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

IPS SECUREX ENTERS INTO (I) SUPPLY AGREEMENT; (II) BUSINESS AGREEMENT - SERVICE CENTRE; AND (III) MEMORANDUM OF UNDERSTANDING FOR CO-MANUFACTURING, WITH UNITED TACTICAL SYSTEMS, LLC.

The Board of Directors of IPS Securex Holdings Limited (the "**Company**" and, together with its subsidiaries, the "**Group**") is pleased to announce that the Company's wholly-owned subsidiary, IPS Securex Pte. Ltd. ("**IPS**") has on 11 May 2015 entered into the following with United Tactical Systems, LLC. ("**UTS**"):

(i) Supply agreement ("Supply Agreement")

Pursuant to the Supply Agreement, IPS has been appointed by UTS as the exclusive master distributor of the PepperBall brand of non-lethal countermeasure technology products (the "**Products**") within Asia-Pacific for an initial term of two (2) years with effect from 11 May 2015. The Supply Agreement shall thereafter renew automatically, under the same terms (unless mutually varied in writing between the parties), for an additional year.

Notwithstanding the above, the parties shall be entitled to terminate the Supply Agreement on (i) the 30th calendar day after written notice is served upon the occurrence of any default or omission of the other party to fulfil any its obligations under the Supply Agreement, unless such defaulting party has remedied the said default or omission within that 30 day period; or (ii) upon the occurrence of certain events, including, bankruptcy, insolvency, change in ownership corporate reconstruction and force majeure, affecting either of the parties.

(ii) Business agreement – service centre ("Business Agreement")

Pursuant to the Business Agreement, IPS shall establish exclusive service centres in relation to all product returns and repairs for the UTS line of products and accessories, including PepperBall Products, within Asia-Pacific. UTS shall provide all necessary support to IPS for such service support.

(iii) Memorandum of understanding for co-manufacturing ("MOU")

IPS has entered into a MOU with UTS to establish a development partnership and form a joint collaboration to mutually explore development, manufacturing, marketing and selling efforts for component manufacturing, product assembly and product service. The MOU is effective from 11 May 2015 and shall be in force through 11 May 2016, during which time the parties to the MOU shall use their best endeavours toward the execution of the definitive agreements.

The entering of the Supply Agreement, Business Agreement and MOU is not expected to have a material impact on the earnings per share and net asset value per share of the Group for the financial year ending 30 June 2015.

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

Save for their shareholdings in the Company, none of the Directors or substantial shareholders of the Company have any interest, directly or indirectly, in the Supply Agreement, Business Agreement and/or MOU.

About PepperBall Technologies and UTS (Source: www.pepperball.com)

PepperBall Technologies is a privately held company with a long history in the development, manufacturing and distribution of non-lethal weapons for military, government, law enforcement, corrections, private security and consumer markets. PepperBall Technologies supplies thousands of users and major agencies including the Federal Bureau of Prisons, the United States Border Patrol, thousands of police and sheriff departments in major United States cities, as well as private entities, security services and bail enforcement agencies around the world. It is a supplier of non-lethal PAVA (Pelargonic Acid Vanillylamide)-based launchers and projectiles for those launchers. The manufacturing company behind PepperBall Technologies, UTS, is in the business of developing, manufacturing, marketing, and selling non-lethal products within the institutional and governmental markets, and recreational sporting products within the retail consumer market.

Cautionary Statement

Shareholders and potential investors of the Company are hereby reminded to exercise caution when dealing in the securities of the Company. In particular, shareholders and potential investors of the Company are reminded that there is no assurance that any business activities or transactions mentioned in this announcement will materialise. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisors.

By Order of the Board

Kelvin Lim Ching Song
Executive Director and Chief Executive Officer
13 May 2015

The contact persons for the Sponsor are Mr Khong Choun Mun, Managing Director, Corporate Finance and Mr David Tham, Senior Director, Corporate Finance, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.