Li Ing <sup>(1)</sup>	2	1	2	1	1	0	1	0	1	0
Chan Tien Lok <sup>(2)</sup>	2	1	2	1	1	1	1	1	1	1
Joseph Tan Peng Chin <sup>(3)</sup>	2	1	2	1	1	1	1	1	1	1
Kelvin Lim Ching Song <sup>(4)</sup>	2	0	2	0	1	0	1	0	1	0

## Notes:

- (1) Barney Lau Tai Chiau and Lee Li Ing were appointed as Independent Directors at the AGM on 25 October 2024.
- (2) Chan Tien Lok retired as Non-Executive Director at the AGM held on 25 October 2024.
- (3) Joseph Tan Peng Chin retired as Independent Director at the AGM held on 25 October 2024.
- (4) Kelvin Lim Ching Song resigned as the Executive Director and Group Chief Executive Officer ("CEO") on 30 August 2024. Following the resignation, the Company has appointed Boey Teik Heng as the Acting CEO of the Company with effect from 20 September 2024 and is responsible for overall business development, strategic planning and operations of the Group.

The Board has adopted a set of internal guidelines setting forth matters that require the Board's approval. Matters which are specifically reserved for the Board's decision are those involving significant acquisitions, disposals and funding proposals, reviewing and approving the Group's corporate policies, monitoring the performance of the Group and transactions relating to investment, funding, legal and corporate secretarial matters.

The Board will review these internal guidelines on a periodic basis to ensure their relevance to the operations of the Group. Directors are required to act in good faith and discharge their fiduciary duties and responsibilities in the interest of the Company at all times.

The Directors are also updated regularly on any changes to the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Catalist Rules"), risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board and/or Board Committees members.

News releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("ACRA") and others which are relevant to the Directors are circulated to the Board. The Company Secretary would inform the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. The external auditors, RSM SG Assurance LLP ("EA") updated the AC and the Board on the new and revised financial reporting standards that may affect the Company and/or the Group.

In line with the requirement of the Task Force for Climate-related Financial Disclosures ("TCFD") and climate-related disclosures, the Company has arranged for all the Directors to undergo training in this regard as prescribed under Rule 720(6) of the Catalist Rules.

Appropriate briefing and orientation will be arranged for newly appointed Directors to familiarise them with the Group's business operations, strategic directions, Directors' duties and responsibilities and corporate governance practices. They will also be given opportunities to visit the Group's operational facilities and meet with Management so as to gain a better understanding of the Group's business.

# CORPORATE GOVERNANCE REPORT

Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of Directors' duties, responsibilities and obligations. Changes to regulations and accounting standards are monitored closely by Management. To keep pace with such regulatory changes, the Company provides opportunities for on-going education and training on Board processes and best practices as well as updates on changes in legislation and financial reporting standards, regulations and guidelines from the Catalist Rules that affect the Company and/or the Directors in discharging their duties.

Newly appointed Directors receive appropriate training, if required. The Group provides background information about its history, mission and values to its Directors. In addition, Management regularly updates and familiarises the Directors on the business activities of the Group during Board meetings. Upon appointment, a new Director receives a brief on the Director's duties, responsibilities and disclosure obligations as a Director. He is also briefed on key disclosure duties and statutory obligations.

To enable the Board to fulfil its responsibility, Management strives to provide Board members with complete, adequate and timely information for Board and Board Committees meetings on an on-going basis. The Board and Board Committees papers are prepared for each meeting and are disseminated to the members before the meetings. The Board and Board Committees papers include financial, business and corporate matters of the Group so as to enable the Directors to be properly briefed on matters to be considered at the Board and Board Committees meetings.

The Company Secretary or her representative attends all Board and Board Committees meetings and prepares minutes of the Board and Board Committees meetings and assists the Chairman in ensuring good information flows within the Board and its Board Committees and between Management and the Non-Executive Director and Independent Directors. The Company Secretary also assists the Board so that Board procedures are followed and reviewed in accordance with the Company's Constitution, relevant rules and regulations, including requirements of the Securities and Futures Act 2001 of Singapore, Companies Act 1967 of Singapore and the Catalist Rules, so that the Board functions effectively and the relevant rules and regulations applicable to the Company are complied with. The Company Secretary's role is to advise the Board on all governance matters, ensuring that legal and regulatory requirements as well as Board policies and procedures are complied with. The appointment and removal of the Company Secretary is a decision of the Board as a whole.

Directors are given separate and independent access to Management and the Company Secretary to address any enquiries. The Directors either individually or as a group have the right to seek independent legal and/or other professional advice in the furtherance of their duties. The costs of such services will be borne by the Company.

## BOARD COMPOSITION AND GUIDANCE

**Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.**

As at the date of this Annual Report, the Board comprises one Non-Executive and Non-Independent Director ("**Non-Executive Director**") and two Independent Directors:

Name of Director	Board Membership	AC	NC	RC
Ong Beng Chye	Non-Executive and Non-Independent Chairman	Member	Member	Member
Barney Lau Tai Chiau	Independent Director	Chairman	Member	Member
Lee Li Ing	Independent Director	Member	Chairman	Chairman

With more than half of the Board made up of Independent Directors, including independence from the substantial Shareholders of the Company, the Board is capable of exercising independent and objective judgement on corporate affairs of the Group. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, taking into consideration the long-term interests of the Group and its stakeholders. No individual or small group of individuals dominates the Board's decision making.

The criteria for independence are determined based on the definition as provided in the Code. The independence of each Director is assessed and reviewed at least annually by the NC. In its deliberation as to the independence of a Director, the NC takes into account examples of relationships as set out in the Code as well as the Catalist Rules. The Board considers an Independent Director as one who has no relationship with the Company, its related companies, its substantial Shareholders or officers that could interfere or be reasonably perceived to interfere with the exercise of the Directors' independent judgement of the Group's affairs according to the Code.

# CORPORATE GOVERNANCE REPORT

Each Independent Director is required to complete an annual declaration to confirm his/her independence based on the applicable Catalist Rules and the principles as set out in the Code as well as the practice guidance to the Code. The Directors must also confirm whether they consider themselves independent in accordance with the applicable Catalist Rules and the Code and its accompanying practice guidance. Based on the confirmation of independence from the Independent Directors and for the financial year under review, the NC has assessed and is satisfied that all two (2) Independent Directors are independent. Each such Director had abstained from the review and determination of their independence by the NC and the Board.

The Non-Executive Director and Independent Directors participate actively during Board and Board Committees meetings. The Company has benefited from the Management's access to its Directors for guidance and exchange of views both within and outside of the meetings of the Board and Board Committees. The Non-Executive Director and Independent Directors communicate amongst themselves and with the Company's internal and external auditors and Management. When necessary, the Company co-ordinates informal meetings for the Non-Executive Director and Independent Directors to meet without the presence of the CEO and/or Management.

On 11 January 2023, pursuant to a SGX-ST announcement, Rule 406(3)(d)(iii) was rescinded and Rule 406(3)(d)(iv) was introduced wherein independent directors who have been a director of the issuer for an aggregate period of more than nine years (whether before or after listing) will not be independent and such director may continue to be considered independent until the conclusion of the next Annual General Meeting ("AGM"). In particular, as transition, the SGX-ST provides that Independent Directors whose tenure exceeds the nine-year limit can continue to serve as Independent Directors until the listed companies' AGM held for the financial year ending on or after 31 December 2023. Therefore, as Ong Beng Chye has served on the Board for more than nine (9) years from the date of his first appointment, he was re-designated as the Non-Executive and Non-Independent Chairman after the conclusion of the AGM of the Company held on 25 October 2024, pursuant to Rule 406(3)(d)(iv) of the Catalist Rules.

Pursuant to Rule 406(3)(d)(iv) of the Catalist Rules, a director will not be independent if he has been a director of the issuer for an aggregate period of more than nine (9) years. As at the date of this Annual Report, none of the Independent Directors has served on the Board beyond nine (9) years from their respective date of appointment.

The NC and the Board reviews the resumes and assesses the capabilities and competencies of new candidates for the appointment of new Directors. The Company would conduct a background check on the new candidates and the new candidates would provide the relevant declarations to the NC and the Board. The Company's sponsor is also kept abreast of any new applicants and the new candidates' resume is provided to the Company's sponsor for review. The Company's sponsor would interview the new candidates separately.

The NC has reviewed the size and composition of the Board. It is satisfied that after taking into account the nature and scope of the Group's operations, the current Board size is appropriate and effective.

The Board comprises Directors who as a group provides core competencies and diversity of experience to enable them to lead and control the Group effectively. Such competencies and experiences include industry knowledge, strategic planning, business and general management, legal and finance.

The Company recognises and embraces the importance and benefits of having a diverse Board to enhance the quality of its performance and is accordingly committed to promoting diversity of the Board, in line with its diversity policy that has been adopted pursuant to Rule 710A of the Catalist Rules. If required, the NC may consider appointing new director(s) in the future to enhance the core competencies and governance review of the Board. In reviewing the Board composition and succession planning, the NC will consider the benefits of all aspects of diversity, including functional and domain skills, knowledge, experience, cultural and educational background, gender, age, tenure and other relevant aspects of diversity and perspectives appropriate to the Group's business. The Board is of the view that, while it is important to promote Board diversity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. The Company does not currently set any specific target but will work towards having greater diversity on the Board if opportunity arises.

As at the date of this report, the Board comprises one female director, Lee Li Ing, thereby meeting the Company's gender diversity target of one out of three directors, representing 33% of the Board. The Company remains committed to maintaining this going forward. In terms of skills and experience, the Board brings together a wide range of expertise in finance, investment, human resources, and operations, which collectively contribute to informed deliberations and effective oversight.

The Board also considers age diversity as a key factor. Currently, all Directors are between the ages of 50 and 60. This age distribution allows the Company to benefit from a combination of experience, industry insight, and energy. The Board intends to maintain a broad age range as part of its diversity strategy.

# CORPORATE GOVERNANCE REPORT

The NC will continue to review the effectiveness of the Board Diversity Policy annually and propose refinements where appropriate. The Company remains committed to maintaining a diverse and high-performing Board that supports sustainable long-term value creation.

The NC has reviewed the size and composition of the Board and is of the view that the Board consists of persons who, as a group, provides core competencies such as business and management experience, industry knowledge, human resource knowledge, financial and strategic planning experience and knowledge that are necessary to meet the Company's objectives. In addition, it is of the view that the Board size of three (3) Directors is appropriate for effective decision making, taking into account the size, scope and nature of the operations of the Company. Furthermore, the NC is of the view that no individual or small group of individuals dominates the Board's decision-making processes and will review the appropriateness of the proposed Board size, taking into consideration the changes in the nature and scope of operations as well as the regulatory environment.

Although all the Directors have equal responsibility for the performance of the Group, the role of the Non-Executive Director and Independent Directors is particularly important in ensuring that the strategies proposed by Management are fully discussed and rigorously examined and take into account the long-term interests of not only the Shareholders, but also of the employees and reviewing the performance of Management in meeting agreed goals and objectives. The NC considers its Non-Executive Director and Independent Directors to be of sufficient calibre and size and their views to be of sufficient weight such that no individual or small group of individuals dominates the Board's decision-making process. The NC continually reviews the composition of the Board, taking into account the balance and diversity of skills, experience and gender, among other factors.

The Company co-ordinates informal meeting sessions for the Non-Executive Director and Independent Directors to meet on a need-to basis without the presence of the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, Board processes, succession planning as well as leadership development and the remuneration of the Executive Director.

## CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

**Principle 3: There is a clear division of responsibilities between the leadership of the Board and the Management, and no one individual has unfettered powers of decision-making.**

The Company practices a clear division of responsibilities between the Chairman and the CEO. This ensures that an appropriate balance of power between the Chairman and the CEO and thereby allows for increased accountability and greater capacity of the Board for independent decision making. The Group keeps the posts of the Chairman and CEO separate. Ong Beng Chye is the Non-Independent Chairman since 25 October 2024 while Boey Teik Heng is the Acting CEO since 20 September 2024 in place of Kelvin Lim Ching Song who was the former CEO and Executive Director who resigned on 30 August 2024.

The Non-Executive Chairman is responsible for leading the Board in a strategic, effective and decisive way and ensuring that the Board is properly organised, functioning effectively and meeting its obligations and responsibilities while the Acting CEO is responsible for overall business development, strategic planning and operations of the Group. The Non-Executive Chairman and Acting CEO are not related.

The Non-Executive Chairman ensures that Board members are provided with complete, adequate and timely information. He also ensures that procedures are introduced to comply with the Code and ensures effective communication within the Board and with the Shareholders.

Given that more than half of the Board comprises Independent Directors, separation of roles between the Chairman and Acting CEO, the Board is of the view that there are adequate safeguards and checks in place to ensure the objective assessment of the Group's ongoing affairs. The current structure also facilitates a decision-making process by the Board that is based on the collective decision of all Directors, without any concentration of power or influence residing in any one individual. In view of this, the appointment of a Lead Independent Director is not considered by the Board to be necessary.



# CORPORATE GOVERNANCE REPORT

## BOARD MEMBERSHIP

**Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.**

The Board, through the delegation of its authority to the NC, has used its best efforts to ensure that Directors appointed to the Board possess the relevant background, experience and knowledge in business, finance and management skills to enable the Board to make effective decisions.

The NC comprises one (1) Non-Executive Director and two (2) Independent Directors, where the majority of whom, including the NC Chairman is independent as follows:

### Nominating Committee

Lee Li Ing (Chairman)

Ong Beng Chye

Barney Lau Tai Chiau

Based on the written terms of reference approved by the Board, the principal functions of the NC are:

- Reviewing and making recommendations to the Board on all candidates nominated for appointment to the Board of the Company and of its subsidiaries;
- Reviewing and recommending to the Board on an annual basis, the Board structure, size and composition, taking into account, the balance between Executive Directors, Non-Executive Directors and Independent Directors to ensure that the Board as a whole possesses the right blend of relevant experiences and core competencies to effectively manage the Group;
- Procuring that at least one-third of the Board shall comprise Independent Directors;
- Reviewing Board succession plans for Directors and Acting CEO;
- Determining whether or not a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when he/she has multiple board representations,
- Identifying and making recommendations to the Board as to which Directors are to retire by rotation and to be put forward for re-election at each AGM of the Company, having regard to each Director's contribution and performance, including the Independent Directors;
- Review of training and professional development programmes for the Board;
- Determining whether a Director is independent as guided by the Code and any other salient factors; and
- Proposing a set of objective performance criteria to the Board for approval and implementation, to evaluate the effectiveness and performance of the Board as a whole, the Board Committees and the contribution of each Director to the effectiveness and performance of the Board.

The NC is responsible for identifying and recommending new Directors to the Board, after considering the necessary and desirable competencies. In selecting potential new Directors, the NC will seek to identify the competencies required to enable the Board to fulfil its responsibilities. In identifying suitable candidates for the appointment of new Directors, the NC will consider all relevant channels to recruit any new candidates including referrals from business partners, use of the service of external advisors to facilitate a search and also consider candidates with the appropriate qualifications and working experience from internal or external sources. After shortlisting the candidates, the NC shall consider and interview candidates on merit against objective criteria, taking into consideration whether the candidate can devote sufficient time and attention to the affairs of the Group. The NC will evaluate the suitability of the nominee or candidate based on his/her qualifications, business and related experience, commitment, ability to contribute to the Board process and such other qualities and attributes that may be required by the Board. In recommending a candidate for re-appointment to the Board, the NC considers, amongst other things, his/her contributions to the Board (including attendance and participation at meetings, time and effort accorded to the Group's business and affairs) his/her independence, his/her other board appointments and principal occupation and commitments outside of the Group, and any other factors as may be deemed relevant by the NC.

The employment of persons who are related to the Directors or controlling Shareholders is also subject to the approval of the NC.

# CORPORATE GOVERNANCE REPORT

The Company's Constitution requires that all Directors retire at the first AGM of the Company and one-third of the Board retires from office at every subsequent AGM. Accordingly, the NC has recommended that Barney Lau Tai Chiau and Lee Li Ing be nominated for re-election at the forthcoming AGM as the Independent Directors of the Company. The Board has accepted the NC's recommendations.

Each member of the NC shall abstain from voting on any resolutions in respect to his re-nomination as a Director. There is no alternate Director being appointed to the Board.

For the financial year under review, the NC, having considered Provision 2.1 of the Code, is of the view that the Independent Directors of the Company are independent and are able to exercise judgment on the corporate affairs of the Group independent of Management.

Newly appointed Directors receive appropriate training, if required. The Group provides background information about its history, mission and values to its Directors. In addition, Management regularly updates and familiarises the Directors on the business activities of the Group during Board meetings. Upon appointment, a new Director receives a brief on the Director's duties, responsibilities and disclosure obligations as a Director. He is also briefed on key disclosure duties and statutory obligations. Despite some of the Directors having other Board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company. Currently, the Board has not determined the maximum number of listed Board representations which any Director may hold. The NC and the Board will review the requirement to determine the maximum number of listed Board representations as and when it deems necessary.

The Company does not have any alternate Directors as the Board does not encourage the appointment of alternate Directors unless it is in exceptional cases.

