

# IPCO INTERNATIONAL LIMITED

(Incorporated in Singapore)

(Company Registration Number: 199202747M)

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## INVESTMENT IN NEW SUBSIDIARY RUSHAN ZHONG HUAN NATURAL GAS CO., LTD

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The Board of Directors of Ipco International Limited (the “**Company**”) is pleased to announce that through its wholly-owned subsidiary Excellent Empire Ltd, via its wholly-owned subsidiary China Environment Energy Protection Investment Limited, which in turn through its China subsidiary Hubei Zhong Lian Huan Energy Investment Management Limited (“Hubei Zhong Lian Huan”), will invest in RuShan Zhong Huan Natural Gas Co., Ltd (“**RuShan Zhong Huan**”).

RuShan Zhong Huan is registered with an authorised capital of Rmb30 million. Hubei Zhong Lian Huan has agreed to invest up to 90% or Rmb27 million, with the remaining 10% or Rmb3 million to be invested by Mr. Xin Rui Zhang (“**Mr. Xin**”).

Mr. Xin is a Chinese businessman with extensive contacts in the natural gas industry, especially in Shandong Province. Mr. Xin is also a 10% shareholder of Hai Yang Zhong Huan, with the remaining 90% shareholding owned by Hubei Zhong Lian Huan, as previously announced on 22 October 2015.

RuShan Zhong Huan was incorporated to invest in natural gas and related projects in the People's Republic of China, particularly in RuShan, Shandong Province. The company is currently dormant. The investment by Hubei Zhong Lian Huan in RuShan Zhong Huan will significantly expand our natural gas distribution territory to Shandong Province to cover new industrial users, households, and commercial buildings in the suburban townships of RuShan City.

None of the Directors or substantial shareholders of the Company has any interest, whether direct or indirect, in the aforesaid transaction save for their shareholdings in the Company.

The Company will continue to provide shareholders with updates as and when there are material developments in relation to RuShan Zhong Huan.

Shareholders are advised to exercise caution in trading their shares and should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubts about the action that they should take.

### ON BEHALF OF THE BOARD

Carlson Clark Smith

Executive Director and Chief Financial Officer

13 May 2016