

IPCO INTERNATIONAL LIMITED

(Incorporated in Singapore)
(Company Registration Number: 199202747M)

DISPOSAL OF 100% OF DIMENSI CITA SDN BHD

The Board of Directors ("**Board**") of Ipco International Limited (the "**Company**") wishes to announce that the Company has entered into a sale and purchase agreement ("**Agreement**") dated 17 September 2015 with Lee Bu Hua (the "**Purchaser**"), a Malaysian Businessman, to dispose its 100% of the issued and paid up share capital of Dimensi Cita Sdn Bhd ("**DCSB**") to the Purchaser for a purchase consideration ("**Consideration**") of RM50 (the "**Disposal**").

DIMENSI CITA SDN BHD (Company Registration Number: 633992-W) ("the **Company**") is a company incorporated in Malaysia and having its registered address at No. 177-3, Floor 3, Jalan Sarjana, Taman Connaught, Cheras 56000, Kuala Lumpur, Malaysia

The Disposal was completed on 17 September 2015 ("**Completion**") and DCSB has ceased to be a subsidiary of the Company.

1. DIMENSI CITA SDN BHD

DIMENSI CITA SDN BHD (Company Registration Number: 633992-W) ("the **Company**") is a company incorporated in Malaysia and having its registered address at No. 177-3, Floor 3, Jalan Sarjana, Taman Connaught, Cheras 56000, Kuala Lumpur, Malaysia

As at the date of the Agreement, DCSB has an issued and paid-up share capital of RM 1,810,002 comprising 1,810,002 issued and fully paid up ordinary shares of RM1.00 each. Prior to the completion of the Disposal, DCSB was a wholly-owned subsidiary of the Company.

DCSB is an investment holding company.

2. PURCHASER

The Purchaser is Lee Bu Hua ("**Owner**"), a Malaysian businessman.

The Purchaser is not a Shareholder of the Company or of any of its subsidiaries. The Owner is not a Shareholder or Director of the Company or any of its subsidiaries. Neither the Purchaser nor the Owner is related to any of the Directors or substantial Shareholders of the Company and their respective associates.

The Owner had initially approached the Company in respect of acquiring Ace Century Group Limited.

3. RATIONALE

As DCSB current is a dormant company, the Disposal is part of the Group's internal restructuring process to streamline the Group's investments.

4. CONSIDERATION AND PAYMENT

The Disposal was completed on 17 September 2015 ("**Completion**"), and DCSB has ceased to be a subsidiary of the Company.

The consideration for the Disposal was a cash consideration of RM50 and was arrived at after arm's-length negotiation on a willing-buyer and willing-seller basis, taking into consideration the net liabilities of DCSB. As per unaudited accounts as at 31 July 2015, the net liabilities disposed under the Disposal were approximately RM2,493.90.

As the net gain on disposal is RM2,543.90, this will not have a material impact on the consolidated net tangible asset value and earnings per share of the Group for the current financial year ending 30 April 2016.

The Company has not commissioned any valuation of DCSB.

5. NET PROFITS / VALUE OF ASSETS BEING DISPOSED

DCSB has a net loss after tax of RM1,266.70 based on its unaudited financial results for the period ended 31 July 2015. As at 31 July 2015, DCSB has a net liability of RM2,493.90. Based solely on the foregoing, the net loss after tax attributable to the 100% of DCSB being disposed is RM1,266.70, and the value of the net liabilities being disposed by the Group pursuant to the Disposal is RM2,493.90.

6. FINANCIAL EFFECTS

For illustrative purposes only, the table below sets out the financial effects of the Disposal based on the following bases and assumptions:-

- (a) The audited consolidated financial statements of the Company and its subsidiaries ("**Group**") for the financial year ended 30 April 2015; and
- (b) The financial impact on the Group's consolidated net tangible assets ("**NTA**") per Share is computed based on the assumption that the Disposal was completed on 30 April 2015 and in relation to the Group's consolidated earnings per Share ("**EPS**"), computed based on the assumption that the Disposal was completed on 1 May 2014.

	Before the Disposal	After the Disposal
Share Capital		
- Issued and paid up share capital (S\$'000)	263,687	263,687
- Number of Shares	5,100,799,986	5,100,799,986
Net Tangible Assets		
- NTA (S\$'000)	36,704	36,705
- Number of Shares	5,100,799,986	5,100,799,986
- NTA per Share (Singapore cents)	0.72	0.72
Earnings Per Share		
- Loss after tax attributable to owners of the Company (S\$'000)	(3,229)	(3,228)
- Number of Shares	5,100,799,986	5,100,799,986
- EPS (Singapore cents)	(0.06)	(0.06)

The financial effects of the Disposal on the Group are for illustrative purposes only and are therefore not indicative of the actual financial performance or position of the Group after the completion of the Disposal.

7. RELATIVE FIGURES UNDER RULE 1006 FOR THE DISPOSAL

The relative figures computed on the bases pursuant to Rule 1006(a) to (d) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), in relation to the Disposal based on the latest announced financial results of the Company for its financial period ended 31 July 2015 are as follows:-

	Relative Figures for Disposal (%)
Rule 1006(a) – The net asset value of the assets to be disposed of, compared with the Group's net asset value	0.00 ⁽¹⁾
Rule 1006(b) – The net loss attributable to the assets acquired or disposed of, compared with the Group's net loss	(0.02) ⁽²⁾
Rule 1006(c) – The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	0.00 ⁽³⁾
Rule 1006(d) – The number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue	Not applicable

Notes:

- (1) The unaudited consolidated net asset value of the Group for the financial period ended 31 July 2015 is S\$87,514,000. As at 31 July 2015, the net liabilities attributable to the 100% of DCSB being disposed is RM2,493.90 or approximately S\$888.
- (2) The unaudited consolidated net profit before tax of the Group for the financial period ended 31 July 2015 is S\$2,319,000. The unaudited net loss before tax for the financial period ended 31 July 2015 attributable to the 100% of DCSB being disposed is RM1,266.70 or approximately S\$451.
- (3) Based on the Company's existing issued ordinary share capital of 5,100,799,986 Shares and the volume weighted average price (VWAP) of S\$0.004 for trades done on the Company's shares on the SGX-ST for the full market day on 16 September 2015 (being the full market day prior to the date of the Agreement), the Company's market capitalization on 16 September 2015 was S\$20,403,200. The value of the consideration received for the Disposal is RM50 or approximately S\$18.

On the basis of the relative figures computed on the bases pursuant to Rule 1006(a) to (d) of the SGX-ST Listing Manual, the Proposed Disposal constitutes a "Non-Discloseable Transaction" under the provision of Rule 1008 of the SGX-ST Listing Manual, and no announcement of the Proposed Disposal is required under the SGX-ST Listing Manual.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial Shareholders of the Company (other than in their capacity as Directors or Shareholders of the Company) has any interest, direct or indirect, in the Disposal.

9. DOCUMENTS FOR INSPECTION

Copies of the Agreement are available for inspection during normal business hours at the Company's registered office at 24 Pandan Road, Singapore 609275, for three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Carlson Clark Smith
Executive Director and Chief Financial Officer
18 September 2015