The key information regarding Directors such as academic and professional qualifications, Board Committees served, directorships or chairmanships both present and past held over the preceding three years in other listed companies and other major appointments, whether the appointment is executive or non-executive are set out on page 67 of this Annual Report.

## BOARD PERFORMANCE

**Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.**

In line with the principles of good corporate governance, the NC has adopted a process to evaluate the effectiveness and performance of the Board as a whole, the Board Committees and individual self-assessment to assess each Director's contribution to the Board's effectiveness and performance. The performance criteria for the Board evaluation includes an evaluation of the size and composition of the Board, the Board's access to information, accountability, Board processes, Board performance in relation to discharging its principal responsibilities, communication with Management and standards of conduct of the Directors. This encourages constructive feedback from the Board and leads to an enhancement of its performance over time.

The effectiveness and performance of the Board, Board Committees and contribution by each Director is assessed annually, the results of the evaluations will be collated by the Company Secretary and the findings analysed and discussed with the Board and Board Committees. Recommendations to further enhance the effectiveness and performance of the Board and Board Committees will be implemented, as appropriate.

The Board is of the view that it has satisfactorily met its performance objectives for FY2025. No external facilitator was engaged in the evaluation process.

# CORPORATE GOVERNANCE REPORT

## (B) REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

**Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.**

The RC comprises two (2) Independent Directors and one (1) Non-Executive Director, where the majority of whom, including the RC Chairman is independent, as follows:

#### Remuneration Committee

Lee Li Ing (Chairman)  
Ong Beng Chye  
Barney Lau Tai Chiau

Based on the terms of reference approved by the Board, the principal functions of the RC are:

- Reviewing and recommending to the Board for endorsement, the service contracts and remuneration packages of the Executive Director and Key Management Personnel,
- Reviewing the appropriateness of compensation for the Non-Executive Director and Independent Directors, taking into account factors such as his effort, time spent and responsibilities including but not limited to, his Director's fees, allowances, share options and performance shares;
- Overseeing the general compensation of employees of the Group with a goal to motivate, recruit and retain employees through competitive compensation and progressive policies;
- Reviewing and administering the award of performance shares and/or share options to Directors and employees under the employee performance share plan and/or employee share option scheme adopted by the Company; and
- Carrying out other duties as may be agreed by the RC and the Board, subject always to any conditions that may be imposed upon the RC by the Board from time to time.

The RC is established for the purpose of ensuring that there is a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors. The overriding principle is that no Director should be involved in deciding his or her own remuneration. It has adopted written terms of reference that defines its membership, roles and functions and administration.

No Director is involved in deciding his own remuneration, except in providing information and documents if specifically requested by the RC to assist in its deliberations.

The RC has full authority to engage any external professional advice on matters relating to remuneration as and when the need arises. The expense of such services shall be borne by the Company. There were no remuneration consultants engaged by the Company in FY2025.

In reviewing the service contracts of the Executive Director and key management personnel, the RC will review the Company's obligations arising in the event of termination of these service contracts, to ensure that such service contracts contain fair and reasonable termination clauses which commensurate with industry norms and their past contributions. The RC aims to be fair and avoid rewarding poor performance.

# CORPORATE GOVERNANCE REPORT

## LEVEL AND MIX OF REMUNERATION

**Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.**

The RC will take into account the industry norms, the Group's performance as well as the contribution and performance of each Director when determining remuneration packages.

The former Executive Director and Group CEO, Kelvin Lim Ching Song did not receive any Director's fees. The remuneration for the Executive Director and Key Management Personnel comprises a fixed and variable component. The variable component is performance related and is linked to the Group's performance as well as the performance of each of the Executive Director and Key Management Personnel, with a view to align the interests of the Executive Director and the Key Management Personnel with those of Shareholders.

In structuring and reviewing the remuneration packages, the RC seeks to align the interests of Directors and Key Management Personnel with those of Shareholders by linking rewards to corporate and individual performance, as well as to commensurate with the roles and responsibilities of each of them. The RC reviews the remuneration received by the Acting CEO against the financial performance of the Group. The Acting CEO reviews the remuneration of Key Management Personnel against the staff remuneration guidelines to ensure that their remuneration packages are in line and commensurate with their respective job scope and responsibilities.

The Company entered into a service agreement with the then Executive Director and Group CEO, Kelvin Lim Ching Song on 27 May 2014. This service agreement has been terminated following his resignation on 30 August 2024.

Performance conditions such as the financial performance and operations of the Group, as well as any other business objectives such as adherence to corporate values which may from time to time be determined by the Board are used to determine the short-term incentive schemes employed on the remuneration of the Acting CEO and Key Management Personnel. In addition, the Company has adopted the IPS Securex Employee Share Option Scheme ("IPS Securex ESOS") and IPS Securex Performance Share Plan ("IPS Securex PSP"), which was approved by the Shareholders at the Extraordinary General Meeting held on 25 October 2024.

The Non-Executive Director, Independent Directors and Key Management Personnel are eligible to participate in the IPS Securex ESOS and IPS Securex PSP.

The Non-Executive Director and Independent Directors receive Directors' fees in accordance with their contributions, taking into account factors such as effort and time spent, responsibilities of the Directors and the need to pay competitive fees to attract, retain and motivate them. The Independent Directors shall not be over-compensated to the extent that their independence may be compromised. The Directors' fees are endorsed by the RC and recommended by the Board for Shareholders' approval at the AGM of the Company. The IPS Securex ESOS and the IPS Securex PSP are employed as long-term incentive schemes in the remuneration of the Acting CEO and Key Management Personnel, and is designed to reward, retain and motivate employees to achieve superior performance and to align the interests of employees with Shareholders. The performance conditions used to determine entitlements under the IPS Securex ESOS and the IPS Securex PSP include specific performance including but not limited to, sustained profit growth, market share, tenure of employment, as well as, the prevailing economic conditions. As at the date of this Annual Report, no share options or awards have been granted under the IPS Securex ESOS and the IPS Securex PSP, respectively.

The remuneration of employees related to the Directors and controlling Shareholders (if any), will also be reviewed annually by the RC to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their job scopes and responsibilities. Any bonuses, increments and/or promotions for these related employees will also be subject to the review and approval of the RC. In the event that a member of the RC is related to the employee under review, he will abstain from participating in the review.

The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from the key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in reputational damage and/or financial loss to the Group. The Key Management Personnel owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the key management personnel in the event of such breach of their fiduciary duties. The Company has in place other oversights described herein such as Whistle Blowing Policy and outsourced internal audit function as checks and balances to prevent the occurrence of such instances.

# CORPORATE GOVERNANCE REPORT

## DISCLOSURE ON REMUNERATION

**Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.**

A breakdown showing the level and mix of remuneration of Directors and Acting CEO for FY2025 is set out below:

	Directors' Fees	Salary	Bonus	Allowance and Other Benefits	Total
Name	(S\$)	(S\$)	(S\$)	(S\$)	(S\$)
<b>Director</b>					
<b>Below S\$250,000</b>					
Ong Beng Chye	105,216	–	–	–	105,216
Barney Lau Tai Chiau <sup>(1)</sup>	30,699	–	–	–	30,699
Lee Li Ing <sup>(1)</sup>	27,288	–	–	–	27,288
Chan Tien Lok <sup>(2)</sup>	–	–	–	–	–
Joseph Tan Peng Chin <sup>(3)</sup>	12,822	–	–	–	12,822
Kelvin Lim Ching Song <sup>(4)</sup>	–	99,167	–	9,081	108,248
<b>Acting CEO</b>					
Boey Teik Heng <sup>(5)</sup>	–	219,333	–	22,740	242,073

**Notes:**

- (1) Barney Lau Tai Chiau and Lee Li Ing were appointed as Independent Directors at the AGM held on 25 October 2024.
- (2) Chan Tien Lok retired as Non-Executive Director at the AGM held on 25 October 2024.
- (3) Joseph Tan Peng Chin retired as Independent Director at the AGM held on 25 October 2024.
- (4) Kelvin Lim Ching Song resigned as the Executive Director and Group CEO on 30 August 2024.
- (5) Boey Teik Heng was appointed as Acting CEO of the Group on 20 September 2024. His remuneration of S\$242,073 was for his tenure of office as Acting CEO of the Group from 20 September 2024 to 30 June 2025. Prior to Boey Teik Heng's appointment as Acting CEO of the Group, he was appointed as Deputy Chief Operating Officer of Securex GS Pte. Ltd. on 1 July 2024 and his total remuneration for the period from 1 July 2024 to 19 September 2024 as one of the Key Management Personnel then was S\$93,279.

The Group has only five (5) Key Management Personnel (as defined in the Code) and who are not Directors, the Group CEO or Acting CEO. The details of the remuneration of these five (5) Key Management Personnel (as defined in the Code) of the Group (who are not Directors, the Group CEO or Acting CEO) identified by the Group for FY2025 is set out below:

	Salary	Bonus	Director's fees	Allowances and Other Benefits	Total
Key Management Personnel	%	%	%	%	%
<b>Below S\$250,000</b>					
Boey Teik Heng <sup>(1)</sup>	32.2	–	–	67.8	100
Lee Yeow Koon <sup>(2)</sup>	83.0	–	–	17.0	100
Lee Siew Han	86.1	–	–	13.9	100
Lee Chea Siang	56.9	–	–	43.1	100
Ong Bang Liang	81.0	–	–	19.0	100

**Notes:**

- (1) Boey Teik Heng was appointed as Deputy Chief Operating Officer of Securex GS Pte. Ltd. on 1 July 2024. His remuneration in the table above was for the period from 1 July 2024 to 19 September 2024 as one of the Key Management Personnel prior to his appointment as the Acting CEO of the Group on 20 September 2024.
- (2) Lee Yeow Koon resigned as Chief Operating Officer on 7 February 2025.

For FY2025, the aggregate total remuneration paid to these five (5) Key Management Personnel (who are not Directors or the Group CEO or the Acting CEO) amounted to S\$675,941.



# CORPORATE GOVERNANCE REPORT

There were no termination, retirement or post-employment benefits granted to Directors and Key Management Personnel other than the standard contractual notice period termination payment in lieu of service for FY2025.

For FY2025, the Company does not have any employee who is an immediate family member of a Director or the CEO whose remuneration in FY2025 exceeded S\$100,000.

In view of confidentiality of the remuneration policies of the Company, the Board is of the opinion that it is in the best interests of the Group to disclose the remuneration of its Key Management Personnel in salary bands.

The IPS Securex ESOS and the IPS Securex PSP will also provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty.

## (C) ACCOUNTABILITY AND AUDIT

### RISK MANAGEMENT AND INTERNAL CONTROLS

**Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.**

The Board is responsible for the overall internal controls framework, and acknowledges that the system of internal controls is designed to manage, rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. The internal controls in place will address the financial, operational, compliance and information technology risks, and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss and that Shareholders' investments and the Group's assets are safeguarded. As the Group continues to grow its business, the Board will continue to review and take appropriate steps to strengthen the Group's overall system of internal controls.

The Board and Management assume the responsibility of the risk management function. Management is responsible for designing, implementing and monitoring the risk management and internal control systems. Management reviews regularly the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Management reviews significant policies and procedures and highlight significant matters to the Board on a half-yearly basis.

#### Enterprise Risk Management

The Board is committed to ensuring that the Group has an effective and practical enterprise risk management ("ERM") framework in place to safeguard Shareholders' interests and the sustainability of the Company as well as provide a basis to make informed decisions having regard to the risk exposure and risk appetite of the Group. As such, the Company has implemented the ERM framework for the Group which is monitored by the Group's Key Management Personnel. The purpose of this exercise is to make recommendations on the processes to monitor key risks to the Group and to propose a reporting process by which the Audit Committee is kept updated on how on-going and new risks are being addressed by Management.

The Board relies on Management to monitor the day-to-day operations of the Group while subjecting key corporate decisions to Board approval. The Group's performance is monitored closely by the Board and any significant matters that may have an impact on its operating results are required to be brought to the immediate attention of the Board.

The Board and Management have also taken a strict stance towards avoiding any risks that might result in the Company and/or the Group breaching any relevant laws and/or regulations and risks that could adversely affect the reputation of the Company and/or the Group. Active efforts are also in place to manage risks, such as engaging third party insurers or having internal control procedures to better mitigate the likelihood of their occurrence. Internal audits will be conducted regularly to assess the on-going compliance with the established controls to address key risk areas, where applicable.

The Company is continually reviewing and improving the business and operational activities of the Group to take into account the risk management perspective. This includes reviewing Management and manpower resources, updating workflows, processes and procedures to meet the current and future market conditions.

# CORPORATE GOVERNANCE REPORT

## Risk Assessment and Monitoring

Based on the ERM framework, the nature and extent of the risks to the Group will be assessed regularly by Key Management Personnel. A set of risk registers to document risks arising from this ERM exercise has also been established to document all key risks and the corresponding countermeasures and will be updated whenever new risks emerge or when there are applicable changes in the business environment.

During FY2025, the Group's Key Management Personnel had conducted its internal risk assessment of the key risks to the Company. The various responses were consolidated and ranked according to the average rating for each risk identified.

## Risk Reporting

### Periodic Risk Reports

Periodic risk reports will be prepared by the Finance and Administration Director, to highlight any emerging risks or high-risk issues to the AC on a timely basis. In addition, any new risks of significance will be assessed using prescribed risk templates and reported to the AC.

### Annual Risk Reports

On an annual basis, a risk refresher will be performed within the Group to understand if there are any changes to the existing top risks identified and if there are any risks that require more detailed assessment. An annual risk report with the updated top risks of the Group will be compiled by the Finance and Administration Director and submitted to the AC.

Relying on the above risk reports and other reports from the IA and EA, the AC carried out assessments of the effectiveness of key internal controls during the year. Weaknesses in the internal controls or recommendations from the IA and EA to further improve the internal controls of the Group were reported to the AC. The AC will also follow up on the actions taken by Management and on the recommendations made by both the IA and EA.

Based on the work performed by both the IA and EA, the risk reports and assurance from the Acting CEO and the Finance and Administration Director and the on-going review as well as the continuing efforts in enhancing controls and processes which are currently in place, the Board, with the concurrence of the AC, is of the opinion that there were no material weaknesses being identified and the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective as at the date of this Annual Report.

The Acting CEO and the Finance and Administration Director have assured the Board that:

- (a) The financial records have been properly maintained and the financial statements for FY2025 a true and fair view in all material aspects, of the Group's operations and finances; and
- (b) The Group's internal control and risk management systems are adequate and operating effectively in all material aspects given its current business environment.

## AUDIT COMMITTEE

### Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The AC comprises two (2) Independent Directors and one (1) Non-Executive Director, where the majority of whom, including the AC Chairman is independent, as follows:

#### Audit Committee

Barney Lau Tai Chiau (Chairman)

Ong Beng Chye

Lee Li Ing

The AC is established to assist the Board with discharging its responsibility of safeguarding the Group's assets, maintaining adequate accounting records, and developing and maintaining effective systems of risk management and internal controls. The Board is of the opinion that at least 2 members of the AC possess the necessary accounting or related financial management qualifications, expertise and experience in discharging their duties.

# CORPORATE GOVERNANCE REPORT

The AC has written terms of reference, setting out their duties and responsibilities, which include the following.

- Reviewing the semi-annually consolidated financial statements of the Group and results announcements before submission to the Board for approval, focusing on, in particular, the relevance and consistency of accounting policies, significant financial reporting issues, recommendations and judgements made by the EA, and compliance with financial reporting standards, the Catalist Rules and any other statutory and regulatory requirements so as to ensure the integrity of the periodic consolidated financial statements of the Group and results announcements;
- Reviewing, with the EA and IA, the adequacy, effectiveness, independence, scope and results of the EA and IA function including their audit plans, scope of work, evaluation of the adequacy of internal controls and risk management systems, management letters on internal controls and Management's response, where applicable,
- At least annually, reviewing and reporting to the Board, the adequacy and effectiveness of the Group's internal controls addressing financial, operational, compliance and information technology risks and risk management systems prior to the incorporation of such results in the annual report;
- Reviewing the independence and objectivity of the EA and IA;
- Reviewing and discussing with the EA, and commissioning and reviewing the findings of internal investigations, if any, relating to any suspected fraud or irregularity, or failure of internal controls, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and soliciting for Management's response;
- Monitoring and reviewing the implementation of the EA's and IA's recommendations concurred with Management in relation to the adequacy and effectiveness of the Group's internal controls addressing financial, operational, compliance and information technology risks;
- Reviewing the co-operation given by Management to the EA and IA, where applicable;
- Making recommendations to the Board on proposals to Shareholders for the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the EA;
- Making recommendations to the Board on proposals for the appointment, re-appointment, removal, remuneration and terms of engagement of the IA;
- Reviewing any interested person transactions falling within the scope of Chapter 9 of the Catalist Rules (if any);
- Reviewing potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests;
- Reviewing and recommending foreign exchange hedging policies, if any, to the Board for approval;
- Reviewing the policy and arrangements by which staff or any other person may, in confidence, raise concerns about possible improprieties on matters of business operations, financial reporting or any other matters and to ensure that arrangements are in place for the independent investigation of such matter and for appropriate follow-up;
- Reviewing the assurance from the Acting CEO and the Finance and Administration Director on the financial records and financial statements;
- Investigating any matters within its terms of reference; and
- Undertaking generally such other functions and duties as may be requested by the Board or required by statute or the Catalist Rules and by such amendments made thereto from time to time.

