INNOPAC HOLDINGS LIMITED

(Company Registration Number 197301788K)
(Incorporated in the Republic of Singapore)

STATUTORY DEMANDS AGAINST THE COMPANY

The Board of Directors ("**Board**") of Innopac Holdings Limited ("**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company was:

(a) on 26 December 2018 served a statutory demand under section 254(2)(a) read with section 254(1)(e) of the Companies Act (Cap 50) dated 21 December 2018 by NLC Law Asia LLC, solicitors acting for Lim Wee Kiat, for payment of the sum of S$155,150.00 within 21 days thereof ("**LWK Claim**"), failing which, LWK may make an application for a winding-up order to be made against the Company on the basis of its inability to pay its debts; and

(b) on 6 March 2019 served a statutory demand under section 254(1)(e) and 254(2) of the Companies Act (Cap 50) dated 6 March 2019 by JLC Advisors LLP, solicitors acting for CBK Holdings Ltd ("**CBK**"), for payment of the sum of S$213,945.21 within 21 days thereof ("**CBK Claim**"), failing which, CBK may make an application for a winding-up order to be made against the Company on the basis of its inability to pay its debts.

The LWK Claim is for repayment of professional fees totaling S$155,150.00 paid by LWK on the Company's behalf, pursuant to a funding arrangement entered into between LWK and the Company on 25 May 2018, for the engagement of Provenance Capital Pte. Ltd. to conduct an investment process review required pursuant to the Notice of Compliance dated 13 April 2018 issued by SGX RegCo. The funding arrangement was made in anticipation of new funds to be raised from a proposed placement of up to 5 billion new shares in the Company by a placement agreement entered into by the Company with KGI Securities (Singapore) Pte Ltd dated 27 April 2018, but the placement did not eventually proceed, as announced by the Company on 25 June 2018. The Company was in negotiations with NLC Law Asia LLC in January 2019 on proposals for settlement of the LWK Claim but these were inconclusive. On 25 March 2019, the Board wrote to LWK on proposals for repayment but has not received a response.

The CBK Claim is for repayment of the sums of S$200,000 principal drawn down on 15 August 2018, out of a S$300,000 loan extended by CBK to the Company pursuant to a loan agreement entered into between the CBK and the Company on 14 August 2018, interest under the loan agreement of S$10,000 and default interest at 3% per month accruing on a daily basis, amounting to S$3,945.21, from 15 February 2019 to 6 March 2019, that is due and owing by the Company to CBK. The Company had on 25 March 2019 written to JLC Advisors LLP to propose discussions for repayment but this was turned down by CBK in the reply from JLC Advisors LLP dated 1 April 2019.

As at the date of this announcement, no payment has been made by the Company of the LWK Claim or CBK Claim (collectively, "**Claims**"). There will not be a material adverse impact on the financial position of the Group if the Company were to pay the Claims.

The Company has been engaging and will continue to engage LWK and CBK and their solicitors in order to reach a solution satisfactory to all stakeholders. At the same time, the Company is seeking legal advice from its solicitors on the implications of the statutory demands in relation to the Claims.

Further announcements will be made as and when there are material developments on the aforesaid matters.

Shareholders are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

BY ORDER OF THE BOARD
INNOPAC HOLDINGS LIMITED

Leng Yew Chee Philip
Executive Director

15 April 2019