

**ANNOUNCEMENT PURSUANT TO RULE 704(5) OF THE LISTING MANUAL OF
SINGAPORE EXCHANGE SECURITIES TRADING LIMITED –**

**DISCLAIMER OF OPINION BY THE AUDITORS ON THE AUDITED FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

The Company refers to its announcement on the above subject dated 8 April 2017 (the “Announcement”), and wishes to correct and replace as follows:

The last paragraph of 3(ii) of the Announcement

The Group’s investment properties and available-for-sale investments as described in Note 15 and 17 (see extract below) of the Financial Statements total of S\$15.8 million are supported and based on valuations by independent professional valuers.

The second paragraph of 4(i) of the Announcement

As disclosed in Note 21 of the Financial Statements the non-controlling shareholders has transferred assigned debts totalling S\$1,300,000 and one property worth S\$104,000 to Sheng Rong and a trustee appointed by the Group respectively as part settlement of the debt. Properties worth about S\$896,000 which will fully satisfy the debt have yet to be transferred to the Group. As disclosed in Note 21 Sheng Rong has obtained a favourable judgment from the Courts of the People’s Republic of China in favour of Sheng Rong that requires the non-controlling shareholders and various parties to fulfil their obligations and to pay a penalty to Sheng Rong for delay in the transfer of the properties. The non-controlling shareholder has appealed the court decision on the late penalty award. The resolution of the lawsuit is currently pending the appeal process.

CAUTIONARY STATEMENT

The Board wishes to highlight to shareholders and potential investors to read this announcement, the 2016 Annual Report in its entirety and any further announcements by the Company carefully and to exercise caution when trading or dealing in their shares of the Company. Shareholders and potential investors should seek advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubts about the actions they should take.

By Order of the Board
Innopac Holdings Limited

Wong Chin Yong
Managing Director
10 April 2017