Each member of the AC shall abstain from voting on any resolutions in respect of matters in which he is interested.

The AC has full access to and co-operation of the Management and has full discretion to invite any Director or Key Management Personnel to attend the meetings and has reasonable resources to enable it to discharge its functions. The EA has unrestricted access to the AC.

# CORPORATE GOVERNANCE REPORT

In October 2015, the ACRA introduced the Audit Quality Indicators (“AQIs”) Disclosure Framework (“**Framework**”), which aims to equip AC with information that allows AC to exercise their professional judgements on elements that contribute to or are indicative of audit quality. The AQIs were further enhanced in August 2016 to provide AC with certain common yardsticks to facilitate comparison for audit quality. As part of ongoing efforts to raise audit quality, the AQIs Disclosure Framework was revised in January 2020 (“**Revised AQIs Framework**”) which comprises audit quality indicators such as audit hours, quality control, training, inspections and attrition rate to provide relevant and useful information to help AC in their evaluation of statutory auditors. Based on the AQIs set out in the Revised AQIs Framework, the AC has evaluated and is satisfied with the performance of the external auditors as well as the resolution for re-appointment of the external auditors.

The AC recommends to the Board on the proposals to Shareholders on the appointment, re-appointment and removal of the EA and approval of the remuneration of the EA. The AC has recommended to the Board the nomination of RSM SG Assurance LLP for re-appointment as EA at the forthcoming AGM of the Company. The Company confirms that Rule 712 and Rule 715(1) of the Catalyst Rules have been complied with.

The AC has met with the EA and the IA without the presence of Management at least annually and as and when necessary, to review the adequacy of audit arrangement with emphasis on the scope and quality of their audit, the independence, objectivity and observations of the EA and IA for FY2025.

For FY2025, the fees that were charged to the Group by the EA for audit services were approximately S\$144,000 while the non-audit fees payable to the EA for FY2025 was Nil.

The AC considered the report from the EA, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with Management and the EA have been included as Key Audit Matters (“**KAM**”) in the Independent Auditors’ Report for FY2025 from pages 75 to 77 of this Annual Report. In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of estimates and key assumptions used. The AC concluded that Management’s accounting treatment and estimates in the KAM were appropriate.

The AC is kept updated on new changes to the accounting and financial reporting standards by the EA during the year. The AC does not comprise former partners or directors of the Company’s existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

## WHISTLE BLOWING POLICY

The Group has implemented a whistle blowing policy whereby accessible channels are provided for employees and external parties to raise concerns about possible improprieties on matters of financial reporting or other matters which they become aware and to ensure that:

- Independent investigations are carried out in an appropriate and timely manner;
- Appropriate action is taken to correct the weakness in internal controls and policies which allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and
- Administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, balanced, fair and made in good faith, while providing reassurance that employees will be protected from reprisals or victimisation for whistle blowing in good faith and without malice.

The Group also ensures that the identity of the whistleblower is kept private and strictly confidential and the Group is committed to ensure protection of the whistleblower against detrimental or unfair treatment. The AC is responsible for oversight and monitoring of whistleblowing.

As of the date of this Annual Report, there were no reports received through the whistle blowing mechanism.

# CORPORATE GOVERNANCE REPORT

## INTERNAL AUDIT FUNCTION

The Board recognises that it is responsible for maintaining a system of internal controls to safeguard Shareholders' investments and the Group's businesses and assets while the Management is responsible for establishing and implementing the internal control procedures in a timely and appropriate manner. The role of the IA is to assist the AC in ensuring that the controls are effective and functioning as intended, to undertake investigations as directed by the AC and to conduct regular in-depth audits of high-risk areas.

The size of the operations of the Group does not warrant the Group having an in-house internal audit function at this juncture. The Company has therefore appointed BDO Advisory Pte Ltd, an external risk advisory consultancy firm to undertake the functions of an IA for the Group. The AC approves the appointment, re-appointment, termination, evaluation and remuneration of its outsourced IA. The IA has unfettered access to all the Group's documents, records, properties and personnel including access to the AC. The IA reports directly to the AC on all internal audit matters.

BDO Advisory Pte Ltd is an international auditing firm and they perform their work based on the BDO Internal Audit Methodology which references the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

The AC reviews and approves the internal audit plan submitted by the IA. The IA reports to the AC any significant weaknesses and risks identified in the course of internal audits conducted on an on-going basis. Recommendations to address control weaknesses are further reviewed by the IA based on implementation dates agreed with Management.

The AC has reviewed the effectiveness of the IA and is satisfied that the IA is independent and adequately resourced to perform its function effectively and has the appropriate standing within the industry. The AC is also satisfied that the internal audit function is effective and staffed by suitably qualified and experienced professionals with the relevant experience.

As part of the terms of reference of the AC as set out above, the AC also reviews, at least annually, the adequacy and effectiveness of the internal audit function.

## (D) SHAREHOLDER RIGHTS AND ENGAGEMENT

### SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

**Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.**

The Company does not practice selective disclosure. In line with continuous obligations of the Company under the Catalist Rules and the Companies Act 1967 of Singapore, the Board's policy is that all Shareholders should equally and on a timely basis be informed of all major developments that impact the Group via SGXNet.

Accountability to Shareholders is demonstrated through the presentation of the Group's periodic and annual financial statements, results announcements and all announcements on the Group's business and operations. In this respect, the AC reviews all periodic and annual financial statements, results announcements and all announcements on the Group's business and operations, and recommends them to the Board for approval.

The Management provides the Board with appropriately detailed management accounts of the Group's performance, position and prospects on a periodic basis and when deemed appropriate by particular circumstances. In line with the Catalist Rules, the Board provides a negative assurance statement to Shareholders in respect of the periodic financial statements. For the financial year under review, the Acting CEO and the Finance and Administration Director have provided assurance to the Board on the integrity of the Group's financial statements.

Management maintains regular contact and communication with the Board by various means including the preparation and circulation to all Board members of periodic and full year financial statements of the Group. This allows the Board to monitor the Group's performance and position as well as the Management's achievements of the goals and objectives determined and set by the Board.



# CORPORATE GOVERNANCE REPORT

The Company encourages active Shareholders' participation at general meetings to ensure a high level of accountability and to stay informed of the Group's business activities, financial performance and other business-related matters. Notice of the general meetings are dispatched to Shareholders, together with explanatory notes or a circular on items of special businesses (if necessary), at least 14 clear calendar days before the meeting. Shareholders are informed of general meetings through the announcements released to the SGXNet and notices contained in the annual report or circulars sent to all Shareholders. These notices are also advertised in a national newspaper as may be required in accordance with the Company's Constitution. Shareholders are also informed on the procedures for the poll voting at general meetings.

The Board welcomes questions from Shareholders who wish to raise issues, either informally or formally before or during the general meetings.

Each item of special business included in the notice of the general meetings will be accompanied by an explanation of the proposed resolution. Separate resolutions are proposed for each substantially separate issue at general meetings. The Company will put all resolutions to vote by poll and make an announcement of the detailed results showing the number of votes cast for and against each resolution together with the respective percentages. The poll voting procedures are clearly explained by the scrutineers at such general meeting.

All Directors, including the Chairman of the Board and the respective Chairman of the AC, NC and RC, as well as the EA are intended to be present at the forthcoming AGM to address any relevant queries by Shareholders.

All Shareholders are entitled to attend and participate in the general meetings. If any Shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through proxy forms sent in advance. The Company's Constitution does not include the nominee or custodial services to appoint more than two proxies. On 3 January 2016, the legislation was amended, among other things to allow certain members, who are "relevant intermediaries" as defined under Section 181(6) of the Companies Act 1967 of Singapore, are allowed to appoint more than two proxies to attend and vote on their behalf at general meetings.

Voting by absentia by mail, facsimile or email is currently not provided in the Company's Constitution as such voting methods would need to be cautiously studied for its feasibility to ensure that the integrity of the information and the authenticity of the Shareholder's identity is not compromised.

The Company will publish the minutes of general meetings of Shareholders on the SGX website via SGXNet within one month from the date of AGM. The minutes record substantial and relevant comments or queries from Shareholders relating to the agenda of the general meetings and responses from the Board and Management.

The forthcoming AGM to be held in respect of FY2025 will be convened and held physically, and Shareholders will be able to raise questions and vote in person at the AGM. Please refer to the Notice of AGM for further details.

The Company does not have a formal dividend policy. The form, frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, cash flow generated from operations, projected capital requirements for the business growth and other factors as the Board may deem appropriate.

For FY2025, the Board did not recommend any payment of dividends in view that the Group recorded a net loss for the reporting year.

## ENGAGEMENT WITH SHAREHOLDERS

**Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.**

The Company believes in high standards of transparent corporate disclosure and is committed to disclose information to Shareholders in a timely and fair manner via SGXNet. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly to all others as soon as practicable.

The information is disseminated to Shareholders on a timely basis through

- Annual report prepared and issued to all Shareholders. The Board ensures that the annual report includes all relevant information about the Company and the Group, including future developments and other disclosures required including those under the Companies Act 1967 of Singapore, Catalyst Rules and Singapore Financial Reporting Standards (International);

# CORPORATE GOVERNANCE REPORT

- Periodic announcements containing a summary of the financial information and affairs of the Group for the relevant period;
- Press releases on major developments of the Group;
- Notices of explanatory memoranda for AGMs and extraordinary general meetings (“EGMs”). Notices of AGMs and EGMs are also advertised in a national newspaper; and
- The Company’s website (<http://www.ips-securex.com/>) at which Shareholders can access the information on the Group.

The Company does not practice selective disclosure. Price-sensitive information is first publicly released on an immediate basis where required under the Catalist Rules through SGXNet, even before the Company meets with any investors or analysts. In the event of any inadvertent disclosure to a selected group, the Company will make the same disclosure publicly as soon as practicable. All Shareholders of the Company will be able to access the annual report and announcements through SGXNet website and at the Company’s website. They will also receive the notice of AGM and/or EGM, where applicable including proxy form by post and published in the newspaper within the mandatory period.

By supplying Shareholders with reliable and timely information, the Company is able to strengthen the relationship with its Shareholders based on trust and accessibility. The Company does not have a dedicated investor relations (“IR”) team. The Company’s website (<http://www.ips-securex.com/>) has the dedicated link “Investors” at which the Shareholders can access the latest and past financial information, corporate announcements, press releases, annual reports and profile of the Company. The Shareholders, investors, analysts and members of the media can readily contact the Company via the IR email at [investorrelations@ips-securex.com](mailto:investorrelations@ips-securex.com).

The Management will also meet with investors, analysts and the media as well as participate in IR activities to solicit and understand the views of the investment community, as and when the opportunity arises.

## (E) MANAGING STAKEHOLDERS RELATIONSHIPS

### ENGAGEMENT WITH STAKEHOLDERS

**Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.**

The Company acknowledges the importance of establishing effective communication among its stakeholders through regular engagement and various communication platforms to achieve mutually beneficial goals. Ongoing communication with stakeholders is an integral part of the Company’s day-to-day operations.

The Company has identified several stakeholders’ groups, namely, suppliers, customers, employees, business partners, the Board and Shareholders, who could impact the Group’s business and operations. The Company’s approach to the engagement with key stakeholders and material aspects assessment are disclosed in the Company’s Sustainability Report on pages 25 to 27 of the Annual Report, where the Company could address its sustainability risk profile and priority issues and monitor the risk profile on a regular basis to ensure the best interest of the Company.

The Company maintains a corporate website at <http://www.ips-securex.com/> to communicate and engage with stakeholders. The Company’s financial information, corporate announcements, press releases, annual reports and profile of the Group can be accessed through the Company’s website.

## (F) CORPORATE SOCIAL RESPONSIBILITY

For FY2025, the Board has reviewed and considered the primary components of sustainability reporting which include:

- Identifying material Economic, Environmental, Social and Governance (“EESG”) factors;
- Setting out the Group’s policies, practices and performance in relation to each identified material EESG factor;
- Setting out targets for the forthcoming year in relation to each EESG factor identified; and
- Selecting a suitable sustainability reporting framework for reporting and disclosure guidance that is appropriate for the Group’s industry and business model.

Please refer to our Sustainability Report on pages 23 to 45 of this Annual Report.

# CORPORATE GOVERNANCE REPORT

## DEALING IN COMPANY'S SECURITIES

### Rule 1204(19) of the Catalyst Rules

The Company has complied with Rule 1204(19) of the Catalyst Rules in relation to dealings in the Company's securities by the Company, its Directors and its officers.

The Company has adopted a Code of Best Practices to provide guidance to its Directors and all staff of the Group with regards to dealings in the Company's securities.

The Company, its Directors and its officers are not allowed to deal in the Company's securities during the period commencing one month before the announcement of the Company's periodic and annual financial statements and ending on the date of the announcement of the relevant results.

Directors and staff are also required to adhere to the provisions of the Securities and Futures Act 2001 of Singapore, Companies Act 1967 of Singapore, the Catalyst Rules and any other relevant regulations with regards to their securities transactions. They are expected to observe insider-trading laws at all times even when dealing with securities within the permitted trading period or when they are in possession of unpublished price-sensitive information and they are not to deal in the Company's securities on short-term considerations.

## INTERESTED PERSON TRANSACTIONS

### Rule 907 of the Catalyst Rules

The Company has established internal control policies in respect of any transaction with an interested person, which sets out the procedures for review and approval of such transaction.

All interested person transactions will be documented and submitted in a timely manner to the AC for their review to ensure that such transactions are carried out on an arm's length basis and on normal commercial terms that will not be prejudicial to the Company and its minority Shareholders.

The AC has reviewed the following significant transactions entered into by the Company with its interested persons for FY2025 in accordance with its existing procedures.-

	Nature of relationship	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 Catalyst Rules) (S\$)
<b>Provision of group services (such as finance, corporate secretarial, human resources, warehouse operation cost and rental expense) by:-</b>		
IPS Group Pte. Ltd. ("IPSG")	Note (1)	77,208
IPS Realty Pte. Ltd. ("IPSR")	Note (2)	216,000

#### Notes:

- (1) The controlling shareholder of the Company ("Controlling Shareholder"), Chan Tien Lok ("Mr. Chan") and the other Controlling Shareholder, Tan Suan Yap ("Mr Tan"), are the directors of IPSG. Mr Chan and Mr Tan own 65.0% and 35.0% of the issued share capital of IPSG, respectively. As such, IPSG is considered an associate of Mr Chan and Mr Tan and is an interested person under Chapter 9 of the Catalyst Rules. Accordingly, all transactions entered into between the Group and IPSG are interested person transactions under Chapter 9 of the Catalyst Rules.
- (2) IPSR is wholly owned by IPS Technologies Pte. Ltd. ("IPST"), the Controlling Shareholder. The Controlling Shareholder, Mr Chan, is a director of IPSR. Mr Chan and Mr Tan are deemed interested in IPSR's shares held by IPST through their 65.0% and 35.0% shareholding of the issued share capital of IPST, respectively. As such, IPSR is considered an associate of Mr. Chan and Mr. Tan and is an interested person under Chapter 9 of the Catalyst Rules. Accordingly, all transactions entered into between the Group and IPSR are interested person transactions under Chapter 9 of the Catalyst Rules.

# CORPORATE GOVERNANCE REPORT

The Board is of the view that the services above were not conducted on arm's length basis and were not based on normal commercial terms but 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 IPSR and IPSG 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 on the Catalist of the SGX-ST on 30 June 2014 for further details on the provision of group services by IPSG to the Group.

The Company does not have any Shareholders' mandate for interested person transactions pursuant to Rule 920 of the Catalist Rules.

## MATERIAL CONTRACTS AND LOANS

### Rule 1204(8) of the Catalist Rules

The Company confirms that save for the service agreement between the Company and the former Executive Director and Group CEO, Kelvin Lim Ching Song, who resigned on 30 August 2024, with the service agreement concurrently terminated on his resignation date and as disclosed in the Report of Directors and the Financial Statements in this Annual Report, there were no other material contracts of the Company and its subsidiaries involving the interests of the Group CEO or any Director or controlling Shareholder of the Company, either subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

## NON-SPONSOR FEES

### Rule 1204(21) of the Catalist Rules

Pursuant to Rule 1204(21) of the Catalist Rules, there were no non-sponsor fees payable to the Company's sponsor, United Overseas Bank Limited, for FY2025.

# CORPORATE GOVERNANCE REPORT

## PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies and other major appointments	Past directorships in other listed companies and other major appointments over the preceding 3 years
Ong Beng Chye	Bachelor of Science with Honours from The City, University of London  Fellow of the Institute of Chartered Accountants in England and Wales Chartered Financial Analyst  Non-practising member of the Institute of Singapore Chartered Accountants	Non-Executive and Non- Independent Chairman	Chairman of the Board, Member of the Audit Committee, Nominating Committee and Remuneration Committee	6 June 2014	25 October 2024	<ul style="list-style-type: none"> <li>ES Group (Holdings) Limited</li> <li>Alpina Holdings Limited</li> <li>LMS Compliance Ltd.</li> <li>Oxley Holdings Limited</li> <li>Union Steel Holdings Ltd</li> </ul>	<ul style="list-style-type: none"> <li>Hafary Holdings Limited</li> <li>Geo Energy Resources Limited</li> </ul>
Barney Lau Tai Chiau	Master in Christian Studies, Biblical Graduate School of Theology, Singapore  Bachelor of Arts, Computer Science, Rutgers, State University of New Jersey, USA  Diploma in Computer Studies, National Computing Centre (UK), Singapore  Diploma in Electronic and Communications Engineering, Singapore Polytechnic	Independent Director	Board Member, Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee	25 October 2024	N/A	IFS Capital Limited	Nil
Lee Li Ing	Bachelor Degree in Business Administration from La Trobe University, Australia  Diploma in Business Studies majoring in Human Resources Management & International Marketing from Ngee Ann Polytechnics, Singapore	Independent Director	Board Member, Chairman of the Nominating Committee and Remuneration Committee and a member of the Audit Committee	25 October 2024	N/A	Nil	Nil



# CORPORATE GOVERNANCE REPORT

## ADDITIONAL INFORMATION ON DIRECTOR NOMINATED FOR RE-ELECTION – APPENDIX 7F TO THE CATALIST RULES

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in the Appendix 7F of the Catalist Rules for the Directors who are retiring and being eligible, offer themselves for re-election at the forthcoming AGM is set out below:

Details	Name of Director	
	Barney Lau Tai Chiau	Lee Li Ing
Date of Appointment	25 October 2024	25 October 2024
Date of last re-appointment (if applicable)	N/A	N/A
Age	59	56
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Barney Lau Tai Chiau was nominated for re-election as Director at the forthcoming AGM pursuant to the Company's Constitution. The NC's process in recommending the nomination for re-election of Director and the assessment of the contribution of the Director has been disclosed under Principle 4 and Principle 5 of the Corporate Governance Report.  The Board of the Company has accepted the NC's recommendation, who has reviewed and considered Barney Lau Tai Chiau is able to exercise independent judgement on the corporate affairs of the Group.	Lee Li Ing was nominated for re-election as Director at the forthcoming AGM pursuant to the Company's Constitution. The NC's process in recommending the nomination for re-election of Director and the assessment of the contribution of the Director has been disclosed under Principle 4 and Principle 5 of the Corporate Governance Report.  The Board of the Company has accepted the NC's recommendation, who has reviewed and considered Lee Li Ing is able to exercise independent judgement on the corporate affairs of the Group.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive.	Non-Executive.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee	Independent Director, Chairman of the Nominating Committee and Remuneration Committee and a member of the Audit Committee
Professional qualifications	<ul style="list-style-type: none"> <li>• Master in Christian Studies, Biblical Graduate School of Theology, Singapore</li> <li>• Bachelor of Arts, Computer Science, Rutgers, State University of New Jersey, USA</li> <li>• Diploma in Computer Studies, National Computing Centre (UK), Singapore</li> <li>• Diploma in Electronic and Communications Engineering, Singapore Polytechnic</li> </ul>	<ul style="list-style-type: none"> <li>• Bachelor Degree in Business Administration from La Trobe University, Australia</li> <li>• Diploma in Business Studies majoring in Human Resources Management &amp; International Marketing from Ngee Ann Polytechnics, Singapore</li> </ul>

# CORPORATE GOVERNANCE REPORT

Details	Name of Director	
	Barney Lau Tai Chiau	Lee Li Ing
Working experience and occupation(s) during the past ten (10) years	<p>Biblical Graduate School of Theology Oct 2023 – Present: Chairman of the Council Jan 2019 – Sep 2023: Vice-Chairman of the Council Jan 2018 – Dec 2018: Council Member Oct 2008 – Feb 2023: Covenant Evangelical Free Church (Pastor, Senior Pastor's Office – Director of Ministries)</p> <p>Directorship: Integrated Health Information Services Pte. Ltd. May 2011 – Oct 2016: Director May 2013 – Oct 2016: Member of HR Committee</p> <p>Jurong Health Services Pte. Ltd. (Ng Teng Fong General Hospital &amp; Jurong Community Hospital) Jan 2010 – Oct 2015: Director Oct 2010 – Oct 2015: Chairman of IT Committee</p>	<p>January 2021 to September 2022: Group Chief Human Resources Officer, Singapore Post Pte Ltd</p> <p>July 2012 to September 2019: Executive Vice President &amp; Head of Human Resources, Fullerton Financial Holdings</p> <p>November 2009 to June 2012: Executive Director &amp; Head of Human Resources, Asia Pacific, Royal Bank of Scotland</p> <p>July 2008 to October 2009: Director, Human Resources, Temasek Holdings Pte Ltd</p>
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	<b>Past (for the last 5 years)</b>	<b>Past (for the last 5 years)</b>
	<p>Nil</p> <p><b>Present Director of:</b></p> <p>IFS Capital Limited</p>	<p>Nil</p> <p><b>Present Director of:</b></p> <p>Talent Story &amp; Advisory Pte. Ltd.</p>
a. Whether at any time during the last ten (10) years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

# CORPORATE GOVERNANCE REPORT

Details	Name of Director	
	Barney Lau Tai Chiau	Lee Li Ing
b. Whether at any time during the last ten (10) years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c. Whether there is any unsatisfied judgment against him?	No	No
d. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f. Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g. Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h. Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

# CORPORATE GOVERNANCE REPORT

Details		Name of Director	
		Barney Lau Tai Chiau	Lee Li Ing
i.	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j.	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–		
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k.	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Any prior experience as a director of an issuer listed on the Exchange?  If yes, please provide details of prior experience.  If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.		Not applicable. This is a re-election of a Director.	

# STATEMENT BY DIRECTORS

The directors are pleased to present the consolidated financial statements of IPS Securex Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) and the statement of financial position and statement of changes in equity of the Company for the reporting year ended 30 June 2025.

## 1. Opinion of the directors

In the opinion of the directors:

- (a) The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date; and
- (b) At the date of the statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

## 2. Directors

The directors of the Company in office at the date of this statement are:

Ong Beng Chye  
Barney Lau Tai Chiau  
Lee Li Ing

## 3. Directors’ interests in shares and debentures

The directors of the Company holding office at the end of the reporting year had no interests in shares in or debentures of the Company or other related body corporate as recorded in the register of directors’ interests in shares in or debentures kept by the Company under section 164 of the Companies Act 1967 (the “Act”) except as follows:

Name of directors and companies in which interests are held	Direct interest	
	At beginning of reporting year	At end of reporting year
The Company – <u>IPS Securex Holdings Limited</u>	Number of shares of no par value	
Ong Beng Chye	300,000	300,000

The directors’ interests as at 21 July 2025 were the same as those at the end of the reporting year.

## 4. Arrangements to enable directors to acquire benefits by means of acquisition of shares and debentures

Neither at the end of nor at any time during the reporting year did there subsist arrangements to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, except as disclosed below.



## STATEMENT BY DIRECTORS

### 5. Options and performance share plan

The IPS Securex Performance Share Plan (the “PSP”) and the IPS Securex Employee Share Option Scheme (the “ESOS”) were approved and adopted by the Company’s shareholders at an Extraordinary General Meeting held on 25 October 2024.

The PSP and the ESOS are administered by the remuneration committee whose members are Lee Li Ing, Barney Lau Tai Chiau and Ong Beng Chye.

Both the PSP and the ESOS will continue to be in force at the discretion of the remuneration committee subject to a maximum period of 10 years commencing on 25 October 2024. However, the PSP and ESOS may continue beyond the above stipulated period with the approval of the Company’s shareholders by ordinary resolution in the general meeting and of any relevant authorities that may then be required.

The total number of new shares that may be issued or shares that may be delivered pursuant to awards granted under the PSP or options granted under the ESOS, when added to the total number of new shares issued and issuable in respect of: (i) all awards granted under the PSP; (ii) all options granted under the ESOS; and (iii) all shares, options, or awards granted under such share-based incentive schemes of the Company then in force, shall not exceed 15% of the issued capital of the Company (including treasury shares) on that day preceding the relevant date of award.

The PSP grants participants fully paid shares free of charge, upon the participant achieving prescribed performance targets which will be set by the remuneration committee depending on each individual participant’s job scope and responsibilities.

The options under the ESOS may have exercise prices at the remuneration committee’s discretion, and the exercise prices may be at market price or discount to the market price. The options which are at market price may be exercised after the second anniversary of the date of grant of the option while the options exercisable at a discount to the market price may only be exercised after the third anniversary from the date of grant of the option. The options granted under the ESOS will expire upon the tenth anniversary of the date of grant of the option.

During the reporting year, no option to take up unissued shares of the Company or other body corporate in the Group was granted.

During the reporting year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At end of the reporting year, there were no unissued shares under option.

### 6. Independent auditor

RSM SG Assurance LLP has expressed willingness to accept re-appointment.

# STATEMENT BY DIRECTORS

## 7. Report of audit committee

The members of the audit committee at the date of this report are as follows:

Barney Lau Tai Chiau (Chairman of audit committee)  
Ong Beng Chye  
Lee Li Ing

The audit committee performed the functions specified by section 201B(5) of the Act. Among other functions, it reviewed the following, where relevant, with management, the external auditor and the internal auditor:

- The audit plan of the external auditor, the result of the external audit procedures, the external auditor's evaluation of the Company's internal accounting controls relevant to the statutory audit, the audit report on the financial statements and the assistance given by management to the external auditor;
- The scope and results of the internal audit procedures (including those relating to financial, operational, compliance, information technology controls and risk management) and the assistance given by the management to the internal auditor;
- The financial statements of the Group and of the Company prior to their submission to the directors of the Company for adoption; and
- The interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the audit committee are described in the corporate governance report included in the annual report of the Company. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditor provides non-audit services.

The audit committee has recommended to the board of directors that RSM SG Assurance LLP be nominated for re-appointment as independent external auditor at the next annual general meeting of the Company.

## 8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the audit committee and the board are of the opinion that the Company's internal controls (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at 30 June 2025 to address the risks that the Company considers relevant and material to its operations.

## 9. Subsequent developments

There are no significant developments subsequent to the release of the preliminary financial statements of the Group and of the Company, as announced on 27 August 2025, which would materially affect the Group's and the Company's operating and financial performance as of the date of this report.

On behalf of the directors

Ong Beng Chye  
Non-Executive and Non-Independent Chairman

Barney Lau Tai Chiau  
Independent Director

3 October 2025

# INDEPENDENT AUDITOR'S REPORT

to the members of IPS SECUREX HOLDINGS LIMITED

## Report on the audit of the financial statements

### *Opinion*

We have audited the accompanying financial statements of IPS Securex Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and consolidated statement of cash flows of the Group, and statement of changes in equity of the Company for the reporting year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the reporting year ended on that date.

### *Basis for opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### *Recognition of revenue, contract assets, contract costs and contract liabilities*

Please refer to note 2A on the relevant accounting policies, note 5 on revenue and income, note 17 on contract assets, note 18 on contract costs and note 26 on contract liabilities.

The Group’s security solutions segment provides integrated security solutions to its customers. Under this segment, there are two types of revenue stream, namely, project revenue and sale of goods.

Management determined that the performance obligations under project revenue is satisfied over time. Management’s judgement is required in assessing the appropriate method for measuring progress and, to this end, the output method was adopted. In making this determination, management took into consideration the nature of the goods or services that the Group promised to transfer to its customers, and whether the milestones reached faithfully depict the Group’s performance towards complete satisfaction of the performance obligations.

In addition, the Group recognises costs by considering the nature of the project expenditures and the appropriate methods of recognition, including costs that generate or enhance resources of the Group that will be used in satisfying performance obligations in the future and costs that relate to satisfied performance obligations (i.e., costs that relate to past performance).

# INDEPENDENT AUDITOR'S REPORT

to the members of IPS SECUREX HOLDINGS LIMITED

## *Key audit matters (Continued)*

### *Recognition of revenue, contract assets, contract costs and contract liabilities (Continued)*

In response to this key audit matter, our audit procedures included, amongst others, the following:

- We obtained an understanding of the nature of the project revenue entered into by the Group for the provision of integrated security solutions and whether the method of recognising revenue and costs adopted by management was in accordance with the relevant financial reporting standards;
- We reviewed and discussed with management the Group's revenue recognition policy, including those related to accounting for variable considerations and contract modifications;
- In relation to the costs, we:
  - Checked that these costs are expensed when incurred except for those that qualify as assets under financial reporting standards, incremental costs to obtain the contracts and costs to fulfil a contract;
  - Verified materials costs incurred to supporting documents such as suppliers' invoices, progress claims and delivery documents, and reviewed the accrued costs;
  - Reviewed whether capitalised contract costs and their subsequent measurement are appropriate;
- We assessed the appropriateness of the Group's measurement of the performance obligations satisfied and the corresponding costs incurred to fulfil those obligations;
- We reviewed management's assessment for the need to provide for contract losses if it is probable that total estimated project costs exceed total estimated project revenue by discussing with senior management and project managers; and
- We assessed the adequacy of disclosures made in the financial statements.

### *Assessment of expected credit losses on trade receivables and contract assets*

Please refer to note 2A on the relevant accounting policy, note 2B on judgements and sources of estimation uncertainties, note 17 on contract assets and note 19 on trade and other receivables.

As at 30 June 2025, the Group's trade receivables and contract assets amounted to \$2,790,862 and \$212,534 respectively, which collectively represented 32% of the Group's total assets. The allowance for expected credit losses ("ECL") of trade receivables and contract assets is estimated by management through the application of judgement and use of subjective assumptions.

The ECL are recognised from initial recognition of the trade receivables and contract assets based on the lifetime ECL. The assessment requires management to exercise significant judgement in developing methodologies. In estimating ECL, the Group developed a matrix that took into account historical credit loss experience and, where relevant, incorporated forward-looking information that reflect management's view of potential future economic conditions. In addition, for certain material long overdue trade receivables and contract assets, the ECL allowance is determined by making debtor-specific assessments which requires significant management judgements.

In response to this key audit matter, our audit procedures included, amongst others, the following:

- We reviewed the allowance methodologies developed by the Group and assessed management's assumptions and estimates, in particular, the historical default rates of trade receivables and contract assets based on the shared credit risk characteristics and those relating to forward-looking information;
- We assessed the facts and circumstances surrounding the outstanding material trade receivables and contract assets, and also reviewed evidence of collection by way of receipts from customers after the year end;
- We evaluated the reasonableness of management's estimate of future payments by the customers by taking into consideration the customers' past payment history; and
- We assessed the adequacy of ECL allowance recorded at end of reporting year and disclosures made in the financial statements.

# INDEPENDENT AUDITOR'S REPORT

to the members of IPS SECUREX HOLDINGS LIMITED

## ***Key audit matters (Continued)***

### ***Assessment of impairment of investments in subsidiaries and receivables due from subsidiaries***

Please refer to note 2A on the relevant accounting policies, note 2B on judgements and sources of estimation uncertainties, note 14 on investments in subsidiaries, note 19 on trade and other receivables and note 20 on loans to subsidiaries.

As at 30 June 2025, the Company's carrying amounts of investments in subsidiaries, trade and other receivables due from subsidiaries and loans to subsidiaries were \$3,000,199, \$2,477,215 and \$614,822 respectively, and collectively represented approximately 98% of the Company's total assets at end of the reporting year.

For non-performing subsidiaries or subsidiaries where there are indications of impairment, the Company may have exposure to loss on cost of investments and receivables from those subsidiaries. Any impairment losses on the investment in subsidiaries and the related receivables have to be recognised in the Company's separate financial statements.

Management assessed and determined that there were no indicators of impairment in the carrying values of the Company's investments and related receivables.

In response to this risk, our audit approach included, amongst others, the following:

- We have reviewed and considered the external and internal sources of information assessed by management when they were determining whether there is any indication that investment in subsidiaries may be impaired and receivables from those subsidiaries may not be recoverable. We also assessed management's basis to determine potential impairment of the investments and related receivables, and held discussions with management on the prospects and future plans of these subsidiaries; and
- We assessed the adequacy of disclosures concerning those assumptions made in the financial statements.

### ***Other information***

Management is responsible for the other information. The other information comprises the information included in the statement by directors and the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of management and directors for the financial statements***

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.



# INDEPENDENT AUDITOR'S REPORT

to the members of IPS SECUREX HOLDINGS LIMITED

## *Auditor's responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# INDEPENDENT AUDITOR'S REPORT

to the members of IPS SECUREX HOLDINGS LIMITED

## Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Adrian Tan Khai-Chung.

RSM SG Assurance LLP  
Public Accountants and  
Chartered Accountants  
Singapore

3 October 2025

Engagement partner – Appointment since year ended 30 June 2023

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 30 June 2025

	Note	2025 \$	2024 \$
<b>Revenue</b>	5	<b>11,282,775</b>	13,687,667
Cost of sales		<b>(7,137,852)</b>	(7,911,636)
<b>Gross profit</b>		<b>4,144,923</b>	5,776,031
Other income and gains	6	<b>77,029</b>	293,735
Administrative expenses	9	<b>(5,618,187)</b>	(5,772,933)
Allowance for expected credit loss – reversal	19	<b>7,439</b>	3,662
Finance income	7	<b>13,699</b>	1,513
Finance costs	8	<b>(28,322)</b>	(68,674)
Other losses	6	<b>(5,911)</b>	(327)
Other operating expenses		<b>(80,884)</b>	(117,564)
<b>(Loss)/profit before tax</b>		<b>(1,490,214)</b>	115,443
Income tax benefit/(expense)	10	<b>15,100</b>	(11,802)
<b>(Loss)/profit for the year</b>		<b>(1,475,114)</b>	103,641
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<b>98</b>	–
<b>Total comprehensive (loss)/income</b>		<b>(1,475,016)</b>	103,641
<b>(Loss)/earnings per share</b>		<b>Cents</b>	<b>Cents</b>
Basic and diluted	11	<b>(0.30)</b>	0.02

The accompanying notes form an integral part of these financial statements.

# STATEMENTS OF FINANCIAL POSITION

As at 30 June 2025

		Group		Company	
	Note	2025	2024	2025	2024
		\$	\$	\$	\$
<b>ASSETS</b>					
<b><u>Non-current assets</u></b>					
Plant and equipment	12	326,500	330,015	—	—
Other investment	13	—	7,605	—	—
Investments in subsidiaries	14	—	—	3,000,199	3,000,199
Trade and other receivables	19	41,681	534,228	—	—
<b>Total non-current assets</b>		<b>368,181</b>	<b>871,848</b>	<b>3,000,199</b>	<b>3,000,199</b>
<b><u>Current assets</u></b>					
Restricted fixed deposits	15	—	453,133	—	—
Inventories	16	2,299,854	1,683,357	—	—
Contract assets	17	212,534	270,402	—	—
Contract costs	18	—	450	—	—
Trade and other receivables	19	3,609,804	5,316,417	2,517,595	2,400,211
Loans to subsidiaries	20	—	—	614,822	622,130
Prepayments		616,895	252,538	2,842	4,277
Cash and cash equivalents	21	2,167,392	3,141,339	112,972	199,054
<b>Total current assets</b>		<b>8,906,479</b>	<b>11,117,636</b>	<b>3,248,231</b>	<b>3,225,672</b>
<b>Total assets</b>		<b>9,274,660</b>	<b>11,989,484</b>	<b>6,248,430</b>	<b>6,225,871</b>
<b>EQUITY AND LIABILITIES</b>					
<b><u>Equity</u></b>					
Share capital	22	9,405,906	9,405,906	9,405,906	9,405,906
Accumulated losses		(3,166,826)	(1,691,712)	(3,606,605)	(3,503,929)
Other reserves	23	(679,254)	(679,352)	120,647	120,647
<b>Total equity</b>		<b>5,559,826</b>	<b>7,034,842</b>	<b>5,919,948</b>	<b>6,022,624</b>
<b><u>Non-current liabilities</u></b>					
Deferred tax liabilities	10	1,490	1,490	—	—
Loans and borrowings	25	—	183,007	—	—
<b>Total non-current liabilities</b>		<b>1,490</b>	<b>184,497</b>	<b>—</b>	<b>—</b>
<b><u>Current liabilities</u></b>					
Trade and other payables	24	3,391,598	3,193,151	328,482	203,247
Loans and borrowings	25	139,593	1,239,986	—	—
Contract liabilities	26	182,153	337,008	—	—
<b>Total current liabilities</b>		<b>3,713,344</b>	<b>4,770,145</b>	<b>328,482</b>	<b>203,247</b>
<b>Total liabilities</b>		<b>3,714,834</b>	<b>4,954,642</b>	<b>328,482</b>	<b>203,247</b>
<b>Total equity and liabilities</b>		<b>9,274,660</b>	<b>11,989,484</b>	<b>6,248,430</b>	<b>6,225,871</b>

The accompanying notes form an integral part of these financial statements.

# STATEMENTS OF CHANGES IN EQUITY

Year ended 30 June 2025

<u>Group</u>	<b>Share capital \$</b>	<b>Accumulated losses \$</b>	<b>Other reserves \$</b>	<b>Total equity \$</b>
<b>Current year</b>				
At 1 July 2024	9,405,906	(1,691,712)	(679,352)	7,034,842
<b>Changes in equity</b>				
Total comprehensive income/(loss) for the year	–	(1,475,114)	98	(1,475,016)
<b>At 30 June 2025</b>	<b>9,405,906</b>	<b>(3,166,826)</b>	<b>(679,254)</b>	<b>5,559,826</b>
<b>Previous year</b>				
At 1 July 2023	9,405,906	(1,795,353)	(679,352)	6,931,201
<b>Changes in equity</b>				
Total comprehensive income for the year	–	103,641	–	103,641
<b>At 30 June 2024</b>	<b>9,405,906</b>	<b>(1,691,712)</b>	<b>(679,352)</b>	<b>7,034,842</b>

<u>Company</u>	<b>Share capital \$</b>	<b>Accumulated losses \$</b>	<b>Other reserves \$</b>	<b>Total equity \$</b>
<b>Current year</b>				
At 1 July 2024	9,405,906	(3,503,929)	120,647	6,022,624
<b>Changes in equity</b>				
Total comprehensive loss for the year	–	(102,676)	–	(102,676)
<b>At 30 June 2025</b>	<b>9,405,906</b>	<b>(3,606,605)</b>	<b>120,647</b>	<b>5,919,948</b>
<b>Previous year</b>				
At 1 July 2023	9,405,906	(3,460,581)	120,647	6,065,972
<b>Changes in equity</b>				
Total comprehensive loss for the year	–	(43,348)	–	(43,348)
<b>At 30 June 2024</b>	<b>9,405,906</b>	<b>(3,503,929)</b>	<b>120,647</b>	<b>6,022,624</b>

The accompanying notes form an integral part of these financial statements.



# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 30 June 2025

	2025 \$	2024 \$
<b>Cash flows from operating activities</b>		
(Loss)/profit before tax	(1,490,214)	115,443
Adjustments for:		
Interest income	(1,147)	(1,513)
Interest expense	28,322	62,334
Depreciation of plant and equipment	147,943	134,874
Loss on disposal of plant and equipment	–	327
Loss on disposal of other investments	5,911	–
Inventories written-off	61,161	70,683
Allowance for inventories obsolescence – (reversal)/loss	(13,446)	24,434
Bad debts written-off	9,370	–
Allowance for expected credit loss – reversal	(7,439)	(3,662)
Trade payables derecognised	–	(208,442)
Net foreign exchange loss – unrealised	26,382	8,216
Operating cash flows before changes in working capital	(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)
Net cash flows used in operations	(380,979)	(3,028,096)
Income tax refunded/(paid)	15,100	(11,802)
Interest received	1,937	835
Net cash flows used in operating activities	(363,942)	(3,039,063)
<b>Cash flows from investing activities</b>		
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 flows used in investing activities	(142,734)	(52,217)
<b>Cash flows from financing activities</b>		
Payment of lease liabilities – principal portion	(11,006)	(10,496)
Repayment of bank borrowings	(1,272,394)	(1,158,438)
Interest paid	(28,346)	(56,465)
Proceeds from 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 flows used in financing activities	(353,661)	(786,055)
<b>Net decrease in cash and cash equivalents</b>	<b>(860,337)</b>	<b>(3,877,335)</b>
Cash and cash equivalents at beginning of year	3,054,013	6,939,564
Effect of changes in exchange rates on cash and cash equivalents	(26,284)	(8,216)
<b>Cash and cash equivalents at end of year (note 21)</b>	<b>2,167,392</b>	<b>3,054,013</b>

The accompanying notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 1. GENERAL INFORMATION

IPS Securex Holdings Limited (Registration No: 201327639H) (the “Company”) is incorporated in Singapore with limited liability. The financial statements are presented in Singapore Dollars (“\$”) and they cover the Company and its subsidiaries (collectively, the “Group”).

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The Company is an investment holding Company. It is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activities of the subsidiaries are set out in note 14 to the financial statements.

The registered office of the Company is located at 213 Henderson Road, #04-09 Henderson Industrial Park, Singapore 159553. The Company is situated in Singapore.

### Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) and the related Interpretations to SFRS(I) (“SFRS(I) INT”) as issued by the Accounting Standards Committee under Accounting and Corporate Regulatory Authority (“ASC”). They comply with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards issued by the International Accounting Standards Board and Companies Act 1967 (the “Act”).

### Basis of preparation of financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

The consolidated financial statements include the financial statements made up to the end of the reporting year of the Company and all of its subsidiaries. The consolidated financial statements are the financial statements of the Group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are deconsolidated from the date that control ceases.

Changes in the Group’s ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the Group’s and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the Group loses control of a subsidiary, it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost and is subsequently accounted as a financial asset in accordance with the financial reporting standard on financial instruments.

The Company’s separate financial statements have been prepared on the same basis, and as permitted by the Act, the Company’s separate statement of profit or loss and other comprehensive income and statement of cash flows are not presented.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION

### 2A. Material accounting policy information

#### Foreign currency transactions

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

#### Translation of financial statements of other entities

Each component in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

#### Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

#### Revenue and income recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 2A. Material accounting policy information (Continued)

#### Revenue and income recognition (Continued)

##### Sale of goods

Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

##### Maintenance and leasing services

Revenue from maintenance and leasing services are provided under a fixed-price contract, with contract terms generally within one year. Revenue from fixed-price contracts are non-project related and include maintenance services which are recognised over time when the customers simultaneously receive and consume the benefits from the Group's performance. Such services are recognised using a straight-line basis over the term of the contract.

##### Distinct goods or services created over time

For service contracts and projects for developing an asset, the value to the customer is created over time during the contract period and it is accounted for as a single performance obligation that is satisfied over time. This is because the customer simultaneously receives and consumes the benefits of the Group's performance in processing each transaction as and when each transaction is processed; the performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or the performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The revenue is recognised over time by using the output method that is based on milestone reached, i.e., direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. For the output method, as a practical expedient for a performance obligation satisfied over time, if the Group has a right to invoice the customer at an amount that corresponds directly with the value to the customer of the Group's performance to date, revenue is recognised at that amount (for example, in a goods or services contract, the Group may have the right to bill a fixed amount for each unit of goods or service provided).

#### Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The Group's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

#### Income tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the statements of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is recognised using the liability method; based on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 2A. Material accounting policy information (Continued)

#### Income tax (Continued)

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

#### Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). The annual rates of depreciation are as follows:

Computers and office equipment	– 2 to 3 years
Furniture, fixtures and office renovation	– 3 to 5 years
Tools and equipment	– 3 to 5 years
Motor vehicles	– 5 to 10 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

#### Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned, such as plant and equipment. The right-of-use assets are depreciated over 5 years.

#### Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the Company's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

#### Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the weighted average method. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

#### Carrying amounts of non-financial assets

The carrying amount of non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is expensed.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 2A. Material accounting policy information (Continued)

#### Financial instruments

##### Recognition and de-recognition of financial instruments

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

##### Classification and measurement of financial assets

Financial assets are classified into (1) Financial asset classified as measured at amortised cost; (2) Financial asset that is an equity investment measured at fair value through other comprehensive income ("FVTOCI"); (3) Financial asset that is a debt asset instrument classified as measured at FVTOCI; and (4) Financial asset classified as measured at fair value through profit or loss ("FVTPL").

At end of reporting year, the Group had financial assets classified as measured at amortised cost.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL, that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

##### Classification and measurement of financial liabilities

Financial liabilities are classified as at FVTPL in either of the following circumstances:

- (i) The liabilities are managed, evaluated and reported internally on a fair value basis; or
- (ii) The designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

#### Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.



# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 2A. Material accounting policy information (Continued)

#### Other specific material accounting policy information and other explanatory information

These are disclosed in the relevant notes to the financial statements.

### 2B. Judgements and sources of estimation uncertainties

Disclosures on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next reporting year are discussed below or in the corresponding Notes to these financial statements. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

#### Measuring revenue recognised over time

Judgement is required whether the over time method can be used to recognise the Group's revenue from contracts. The assessment requires judgement and the consideration of many criteria that should be met to qualify for the over time method such as whether the customer presently is obligated to pay for an asset, whether the customer has legal title, whether the entity has transferred physical possession of the asset, whether the customer has assumed the significant risks and rewards of ownership of the asset, and whether the customer has accepted the asset. Judgement is also required in selecting a method (output or input methods) for measuring progress toward complete satisfaction of a performance obligation. A single method is applied consistently for measuring progress for each performance obligation satisfied over time. Events and circumstances frequently do not occur as expected. Even if the events anticipated under the assumptions occur, actual results are still likely to be different from the estimates since other anticipated events frequently do not occur as expected and the variation may be material. The related account balances at end of reporting year are disclosed in the relevant notes on revenues, contract assets, contract cost and contract liabilities.

#### Assessment of impairment of trade and other receivables and contract assets

The assessment of expected credit losses ("ECL") requires estimation and significant judgement. In measuring the expected credit losses, management considers all reasonable and supportable information such as the Group's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward-looking information such as forecasts of future economic conditions. In addition, for certain material long overdue trade and other receivables and contract assets, the ECL allowance is determined by making debtor-specific assessments. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at end of reporting year. The carrying amounts of trade and other receivables and contract assets at the end of the reporting year are disclosed in notes 19 and 17 respectively.

#### Assessment of write-down of inventories

The assessment of write-down of inventories requires a degree of estimation and judgement. The level of the loss allowance is assessed by taking into account the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at end of reporting year is disclosed in note 16.

#### Assessment of impairment of investments in subsidiaries

Where an investee is in net equity deficit and or has suffered losses, a test is made whether the investment in the investee has suffered any impairment loss. This measurement requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the investee affected. The carrying amount of the specific investee or class of investees at end of reporting year affected by the assumption is \$3,000,199 (2024: \$3,000,199).

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

The financial reporting standard on related party disclosures requires the Group to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

### 3A. Members of a group

Name	Relationship	Country of incorporation
IPS Technologies Pte. Ltd.	Immediate and ultimate parent company	Singapore

Related companies in these financial statements include the members of the above group of companies.

Related parties in these financial statements refer to entities controlled by the ultimate controlling party and are outside the Group.

### 3B. Related party transactions and balances

There are transactions and arrangements between the Group and its related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

#### Material related party transactions

In addition to transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	Group	
	2025 \$	2024 \$
<u>Related parties</u>		
Sale of goods	–	(5,020)
Accounting and administrative services	77,208	77,208
Rental expenses	216,000	216,000

### 3C. Key management compensation

	Group	
	2025 \$	2024 \$
Short-term employee benefits	1,136,096	1,199,585
Post-employment benefits (including contribution to defined contribution plan)	66,190	76,651
	1,202,286	1,276,236

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 3C. Key management compensation (Continued)

Included in the above amounts are the following items:

	Group	
	2025	2024
	\$	\$
Remuneration of directors of the Company and subsidiaries	201,527	323,255
Fees to directors of the Company	176,024	150,126
Fees to directors of subsidiaries	–	26,000

The above amounts are included under employee benefits expense.

Key management personnel include directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The above amounts for key management compensation are for all the directors and other key management personnel.

Further information about the remuneration of individual directors is provided in the corporate governance report.

### 3D. Balances with related companies and related parties

The trade transactions and the related receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

Movements in other receivables from and other payables to related companies and related parties are as follows:

	Company	
	2025	2024
	\$	\$
<u>Subsidiaries</u>		
At beginning of year	2,359,122	2,453,584
Amounts paid in and settlement of liabilities on behalf of the subsidiaries	117,924	–
Amounts paid out and settlement of liabilities on behalf of the Company	(100,079)	(94,462)
At end of year	2,376,967	2,359,122

Presented in the statement of financial position as follows:

Other receivables (note 19)	2,477,215	2,359,291
Other payables (note 24)	(100,248)	(169)
	2,376,967	2,359,122

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
<u>Other payables to related parties</u>				
At beginning of year	53,266	26,950	53,266	26,389
Amounts paid in and settlement of liabilities on behalf of the Group	–	26,316	–	26,877
At end of year (note 24)	53,266	53,266	53,266	53,266

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

The Group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker to allocate resources and in assessing performance. Generally, financial information on segments is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the Group.

### 4A. Information about reportable segments

For management purposes, the Group is organised into the following major strategic operating segments:

- (1) Security solutions: These include the sale of goods and provision of integrated security solutions to customers; and
- (2) Maintenance and leasing: These include maintenance services and leasing of security equipment.

Such a structural organisation is 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 board of directors (who are identified as the chief operating decision makers) in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

Inter-segment sales are measured on the basis that the Group actually used to price the transfers. Internal transfer pricing policies of the Group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the significant accounting policies.

The following tables disclose the information about the reportable segment profit or loss, assets and liabilities. Certain information on revenue is also set out in note 5.

### 4B. Profit or loss and reconciliation

	Group	
	2025	2024
	\$	\$
<u>Revenue by segment</u>		
Security solutions	7,942,074	9,484,423
Maintenance and leasing	3,340,701	4,203,244
	<b>11,282,775</b>	<b>13,687,667</b>
<u>Profit before tax by segment</u>		
Security solutions	1,667,607	2,774,104
Maintenance and leasing	2,222,556	2,941,520
	<b>3,890,163</b>	<b>5,715,624</b>
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 operating expenses	(15,773)	(31,878)
– Net finance costs	(5,742)	(59,561)
	<b>(1,490,214)</b>	<b>115,443</b>

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONTINUED)

### 4C. Assets, liabilities and reconciliations

	Group	
	2025	2024
	\$	\$
<u>Total assets by segments</u>		
Security solutions	5,138,308	6,659,754
Maintenance and leasing	1,557,614	1,805,528
	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
– Other receivables	84,846	121,842
	9,274,660	11,989,484
<u>Total liabilities by segments</u>		
Security solutions	(2,357,286)	(1,847,965)
Maintenance and leasing	(645,034)	(676,443)
	(3,002,320)	(2,524,408)
Unallocated amounts:		
– Bank borrowings	(130,989)	(1,403,383)
– Lease liabilities	(8,604)	(19,610)
– Other payables	(571,431)	(1,005,751)
– Deferred tax liabilities	(1,490)	(1,490)
	(3,714,834)	(4,954,642)

### 4D. Other material items and reconciliation

	Group	
	2025	2024
	\$	\$
<u>Interest income</u>		
Security solutions	1,140	1,359
Unallocated amounts	7	154
	1,147	1,513
<u>Interest expense</u>		
Security solutions	(10,134)	(8,908)
Maintenance and leasing	(6)	(51)
Unallocated amounts	(18,182)	(53,375)
	(28,322)	(62,334)
<u>Depreciation of plant and equipment</u>		
Unallocated amounts	(147,943)	(134,874)
<u>Allowance for expected credit loss – reversal</u>		
Security solutions	–	3,662
Unallocated amounts	7,439	–
<u>Capital expenditure</u>		
Unallocated amounts	(144,428)	(55,336)

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONTINUED)

### 4E. Geographical information

The following table provides an analysis of revenue and non-current assets by geographical market:

	Revenue		Non-current assets	
	2025	2024	2025	2024
	\$	\$	\$	\$
Singapore	10,940,577	12,737,597	368,181	871,848
East Asia <sup>(1)</sup>	58,875	1,777	—	—
Indochina <sup>(2)</sup>	11,568	48,525	—	—
Rest of Southeast Asia <sup>(3)</sup>	271,755	899,768	—	—
	<b>11,282,775</b>	<b>13,687,667</b>	<b>368,181</b>	<b>871,848</b>

<sup>(1)</sup> Includes People's Republic of China, South Korea and Japan.

<sup>(2)</sup> Includes Myanmar, Thailand, Laos, Cambodia and Vietnam.

<sup>(3)</sup> Includes Malaysia, Brunei, Indonesia, Philippines and Timor Leste.

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods or services. The non-current assets are analysed by the geographical area in which the assets are located.

### 4F. Information on major customers by revenue transactions

	Group	
	2025	2024
	\$	\$
Top 1 customer	1,878,896	3,759,352
Top 2 customers	3,687,157	5,671,823
Top 3 customers	4,866,485	6,173,473

## 5. REVENUE AND INCOME

	Group	
	2025	2024
	\$	\$
Project revenue	6,082,699	8,171,005
Maintenance and leasing services	3,340,701	4,203,244
Sale of goods	1,859,375	1,313,418
	<b>11,282,775</b>	<b>13,687,667</b>

Revenue classified by timing of revenue recognition:

	2025	2024
	\$	\$
Over time	9,423,400	12,374,249
Point in time	1,859,375	1,313,418
	<b>11,282,775</b>	<b>13,687,667</b>



# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 6. OTHER INCOME AND GAINS/(OTHER LOSSES)

	Group	
	2025	2024
	\$	\$
Government grants	55,843	74,911
Loss on disposal of plant and equipment	–	(327)
Loss on disposal of other investment	(5,911)	–
Trade payables derecognised <sup>(#)</sup>	–	208,442
Write-back of allowance for inventories obsolescence	13,446	–
Other miscellaneous income	7,740	10,382
	<b>71,118</b>	<b>293,408</b>

Presented in profit or loss as:

Other income and gains	77,029	293,735
Other losses	(5,911)	(327)
	<b>71,118</b>	<b>293,408</b>

<sup>(#)</sup> Trade payables amounting to \$208,442 were derecognised in 2024 as the supplier had been uncontactable since 2018.

## 7. FINANCE INCOME

	Group	
	2025	2024
	\$	\$
Interest income from cash at banks	7	9
Interest income from fixed deposits	1,140	1,504
Foreign exchange gain (net)	12,552	–
	<b>13,699</b>	<b>1,513</b>

## 8. FINANCE COSTS

	Group	
	2025	2024
	\$	\$
Interest on trade financing facilities	10,139	10,989
Interest on lease liabilities	694	1,204
Interest on bank borrowings	17,489	50,141
Foreign exchange loss (net)	–	6,340
	<b>28,322</b>	<b>68,674</b>

## 9. ADMINISTRATIVE EXPENSES

Major and selected components include the following:

	Group	
	2025	2024
	\$	\$
Employee benefits expense (inclusive of directors' remuneration):		
– Salaries and related expenses	3,605,581	3,778,991
– Defined contribution plan	474,477	498,343
– Staff benefits	43,041	32,753
Depreciation of plant and equipment	147,943	134,874

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 10. INCOME TAX

### 10A. Components of tax recognised in profit or loss

	Group	
	2025	2024
	\$	\$
Current tax		
Adjustments in respect of prior years	(17,000)	2,302
Withholding tax	1,900	9,500
	<b>(15,100)</b>	<b>11,802</b>

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:

	Group	
	2025	2024
	\$	\$
(Loss)/profit before tax	<b>(1,490,214)</b>	<b>115,443</b>
Income tax at statutory rate	<b>(253,336)</b>	<b>19,625</b>
Effect of tax rates in different countries	<b>(69)</b>	<b>(1,141)</b>
Unrecognised deferred tax assets	<b>233,657</b>	<b>(26,757)</b>
Expenses not deductible for tax purposes	<b>23,439</b>	<b>23,601</b>
Non-taxable income	<b>(3,691)</b>	<b>(6,436)</b>
Tax exempt income	<b>—</b>	<b>(8,892)</b>
Adjustments in respect of prior years	<b>(17,000)</b>	<b>2,302</b>
Withholding tax	<b>1,900</b>	<b>9,500</b>
	<b>(15,100)</b>	<b>11,802</b>

There are no income tax consequences of dividends to owners of the Company.

### 10B. Deferred tax recognised in profit or loss

	Group	
	2025	2024
	\$	\$
Excess of tax value over carrying value of plant and equipment	<b>20,134</b>	<b>3,991</b>
Excess of carrying value over tax value of plant and equipment	<b>(41,631)</b>	<b>1,459</b>
Tax losses carried forward	<b>(193,307)</b>	<b>(13,266)</b>
Other timing differences	<b>(18,853)</b>	<b>34,573</b>
Unrecognised deferred tax assets	<b>233,657</b>	<b>(26,757)</b>
	<b>—</b>	<b>—</b>

### 10C. Deferred tax balance in statement of financial position

	Group	
	2025	2024
	\$	\$
Excess of tax value over carrying value of plant and equipment	<b>41,631</b>	<b>20,134</b>
Excess of carrying value over tax value of plant and equipment	<b>—</b>	<b>—</b>
Tax losses carried forward	<b>714,814</b>	<b>521,507</b>
Other timing differences	<b>136</b>	<b>(18,717)</b>
Unrecognised deferred tax assets	<b>(758,071)</b>	<b>(524,414)</b>
	<b>(1,490)</b>	<b>(1,490)</b>

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 10. INCOME TAX (CONTINUED)

### 10C. Deferred tax balance in statement of financial position (Continued)

No deferred tax asset for the unused tax losses (including any deductible temporary differences, unused tax losses and unused tax credits) has been recognised in respect of the above balance as the future profit streams are not probable against which the deductible temporary difference can be utilised. The realisation of the future income tax benefits from tax losses carried forward and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

It is impracticable to estimate the amount expected to be settled or used within one year.

## 11. (LOSS)/EARNINGS PER SHARE

	Group	
	2025	2024
(Loss)/profit for the year attributable to equity holders of the Company (\$)	<b>(1,475,114)</b>	103,641
Weighted average number of ordinary shares	<b>484,844,100</b>	484,844,100
(Loss)/earnings per share (cents)	<b>(0.30)</b>	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 year.

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

The basic amount per share ratio is based on weighted average number of ordinary shares outstanding during each reporting 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 year.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 12. PLANT AND EQUIPMENT

Group	Computers and office equipment \$	Furniture, fixtures and office renovation \$	Tools and equipment \$	Motor vehicles \$	Total \$
<u>Cost</u>					
At 1 July 2023	643,645	760,021	140,242	440,520	1,984,428
Additions	43,541	7,020	4,775	–	55,336
Transfer from inventories	–	–	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)
<b>At 30 June 2025</b>	<b>700,912</b>	<b>783,228</b>	<b>149,009</b>	<b>439,325</b>	<b>2,072,474</b>
<u>Accumulated depreciation and impairment</u>					
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)
<b>At 30 June 2025</b>	<b>615,648</b>	<b>760,036</b>	<b>123,243</b>	<b>247,047</b>	<b>1,745,974</b>
<u>Carrying value</u>					
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
<b>At 30 June 2025</b>	<b>85,264</b>	<b>23,192</b>	<b>25,766</b>	<b>192,278</b>	<b>326,500</b>

As at 30 June 2025, plant and equipment included right-of-use assets related to office equipment of \$7,798 (2024: \$18,194), which are acquired through lease arrangements (note 27).

## 13. OTHER INVESTMENT

	Group	
	2025 \$	2024 \$
Club membership	–	7,605

During the year, the Group sold the club membership for \$1,694. A loss on disposal of \$5,911 was recognised in profit or loss under other losses (see note 6).

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 14. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025	2024
	\$	\$
Unquoted equity shares at cost	5,344,199	5,344,199
Less: Allowance for impairment	(2,344,000)	(2,344,000)
	3,000,199	3,000,199
Net book value of subsidiaries in the books of the Company	2,787,782	4,032,216
Allowance for impairment are as follows:		
At beginning and end of year	2,344,000	2,344,000

The Company assesses at each reporting date whether there is any indication that the investments in subsidiaries are impaired. To determine whether there is indication of impairment, the Company considers factors such as significant deterioration in the financial position of the subsidiaries and/or whether if the subsidiaries are experiencing significant financial difficulties.

The allowance for impairment relates to Securex GS Pte Ltd ("SGS"), which arose largely due to the decreasing performance of the subsidiary.

The subsidiaries held by the Group are as follows:

Name of subsidiary	Place of incorporation	Principal activities	Cost in books of the Company		Effective interests held	
			2025	2024	2025	2024
			\$	\$	%	%
IPS Securex Pte Ltd ("IPSS") <sup>(a)</sup>	Singapore	Distribution, installation and commissioning of security equipment and provision of maintenance support and leasing services	2,999,999	2,999,999	100	100
SGS <sup>(a)</sup>	Singapore	Distribution, installation and commissioning of security equipment and provision of maintenance support	2,344,000	2,344,000	100	100

### Held by IPSS

IPS Securex (B) Sdn Bhd <sup>(b)</sup>	Brunei	Distribution, installation and commissioning of security equipment and provision of maintenance support and leasing services	200	200	100	100
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### Held by SGS

IPS Securex Sdn Bhd <sup>(b)(c)</sup>	Malaysia	Distribution, installation and commissioning of security equipment and provision of maintenance support and leasing services	—	—	100	—
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<sup>(a)</sup> Audited by RSM SG Assurance LLP in Singapore, a member of RSM International.

<sup>(b)</sup> Not audited and not material.

<sup>(c)</sup> Incorporated on 14 October 2024.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 15. RESTRICTED FIXED DEPOSITS

	Group	
	2025	2024
	\$	\$
Fixed deposits with financial institutions	–	453,133

Restricted fixed deposits are held as security for bank guarantees.

The effective interest rates relating to fixed deposits are 0.1% to 0.3% (2024: 0.1% to 0.3%) per annum.

## 16. INVENTORIES

	Group	
	2025	2024
	\$	\$
Inventories, net of allowance for write-down	2,299,854	1,683,357
Movements in allowance for write-down are as follows:		
At beginning of year	272,666	248,232
(Reversed)/charged to profit or loss included in (other income and gains)/other operating expenses	(13,446)	24,434
At end of year	259,220	272,666
Amount of inventories included in cost of sales	4,671,924	5,881,654
Write-down of inventories charged to profit or loss included in other operating expenses	61,161	70,683

There are no inventories pledged as security for liabilities.

## 17. CONTRACT ASSETS

	Group	
	2025	2024
	\$	\$
At beginning of year	270,402	330,510
Consideration for work completed but not billed	638,540	603,229
Transferred to trade receivables	(696,408)	(663,337)
At end of year	212,534	270,402

Contract assets mainly relate to the Group's rights to consideration for work completed but yet to be billed at reporting date. The contract assets are transferred to trade receivables when the rights become unconditional.

Contract assets shown above are subject to expected credit loss allowance assessment. See note 19 for details.

## 18. CONTRACT COSTS

	Group	
	2025	2024
	\$	\$
At beginning of year	450	45,200
Additions	–	450
Charged to profit or loss included in other operating expenses	(450)	(45,200)
At end of year	–	450

Contract costs primarily relate to subcontractor costs incurred by the Group for installation of equipment at customers' premises. Such costs are capitalised as fulfilment cost for delivery and installation of equipment satisfied at a point in time. These costs are expected to be recoverable through the transaction price and recognised to profit or loss when the related revenue is recognised.



# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
<u>Trade receivables</u>				
External parties	2,794,326	5,077,888	–	–
Less: Allowance for ECL	(3,464)	(10,903)	–	–
	<b>2,790,862</b>	<b>5,066,985</b>	<b>–</b>	<b>–</b>
<u>Other receivables</u>				
External parties	1,305	10,915	–	–
Subsidiaries (note 3D)	–	–	2,477,215	2,359,291
Deposits	859,318	772,745	40,380	40,920
	<b>860,623</b>	<b>783,660</b>	<b>2,517,595</b>	<b>2,400,211</b>
	<b>3,651,485</b>	<b>5,850,645</b>	<b>2,517,595</b>	<b>2,400,211</b>
Presented in statement of financial position as:				
Current	3,609,804	5,316,417	2,517,595	2,400,211
Non-current	41,681	534,228	–	–
	<b>3,651,485</b>	<b>5,850,645</b>	<b>2,517,595</b>	<b>2,400,211</b>

The Group's deposits included refundable cash margin placed with financial institutions amounting to \$782,256 (2024: \$534,228). The margins are required for the financial institutions to issue performance guarantees for the Group's trade contracts entered with its customers. Performance guarantees cover periods that exceeded 12 months from the end of the reporting year, and the cash margin amounting to \$41,681 (2024: \$534,228) was classified as non-current assets.

Other receivables due from subsidiaries pertain to payments made on behalf and recharge of expenses. These are unsecured, interest-free and repayable on demand.

Movements in allowance for ECL are as follows:

	Group	
	2025	2024
	\$	\$
At beginning of year	10,903	353,352
Reversal from profit or loss	(7,439)	(3,662)
Amounts written off	–	(338,787)
At end of year	<b>3,464</b>	<b>10,903</b>

The ECL on trade receivables and contract assets are based on the simplified approach to measuring ECL which uses a lifetime ECL allowance approach for all such assets recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL including the impact of the current economic conditions. The allowance model is based on the historical observed default rates (over a period of 12 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. In addition, for certain material long overdue trade receivables and contract assets, the ECL allowance is determined by making debtor-specific assessments.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 19. TRADE AND OTHER RECEIVABLES (CONTINUED)

Ageing of trade receivables and contract assets at end of reporting year:

Group	2025		2024	
	Gross amount	Loss allowance	Gross amount	Loss allowance
	\$	\$	\$	\$
– Current	2,542,661	(741)	4,587,574	(3,449)
– 1 to 30 days past due	207,404	(228)	252,492	(323)
– 31 to 90 days past due	54,494	(170)	281,703	(975)
– 91 to 180 days past due	83,501	(174)	162,743	(1,702)
– Over 180 days past due	118,800	(2,151)	63,778	(4,454)
	<b>3,006,860</b>	<b>(3,464)</b>	<b>5,348,290</b>	<b>(10,903)</b>

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

Concentration of trade receivable customers at end of reporting year:

	2025	2024
	\$	\$
Top 1 customer	721,131	2,728,364
Top 2 customers	1,088,161	3,034,792
Top 3 customers	1,450,328	3,300,654

The other receivables shown above and loans to subsidiaries in note 20 are subject to the ECL model under the financial reporting standard on financial instruments. The other receivables can be graded for credit risk individually. At inception they are recorded net of expected 12-month credit losses. At each reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk. At the end of the reporting year a loss allowance is recognised at an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

## 20. LOANS TO SUBSIDIARIES

	Company	
	2025	2024
	\$	\$
Loans to subsidiaries	614,822	622,130

Loans to subsidiaries are non-trade in nature, unsecured, interest-free and are repayable on demand. These balances are amounts extended to subsidiaries to satisfy short-term funding requirements. No impairment allowance has been made as the subsidiaries have the ability to make repayments in the near term.

## 21. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Not restricted in use	2,167,392	3,054,013	112,972	199,054
Fixed deposits with a financial institution	–	18,331	–	–
Cash pledged for bank facilities <sup>(#)</sup>	–	68,995	–	–
	<b>2,167,392</b>	<b>3,141,339</b>	<b>112,972</b>	<b>199,054</b>

<sup>(#)</sup> These were for amounts previously held by banks to cover bank guarantees issued.

The rates of interest for cash on interest earning balances are not significant.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 21. CASH AND CASH EQUIVALENTS (CONTINUED)

### 21A. Reconciliation of liabilities arising from financing activities

Group	2024 \$	Cash flows \$	Non-cash changes \$	2025 \$
Secured bank loans	1,403,383	(1,293,192)	20,798 <sup>(a)</sup>	<b>130,989</b>
Lease liabilities	19,610	(11,700)	694 <sup>(a)</sup>	<b>8,604</b>
Bills payable	353,552	410,772	6,854 <sup>(a)</sup>	<b>771,178</b>
	<b>1,776,545</b>	<b>(894,120)</b>	<b>28,346</b>	<b>910,771</b>

Group	2023 \$	Cash flows \$	Non-cash changes \$	2024 \$
Secured bank loans	2,561,821	(1,205,270)	46,832 <sup>(a)</sup>	1,403,383
Lease liabilities	30,106	(11,700)	1,204 <sup>(a)</sup>	19,610
Bills payable	—	345,123	8,429 <sup>(a)</sup>	353,552
	<b>2,591,927</b>	<b>(871,847)</b>	<b>56,465</b>	<b>1,776,545</b>

<sup>(a)</sup> Accretion of interest expense excluding accrued interest of \$5,845 (2024: \$5,869) accounted for in trade and other payables (note 24).

## 22. SHARE CAPITAL

	Company	
	Number of shares issued	Share capital \$
At 1 July 2023, 30 June 2024 and 30 June 2025	486,000,000	9,405,906

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

In order to maintain its listing on the Singapore Stock Exchange, the Company has to have at least a free float of 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the year. Management receives a monthly report from the registrars on substantial share interests showing the non-free float and it demonstrated continuing compliance with the 10% limit throughout the reporting year.

### Capital management

The objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. Management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. Management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

There were borrowings at the end of the year, but these were secured by specific assets. The debt-to-adjusted capital ratio may not provide a meaningful indicator of the risk from borrowings.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 23. OTHER RESERVES

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Reserve for own shares (note 23A)	(89,353)	(89,353)	(89,353)	(89,353)
Merger reserve (note 23B)	(799,999)	(799,999)	—	—
Other reserve (note 23C)	210,000	210,000	210,000	210,000
Foreign currency translation reserve (note 23D)	98	—	—	—
	<b>(679,254)</b>	<b>(679,352)</b>	<b>120,647</b>	<b>120,647</b>

### 23A. Reserve for own shares

	Group and Company	
	2025	2024
	\$	\$
At beginning and end of year	<b>89,353</b>	<b>89,353</b>

Reserve for own shares comprises the cost of the Company's ordinary shares held by the Company as treasury shares.

As at 30 June 2025, the Company held 1,155,900 (2024: 1,155,900) of its own shares as treasury shares, which were included as deduction against shareholders' equity.

### 23B. Merger reserve

In 2014, the Group underwent a restructuring exercise as part of its preparation for listing of the Company on the SGX-ST. The financial statements incorporated the financial statements of the Company and its subsidiaries and had been prepared using the principles of merger accounting on the basis that the restructuring of entities was under common control.

Merger reserve represents the difference between the share capital of the subsidiaries at the date of acquisition and the share capital issued by the Company as consideration to the former shareholder of the subsidiaries. The acquisition of the subsidiaries was accounted for as common control transactions as the controlling shareholder of the subsidiaries was also the controlling shareholder of the Company.

### 23C. Other reserve

Other reserve pertains to the deemed capital contribution by the controlling shareholders of the ultimate parent company for issuance of shares to directors of the Company (i.e., share-based payment) as part of the restructuring exercise in 2014. The ultimate parent company granted 16.38 million ordinary shares of the Company (adjusted for subdivision of ordinary shares) to certain directors of the Company for their services provided to the Company. The ordinary shares were granted at no consideration, with no vesting conditions. Management estimated the fair value of shares granted based on the services provided by the directors and were recognised as an expense in profit or loss in prior years.

### 23D. Foreign currency translation reserve

	Group	
	2025	2024
	\$	\$
At beginning of year	—	—
Exchange differences on translating foreign operations	<b>98</b>	—
At end of year	<b>98</b>	—

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 24. TRADE AND OTHER PAYABLES

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
<u>Trade payables</u>				
External parties	1,716,795	1,765,947	–	–
Accruals	293,056	56,819	–	–
Bills payable	771,178	353,552	–	–
	<b>2,781,029</b>	<b>2,176,318</b>	<b>–</b>	<b>–</b>
<u>Other payables</u>				
External parties	173,413	395,376	27,345	20,036
Accruals	383,890	568,191	109,823	91,976
Subsidiary (note 3D)	–	–	100,248	169
Related parties (note 3D)	53,266	53,266	53,266	53,266
Deposits received	–	–	37,800	37,800
	<b>610,569</b>	<b>1,016,833</b>	<b>328,482</b>	<b>203,247</b>
	<b>3,391,598</b>	<b>3,193,151</b>	<b>328,482</b>	<b>203,247</b>

The Group's bills payable are related to short-term trade financing facilities that bear interest at 4.42% to 4.97% (2024: 5.62% to 5.71%) per annum and mature within 14 to 115 days (2024: 49 to 88 days).

Other payables to subsidiary and related parties pertain to payments made on behalf and recharge of expenses. These are unsecured, interest-free and repayable on demand.

Deposits received relate to office rental deposits from subsidiaries that are refundable at end of the lease term.

## 25. LOANS AND BORROWINGS

	Group	
	2025	2024
	\$	\$
<u>Non-current</u>		
<u>Financial instruments with fixed interest rates</u>		
Bank loans (secured)	–	174,403
Lease liabilities (note 27A)	–	8,604
	<b>–</b>	<b>183,007</b>
<u>Current</u>		
<u>Financial instruments with fixed interest rates</u>		
Bank loans (secured)	130,989	1,228,980
Lease liabilities (note 27A)	8,604	11,006
	<b>139,593</b>	<b>1,239,986</b>
	<b>139,593</b>	<b>1,422,993</b>
The non-current portion is payable as follows:		
Due within 2 to 5 years	–	183,007

The range of fixed interest rates per annum paid were as follows:

	Group	
	2025	2024
	% p.a.	% p.a.
Bank loans (secured)	2.50	2.50
Lease liabilities	4.75	4.75

The Company provided an intra-group financial guarantee to a bank in respect of bank loans granted to a subsidiary. For further details, refer to note 29E.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 26. CONTRACT LIABILITIES

	Group	
	2025 \$	2024 \$
Contract liabilities	<b>182,153</b>	337,008
At beginning of year	<b>337,008</b>	787,126
Performance obligation satisfied – revenue recognised in the reporting year that was included in contract liabilities at beginning of year	<b>(335,875)</b>	(658,886)
Consideration received or receivable	<b>181,020</b>	208,768
At end of year	<b>182,153</b>	337,008

The contract liabilities primarily relate to advance consideration received from customers. The Group exercises the practical expedient under SFRS(I) 15 not to adjust the transaction price for the effects of financing component at contract inception, as the period between customer payment and transfer of goods approximates one year.

## 27. LEASES

### 27A. Lease liabilities

The Group has a few leases relating to office equipment. Other information about the leasing activities is as follows:

- The leases prohibit the lessee from selling or pledging the underlying leased asset as security unless permitted by the owner;
- The leases do not consist of variable payments linked to an index;
- The leases are for a period of 5 years and do not provide options to purchase the underlying leased assets outright; and
- The leases do not provide options to extend the leases for a further term.

The corresponding right-of-use assets recognised by the Group is presented below.

### 27B. Right-of-use assets

	Office equipment \$
Group	
At 1 July 2023	28,590
Depreciation charge for the year	(10,396)
At 30 June 2024	<b>18,194</b>
At 1 July 2024	18,194
Depreciation charge for the year	(10,396)
At 30 June 2025	<b>7,798</b>

Right-of-use assets relate to leased assets and are presented as plant and equipment (see note 12).



# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 27. LEASES (CONTINUED)

### 27B. Right-of-use assets (Continued)

Amounts recognised in profit or loss:

	Group	
	2025	2024
	\$	\$
Interest on lease liabilities	694	1,204
Depreciation of right-of-use assets	10,396	10,396
Expenses relating to short-term leases	216,000	216,000
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	9,933	9,742

Amounts recognised in statement of cash flows:

	Group	
	2025	2024
	\$	\$
Total cash outflow for leases	11,700	11,700

## 28. CONTINGENT LIABILITIES

	Group	
	2025	2024
	\$	\$
Performance guarantees issued by a financial institution in favour of customers	1,240,575	1,160,595

The Group assessed the probability of outflow of economic benefits arising from the outstanding guarantees to be low.

## 29. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISK AND OTHER EXPLANATORY INFORMATION

### 29A. Categories of financial assets and financial liabilities

The following table categorises the carrying amounts of financial assets and liabilities recorded at end of reporting year:

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Financial assets at amortised cost	5,818,877	9,445,117	3,245,389	3,221,395
Financial liabilities at amortised cost	3,531,191	4,616,144	328,482	203,247

Further quantitative disclosures are included throughout these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 29. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISK AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 29B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate and currency risk exposures. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

- Minimise interest rate, currency and market risks for all kinds of transactions;
- Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk;
- All financial risk management activities are carried out and monitored by senior management staff; and
- All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposure to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

### 29C. Fair value of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

### 29D. Credit risk on financial assets

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure ECL allowance on financial assets. On initial recognition, a day-one loss is recorded equal to the 12-month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets, an ongoing credit evaluation is performed on the financial condition of the debtors, and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 21 discloses cash and cash equivalents balances. There was no identified impairment loss.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 29. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISK AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 29E. Liquidity risk – financial liabilities maturity analysis

Liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturities.

The following table analyses the financial liabilities at the end of the reporting year by remaining contractual maturity (contractual and undiscounted cash flows):

<u>Group</u>	<b>Less than 1 year \$</b>	<b>1 – 5 years \$</b>	<b>Total \$</b>
<u>2025</u>			
Trade and other payables	3,391,598	–	3,391,598
Gross loans and borrowings	131,484	–	131,484
Gross lease liabilities	8,775	–	8,775
	<b>3,531,857</b>	<b>–</b>	<b>3,531,857</b>
<u>2024</u>			
Trade and other payables	3,193,151	–	3,193,151
Gross loans and borrowings	1,249,098	175,312	1,424,410
Gross lease liabilities	11,700	8,775	20,475
	<b>4,453,949</b>	<b>184,087</b>	<b>4,638,036</b>

### Company

	<b>Less than 1 year</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Trade and other payables	<b>328,482</b>	<b>203,247</b>

The average credit period taken to settle current trade payables is approximately 60 days. The classification of financial assets is shown in the statement of financial position as they may be available to meet liquidity needs, and no further analysis is deemed necessary.

### Financial guarantee contracts

For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. The fair value of the financial guarantee is assessed to be immaterial. At the end of reporting year, no claim on the financial guarantee is expected to be payable.

The following table shows the analysis of contingent liabilities from the financial guarantee:

	<b>Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Financial guarantee in favour of subsidiary	<b>130,989</b>	<b>1,403,383</b>

### Bank facilities

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Undrawn borrowing facilities	<b>6,428,822</b>	<b>2,846,448</b>
Unused bank guarantees	<b>1,656,059</b>	<b>394,628</b>

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 29. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISK AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 29F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The interest from financial assets is not material.

The following table analyses the breakdown of the significant financial liabilities by type of interest rate:

	Group	
	2025	2024
	\$	\$
<u>Financial liabilities with interest</u>		
Fixed rates	139,593	1,422,993
Floating rates	771,178	353,552
	<b>910,771</b>	<b>1,776,545</b>

The interest rates are disclosed in the respective notes.

Sensitivity analysis: The effect on pre-tax (loss)/profit is not material.

### 29G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency that is a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency as defined in the financial reporting standard on financial instruments.

Analysis of amounts denominated in non-functional currencies:

	USD	
	2025	2024
	\$	\$
<u>Group</u>		
<u>Financial assets</u>		
Cash and cash equivalents	336,970	448,488
Trade and other receivables	73,771	66,581
	<b>410,741</b>	<b>515,069</b>
<u>Financial liabilities</u>		
Trade and other payables	(494,442)	(882,750)
	<b>(83,701)</b>	<b>(367,681)</b>
<u>Company</u>		
<u>Financial assets</u>		
Cash and cash equivalents	19,313	20,542
Trade and other receivables	114,822	122,130
	<b>134,135</b>	<b>142,672</b>
	MYR	
	2025	2024
	\$	\$
<u>Group</u>		
<u>Financial assets</u>		
Cash and cash equivalents	90,171	—
	<b>90,171</b>	<b>—</b>
<u>Financial liabilities</u>		
Trade and other payables	(131)	—
	<b>90,040</b>	<b>—</b>

Sensitivity analysis: The effect on pre-tax profit/(loss) is not material.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2025

## 30. ITEMS IN PROFIT OR LOSS

In addition to profit and loss line items disclosed elsewhere in the notes to the financial statements, these items include the following expenses:

	Group	
	2025	2024
	\$	\$
Audit fees to independent auditor of the Company	144,000	134,000
Audit-related services ("ARS") to other independent auditors non-network firms	–	4,500
Non-ARS to other independent auditors – non-network firms	37,250	32,310

## 31. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For current reporting year, the ASC issued certain new or revised financial reporting standards. None had a material impact on the Group.

## 32. NEW OR AMENDED STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

The ASC issued certain new or revised financial reporting standards for future reporting years. The transfer to the applicable new or revised standards from the effective dates is not expected to result in material modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the Group's financial statements in the period of initial application. Those applicable to the Group for future reporting years are listed below.

SFRS(I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 9 and 7	Classification and Measurement of Financial Instruments – Amendments	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

SFRS(I) 18 *Presentation and Disclosure in Financial Statements* replaces SFRS(I) 1-1 *Presentation of Financial Statements*. The new version includes (a) revised presentation of specified categories and defined subtotals in the statement of profit or loss; (b) new disclosures on management-defined performance measures in the notes to the financial statements; and (c) improved disclosures of aggregation and disaggregation of balances.

# STATISTICS OF SHAREHOLDINGS

As at 25 September 2025

Issued and fully paid-up capital	:	S\$9,630,646.90
Class of Shares	:	Ordinary share
No. of Shares (excluding treasury shares and subsidiary holdings)	:	484,844,100
Voting rights	:	One vote per share
No. of treasury shares and percentage	:	1,155,900 (0.24%)
No. of subsidiary holdings held and percentage	:	Nil

## DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	0	0.00	0	0.00
100 – 1,000	20	2.84	11,000	0.00
1,001 – 10,000	79	11.24	516,500	0.11
10,001 – 1,000,000	565	80.37	82,818,000	17.08
1,000,001 AND ABOVE	39	5.55	401,498,600	82.81
<b>TOTAL</b>	<b>703</b>	<b>100.00</b>	<b>484,844,100</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	IPS TECHNOLOGIES PTE LTD	248,820,000	51.32
2	GOH KHOON LIM	27,900,000	5.75
3	PHILLIP SECURITIES PTE LTD	19,009,200	3.92
4	TAN KAH HENG (CHEN JIAXING)	14,812,500	3.06
5	DBS NOMINEES (PRIVATE) LIMITED	12,712,200	2.62
6	OCBC SECURITIES PRIVATE LIMITED	7,659,600	1.58
7	UOB KAY HIAN PRIVATE LIMITED	7,364,900	1.52
8	LIM KOK LENG	4,500,000	0.93
9	CHRISTINE TANG	4,000,000	0.83
10	SIM MONG CHUAN MERVYN (SHEN MAOQUAN)	4,000,000	0.83
11	ANG AH LEK @AN AH LEK	3,204,200	0.66
12	LOW SOW KUAN	3,175,700	0.65
13	LIM & TAN SECURITIES PTE LTD	2,955,000	0.61
14	LOW SAU CHAN	2,700,000	0.56
15	TIGER BROKERS (SINGAPORE) PTE. LTD.	2,570,300	0.53
16	MAYBANK SECURITIES PTE. LTD.	2,246,500	0.46
17	LEE SIEW HAN	2,175,000	0.45
18	SIM CHEE KEONG	2,169,300	0.45
19	RAFFLES NOMINEES (PTE.) LIMITED	2,039,300	0.42
20	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	2,020,000	0.42
	<b>TOTAL</b>	<b>376,033,700</b>	<b>77.57</b>



# STATISTICS OF SHAREHOLDINGS

As at 25 September 2025

## SUBSTANTIAL SHAREHOLDERS AS AT 25 SEPTEMBER 2025

(As recorded in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
IPS Technologies Pte. Ltd.	248,820,000	51.32	–	–
Chan Tien Lok <sup>(1)</sup>	120,000	0.03	248,820,000	51.32
Tan Suan Yap <sup>(2)</sup>	–	–	248,820,000	51.32
Goh Khoo Lim	27,900,000	5.75	–	–

### Notes:

- (1) Mr. Chan Tien Lok is deemed to be interested in the shares of the Company held by IPS Technologies Pte. Ltd. (“IPST”) by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore as he owns 65.0% of the shareholding in IPST.
- (2) Mr. Tan Suan Yap is deemed to be interested in shares of the Company held by IPST by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore as he owns 35.0% of the shareholdings in IPST.

## PERCENTAGE OF SHAREHOLDING IN PUBLIC’S HANDS

As at 25 September 2025, 42.84% of the Company’s shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual – Section B: Rules of Catalist of the SGX-ST which requires 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed to be in the hands of the public.

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of IPS SECUREX HOLDINGS LIMITED (“Company”) will be convened and held at Heron Room, Level 2, Seletar Country Club, 101 Seletar Club Rd, Singapore 798273 on Tuesday, 28 October 2025 at 2.30 p.m. for the following purposes.

## ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 30 June 2025 together with the Auditors’ Report thereon.  
(Resolution 1)
2. To approve the payment of Directors’ fees of S\$190,216 for the financial year ending 30 June 2026, to be paid half yearly in arrears. (2025: S\$176,024)  
(Resolution 2)
3. To re-elect the following Directors retiring pursuant to Regulation 97 of the Constitution of the Company:  
  

**Regulation 97**  
Mr. Barney Lau Tai Chiau  
Ms. Lee Li Ing

(Resolution 3)  
(Resolution 4)

*[See Explanatory note (i)]*
4. To re-appoint Messrs RSM SG Assurance LLP as auditors of the Company and to authorise the Directors of the Company to fix their remuneration.  
(Resolution 5)
5. To transact any other ordinary business which may properly be transacted at an AGM.

## SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as ordinary resolutions, with or without modifications:

6. **Authority to issue shares in the capital of the Company pursuant to Section 161 of the Companies Act 1967 (“Companies Act”) and Rule 806 of the Listing Manual – Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”) (“Catalist Rules”)**

That pursuant to Section 161 of the Companies Act and Rule 806 of the Catalist Rules, the Directors of the Company be authorised and empowered to:

- (a) (i) allot and issue shares in the Company (“Shares”) whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,
- at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares pursuant to any Instrument made or granted by the Directors of the Company while this Resolution was in force,

(“Share Issue Mandate”)

# NOTICE OF ANNUAL GENERAL MEETING

## PROVIDED ALWAYS that:

- (1) the aggregate number of Shares (including Shares to be issued pursuant to the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed one hundred per centum (100.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed fifty per centum (50.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued Shares and Instruments shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution, after adjusting for:
  - (a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;
  - (b) new Shares arising from exercising share options or vesting of share awards provided the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (c) any subsequent bonus issue, consolidation or subdivision of Shares;

Adjustments in accordance with Rule 806(3)(a) or Rule 806(3)(b) of the Catalist Rules are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate.

- (3) in exercising the Share Issue Mandate conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, the Share Issue Mandate shall continue in force
  - (i) until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier or
  - (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments.

*[See Explanatory note (ii)]*

**(Resolution 6)**

## 7. Authority to issue shares under the IPS Securex Employee Share Option

That pursuant to Section 161 of the Companies Act and the provisions of the IPS Securex Employee Share Option Scheme (“**IPS Securex ESOS**”), the Directors of the Company be authorised and empowered to offer and grant share options under the IPS Securex ESOS and to issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of share options granted by the Company under the IPS Securex ESOS, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the IPS Securex ESOS shall not exceed fifteen per centum (15.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time and that such authority shall, unless revoked or varied by the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

*[See Explanatory note (iii)]*

**(Resolution 7)**

# NOTICE OF ANNUAL GENERAL MEETING

## 8. Authority to issue shares under the IPS Securex Performance Share Plan

That pursuant to Section 161 of the Companies Act and the provisions of the IPS Securex Performance Share Plan (“**IPS Securex PSP**”), the Directors of the Company be authorised and empowered to offer and grant share awards under the IPS Securex PSP and to issue from time to time such number of Shares as may be required to be issued pursuant to the vesting of share awards under the IPS Securex PSP, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the IPS Securex PSP shall not exceed fifteen per centum (15.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory note (iv)]

(Resolution 8)

## 9. Renewal of the Share Buyback Mandate

That:

- (a) for the purposes of Section 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire Shares not exceeding the Prescribed Limit (as defined hereinafter), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as defined hereinafter), whether by way of:
  - (i) on-market purchases, transacted on the SGX-ST through the SGX-ST’s trading system (“**Market Purchase**”); and/or
  - (ii) off-market purchases pursuant to an equal access scheme in accordance with Section 76C of the Companies Act and the Catalist Rules (“**Off-Market Purchase**”),

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (“**Share Buyback Mandate**”);

- (b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
  - (i) the date on which the next AGM is held or required by law to be held;
  - (ii) the date on which the purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated; and
  - (iii) the date on which the authority conferred by the Share Buyback Mandate is varied or revoked by shareholders of the Company in a general meeting;
- (c) in this Resolution:

“**Prescribed Limit**” means 10.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of passing of this Resolution, unless the Company has effected a reduction of the Shares in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period;

“**Relevant Period**” means the period commencing from the date on which this Resolution authorising the Share Buyback Mandate is passed, and expiring on the date the next AGM is or is required by law to be held, whichever is the earlier;

# NOTICE OF ANNUAL GENERAL MEETING

“**Average Closing Price**”, in the case of a Market Purchase, means the average of the closing market prices of the Shares over the last five Market Days on which transactions in the Shares were recorded preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period, or in case of an Off-Market Purchase, means the average of the closing market prices of a Share over the last five Market Days, on which transactions in the Shares were recorded, preceding the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a Market Purchase, 105.0% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120.0% of the Average Closing Price of the Shares; and
- (d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

*[See Explanatory note (v)]*

**(Resolution 9)**

## By Order of the Board

Shirley Tan Sey Liy  
Company Secretary  
Singapore, 13 October 2025

## Explanatory Notes:

- (i) Mr. Barney Lau Tai Chiau will, upon re-election as a Director of the Company, remain as Independent Director, the Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee. There are no relationships (including family relationships) between Mr. Barney Lau Tai Chiau and the other Directors, the Company, its related corporations, its officers or its substantial shareholders, which may affect his independence. The Board considers Mr. Barney Lau Tai Chiau to be independent for the purposes of Rule 704(7) of the Catalist Rules.

Ms. Lee Li Ing will, upon re-election as a Director of the Company, remain as Independent Director, the Chairman of the Nominating Committee and Remuneration Committee and a member of the Audit Committee. There are no relationships (including family relationships) between Ms. Lee Li Ing and the other Directors, the Company, its related corporations, its officers or its substantial shareholders, which may affect her independence. The Board considers Ms. Lee Li Ing to be independent for the purposes of Rule 704(7) of the Catalist Rules.

Please refer to pages 68 to 71 of the annual report for the detailed information on Mr. Barney Lau Tai Chiau and Ms. Lee Li Ing required pursuant to Rule 720(5) of the Catalist Rules.

- (ii) Resolution 6 above, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per centum (100.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to fifty per centum (50.0%) may be issued other than on a pro rata basis to existing shareholders of the Company for such purposes as they consider would be in the interest of the Company.

For determining the aggregate number of Shares that may be issued, the percentage of issued Shares will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed after adjusting for new Shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Resolution is passed and any subsequent consolidation or subdivision of Shares.

- (iii) Resolution 7 above, if passed, will empower the Directors of the Company, from the date of this AGM until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares pursuant to the vesting of share awards under the IPS Securex PSP provided that the aggregate additional Shares to be allotted and issued pursuant to the IPS Securex PSP and IPS Securex ESOS do not exceed in total (for the entire duration of the IPS Securex PSP and IPS Securex ESOS) fifteen per centum (15.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

# NOTICE OF ANNUAL GENERAL MEETING

- (iv) Resolution 8 above, if passed, will empower the Directors of the Company from the date of this AGM until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier, to repurchase Shares of the Company by way of market purchases or off-market purchases of up to ten per centum (10.0%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the Maximum Price as defined in the Notice of AGM.
- (v) Resolution 9 above, if passed, will empower the Directors of the Company effective until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to 10% of the total number of issued shares (excluding treasury shares) in the capital of the Company at the Maximum Price as defined in Section 2.7.3 of the Appendix. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial accounts of the Group for the financial year ended 30 June 2025 are set out in greater detail in the Appendix.

## Notes:

1. **The members of the Company are invited to attend physically only at the AGM.** Printed copies of this Notice of AGM and the accompanying proxy form as well as a request form for the members to opt receive hard copy of the Annual Report, will be sent by post to members. These documents as well as the Annual Report will also be available via publication on the Company's corporate website at <https://www.ips-securex.com/> and SGXNET at <https://www.sgx.com/securities/company-announcements>.
2. A member of the Company (other than a Relevant Intermediary\*) entitled to attend and vote at the AGM is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. The accompanying proxy form for the AGM may be accessed via the Company's corporate website at <https://www.ips-securex.com/>, and will also be made available on the SGX website at <https://www.sgx.com/securities/company-announcements>. Printed copies of the proxy form for the AGM will also be sent by post to members.
3. A Relevant Intermediary\* may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by him (which number and class of shares shall be specified).
4. Where a member appoints two proxies, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the Instrument appointing the proxies.
5. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. The appointment of proxy must be executed under seal or the hand of its duly authorised officer or attorney in writing.
6. The Instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged at the Company's registered office at 213 Henderson Road #04-09 Henderson Industrial Park Singapore 159553; or
  - (b) if submitted electronically, be submitted via email to the Company at [agm@ips-securex.com](mailto:agm@ips-securex.com),

in either case by no later than 2.30 p.m. on 26 October 2025, being forty-eight (48) hours before the time appointed for the AGM ("**Cut-Off Time**").

**Members are strongly encouraged to submit completed proxy forms electronically via email to the Company.**

7. In view of the guidance note issued by the Singapore Exchange Regulation, a member may ask question relating to the item on the agenda of the AGM by:—
  - (a) submitting question via post to the Company's registered office at 213 Henderson Road #04-09 Henderson Industrial Park Singapore 159553 in advance of the AGM no later than 20 October 2025 at 2.30 p.m.; or
  - (b) in person at the AGM.

Shareholders submitting questions are required to state:

- (a) their full name as it appears on his/her/its The Central Depositor (Pte) Limited ("**CDP**")/Central Provident Fund ("**CPF**") Investment Scheme/Supplementary Retirement Scheme ("**SRS**") records;
- (b) their identification/registration number;
- (c) current address;
- (d) contact number; and
- (e) number of shares held and the manner in which his/her/its shares in the Company are held (e.g. via CDP, CPF, or SRS),



# NOTICE OF ANNUAL GENERAL MEETING

failing which the Company shall be entitled to regard the submission as invalid and not respond to the question(s) submitted.

Shareholders are encouraged to submit their questions before 20 October 2025 at 2.30 p.m., as this will allow the Company sufficient time to address and respond to these questions on or before 24 October 2025, 2.30 p.m. (48 hours prior to the closing date and time for the lodgement of the proxy forms). The Company will endeavour to address all substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM as received from Shareholders before the AGM on SGXNet and the Company's corporate website at <https://www.ips-securex.com/> at least forty-eight (48) hours prior to the Cut-Off Time for the lodgement of the proxy form or in person at the AGM for the relevant questions received during the AGM.

The Company will publish the minutes of the AGM on SGXNet and the Company's corporate website within one month after the date of the AGM and the minutes will include the responses to the questions referred to above.

\* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

## PERSONAL DATA PRIVACY

By (a) submitting an instrument appointing a proxy(ies) and/or representative(s) or the Chairman of the AGM as a proxy to vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM in accordance with this Notice of AGM, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing and administration by the Company (or its agents) of proxy forms appointing a proxy(ies) and/or representative(s) or the Chairman of the AGM as a proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof);
- (ii) addressing relevant and substantial questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions;
- (iii) preparation and compilation of the attendance list, proxy list, minutes and other documents relating to the AGM (including any adjournment thereof); and
- (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company (such as his name, his presence at the AGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

*This Notice of AGM 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 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.*

*The contact person for the Sponsor is Mr. David Tham, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.*

**IPS SECUREX HOLDINGS LIMITED**

(Company Registration No. 201327639H)  
(Incorporated In Singapore)

**ANNUAL GENERAL MEETING****PROXY FORM**

(Please see notes overleaf before completing this Form)

**IMPORTANT:**

1. An investor who holds shares under the Central Provident Fund Investment Scheme (“CPF Investor”) and/or the Supplementary Retirement Scheme (“SRS Investors”) (as may be applicable) may attend and cast his vote(s) at the Annual General Meeting (“AGM” or “Meeting”) in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

\*I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport No)  
of \_\_\_\_\_ (Address)  
being a \*member/members of **IPS SECUREX HOLDINGS LIMITED (“Company”)**, hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing \*him/her/them, the Chairman of the Annual General Meeting (the “AGM”) of the Company as \*my/our \*proxy/proxies to attend and to vote for \*me/us on \*my/our behalf at the AGM to be held on Tuesday, 28 October 2025 at 2.30 p.m. at Heron Room, Level 2, Seletar Country Club, 101 Seletar Club Rd, Singapore 798273 and at any adjournment thereof. \*I/We direct \*my/our \*proxy/proxies to vote for or against, or abstain from voting on the ordinary resolutions to be proposed at the AGM as indicated hereunder.

**If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the \*proxy/proxies (other than the Chairman of the AGM as proxy) will vote or abstain from voting at \*his/her/their discretion. In appointing the Chairman of the AGM as proxy, Shareholders (whether individuals or corporates) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. All Resolutions put to vote at the AGM shall be decided by way of poll.**

No.	Resolutions relating to:	No. of Votes ‘For’***	No. of Votes ‘Against’**	No. of Votes ‘Abstain’**
<b>Ordinary Business</b>				
1	Adoption of the Directors’ Statement, Audited Financial Statements and Auditors’ Report for the financial year ended 30 June 2025			
2	Approval of Directors’ fees amounting to S\$190,216 for the financial year ending 30 June 2026, to be paid half yearly in arrears			
3	Re-election of Mr. Barney Lau Tai Chiau as a Director			
4	Re-election of Ms. Lee Li Ing as a Director			
5	Re-appointment of Messrs RSM SG Assurance LLP as auditors of the Company and to authorize the Directors of the Company to fix their remuneration			
<b>Special Business</b>				
6	Authority for Directors to allot and issue new shares			
7	Authority to issue shares under the IPS Securex Employee Share Option			
8	Authority to issue shares under the IPS Securex Performance Share Plan			
9	Renewal of Share Buyback Mandate			

\* Delete where inapplicable

\*\* If you wish to exercise all your votes ‘For’ or ‘Against’ or ‘Abstain’, please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature of Member  
and/or, Common Seal of Corporate Shareholder

**IMPORTANT:** Please read notes overleaf

**Notes:**

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company who is not a Relevant Intermediary (as defined below) entitled to attend and vote at this AGM is entitled to appoint one or two proxies to attend and vote in his/her stead. Where such member appoints two proxies, the proportion of his shareholding which each proxy has been appointed shall be specified in the proxy form. A proxy need not be a member of the Company.
3. A member of the Company who is a Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than one proxy, the number and class of shares to which each proxy has been appointed shall be specified in the proxy form.
4. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged at the Company's registered office at 213 Henderson Road #04-09 Henderson Industrial Park Singapore 159553; or
  - (b) if submitted electronically, be submitted via email to the Company at [agm@ips-securex.com](mailto:agm@ips-securex.com),in either case by no later than 2.30 p.m. on 26 October 2025, being forty-eight (48) hours before the time appointed for the AGM ("Cut-Off Time").

**Members are strongly encouraged to submit completed proxy forms electronically via email to the Company's Share Registrar.**

5. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at seventy-two (72) hours before the time fixed for holding the AGM in order for the Depositor to be entitled to attend and vote at the AGM.
6. Subject to paragraph (9) below, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
9. An investor who holds shares under the Central Provident Fund Investment ("CPF Investor") and/or Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) and wishes to vote, should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes to appoint the Chairman of the AGM as their proxy, at least seven (7) working days before the AGM.

\* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

**GENERAL:**

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

**PERSONAL DATA PRIVACY**

By submitting an instrument appointing the proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 13 October 2025.





**IPS SECUREX HOLDINGS LIMITED**  
COMPANY REGISTRATION NO. 201327639H

213 HENDERSON ROAD, #04-09  
HENDERSON INDUSTRIAL PARK,  
SINGAPORE 159553

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