

CIRCULAR DATED 26 JANUARY 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all of your ordinary shares in the capital of IPC Corporation Ltd (the “**Company**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of EGM and the attached Proxy Form to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or the transfer was effected, for onward transmission to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the accuracy or correctness of any of the statements made, opinions expressed or reports contained in this Circular.



IPC CORPORATION LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 198501057M)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED CAPITAL REDUCTION EXERCISE TO REDUCE THE ISSUED AND FULLY PAID-UP SHARE CAPITAL OF THE COMPANY (THE “PROPOSED CAPITAL REDUCTION”)

IMPORTANT DATES AND TIMES

- | | | |
|--|---|--|
| Last date and time for lodgement of Proxy Form | : | 16 February 2016 at 2.30 p.m. |
| Date and time of Extraordinary General Meeting | : | 18 February 2016 at 2.30 p.m. |
| Place of Extraordinary General Meeting | : | 23 Tai Seng Drive, #06-00, Deutsche Telekom Centre, Singapore 535224 |

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DEFINITIONS

For the purposes of this Circular, the following definitions apply throughout unless the context otherwise requires:

“Act” or “Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as may be amended, modified or supplemented from time to time
“Board”	:	The board of Directors for the time being
“Books Closure Date”	:	The date, to be determined by the Directors and announced by the Company, on which the transfer books of the Company and the Register will be closed in order to determine the entitlements of Shareholders to the Cash Distribution pursuant to the Proposed Capital Reduction
“Cash Distribution”	:	The proposed cash distribution by the Company to Shareholders of S\$1.60 in cash for each Share held by Shareholders or on their behalf as at the Books Closure Date, amounting to an aggregate distribution of approximately S\$136.467 million, as described in Section 1 of the Letter to Shareholders in this Circular
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular dated 26 January 2016
“Company”	:	IPC Corporation Ltd
“Directors”	:	The directors of the Company for the time being
“Disposal”	:	The disposal of the Seven Hotels by the Company pursuant to a sale and purchase agreement dated 6 November 2015, as announced by the Company on 6 November 2015
“EGM”	:	The extraordinary general meeting of the Company, to be convened for the purposes of considering and, if thought fit, passing with or without modifications, the special resolution set out in the Notice of EGM
“EPS”	:	Earnings per Share
“Existing Constitution”	:	The memorandum and articles of association of the Company which were in force immediately before the Companies (Amendment) Act 2014 took effect in phases on 1 July 2015 and 3 January 2016 respectively
“FY2014”	:	The financial year ended 31 December 2014
“Group”	:	The Company and its subsidiaries
“Income Tax Act”	:	The Income Tax Act (Chapter 134) of Singapore
“Latest Practicable Date”	:	13 January 2016, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for securities trading

DEFINITIONS

“Net Proceeds”	:	The net proceeds received by the Company from the Disposal
“Notice of EGM”	:	The notice of EGM which is on page N-1 of this Circular
“NTA”	:	Net tangible assets
“Proposed Capital Reduction”	:	The proposed capital reduction exercise to be carried out by the Company pursuant to Section 78C of the Companies Act to effect the Cash Distribution, details of which are set out in Section 2 of the Letter to Shareholders in this Circular
“Proxy Form”	:	The proxy form in respect of the EGM as set out in this Circular
“Register”	:	The register of members of the Company
“Registrar”	:	The Registrar of Companies appointed under the Companies Act and any Deputy or Assistant Registrar of Companies
“Securities Account”	:	The securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
“Seven Hotels”	:	Collectively, “nest HOTEL matsuyama”, “nest HOTEL kumamoto”, “nest HOTEL naha”, “nest HOTEL osaka shinsaibashi”, “Smile Hotel Asagaya”, “Smile Hotel Asakusa” and “Comfort Hotel Okayama”
“SFA”	:	Securities and Futures Act (Cap. 289) of Singapore, as may be amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Persons who are registered as holders of Shares in the Register except that where the registered holder is CDP, the term “Shareholders” shall mean the Depositors who have Shares credited to their Securities Accounts
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person who has an interest in the voting Shares (excluding treasury shares) in the Company, and the total votes attached to that Share, or those Shares, represent not less than 5.0% of all the voting Shares
“S\$” and “cents”	:	Singapore dollars and cents, respectively, being the lawful currency of Singapore
“%” or “per cent.”	:	Per centum or percentage

The expressions “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the respective meanings ascribed to them in Section 81SF of the SFA.

The term “**controlling shareholders**” shall have the meaning ascribed to it in the Listing Manual.

The term “**subsidiaries**” shall have the meaning ascribed to it in the Companies Act.

Except where specifically defined, the terms “**we**”, “**us**” and “**our**” in this Circular refer to the Group.

DEFINITIONS

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, or any statutory modification thereof and used in this Circular shall have the meaning assigned to it under the said Companies Act, SFA or any statutory modification thereof, as the case may be, unless otherwise provided.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference to a time of day or date in this Circular is a reference to a time of day or date, as the case may be, in Singapore, unless otherwise stated.

Any discrepancies in this Circular between the sum of the figures stated and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures which precede them.

INDICATIVE TIMETABLE

The following are indicative dates and times for the Proposed Capital Reduction for illustrative purposes only ⁽¹⁾:

Last date and time for lodgement of Proxy Forms for the EGM ⁽²⁾	:	16 February 2016 at 2.30 p.m.
Date and time of the EGM	:	18 February 2016 at 2.30 p.m.
<i>Expected last date and time of "cum" trading of the Shares on the SGX-ST</i>	:	<i>On or about 23 February 2016 at 5.00 p.m.</i>
<i>Expected commencement of "ex" trading of the Shares on the SGX-ST</i>	:	<i>On or about 24 February 2016 at 9.00 a.m.</i>
<i>Expected Books Closure Date for the Proposed Capital Reduction</i>	:	<i>On or about 26 February 2016 at 5.00 p.m.</i>
<i>Expected effective date of the Proposed Capital Reduction</i>	:	<i>On or about 31 March 2016</i>
<i>Expected payment date for the Cash Distribution pursuant to the Proposed Capital Reduction</i>	:	<i>On or about 5 April 2016</i>

Notes:

- (1) Save for the date and time by which the Proxy Forms must be lodged and the date and time of the EGM, the timetable above is only indicative and the actual dates of the events in italics will be announced in due course by way of SGXNET announcement released on the SGX-ST.
- (2) All Proxy Forms must be duly completed and deposited at the registered office of the Company at 23 Tai Seng Drive, #06-00, Deutsche Telekom Centre, Singapore 535224, not later than 48 hours before the time appointed for holding the EGM. Completion and return of a Proxy Form will not preclude a Shareholder from attending and voting at the EGM if he so wishes. Any appointment of a proxy or proxies shall be deemed to be revoked if a Shareholder attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the EGM.

LETTER TO SHAREHOLDERS

IPC CORPORATION LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 198501057M)

Directors:

Ngiam Mia Je Patrick (Executive Director, Chairman & Chief Executive Officer)
Ngiam Mia Kiat Benjamin (Executive Director & Managing Director)
Lauw Hui Kian (Executive Director)
Ngiam Mia Hai Bernard (Executive Director)
Ngiam Mia Hong Alfred (Executive Director)
Lee Joo Hai (Independent Director)
Lee Soo Hoon Phillip (Independent Director)
Seah Seow Kang Steven (Lead Independent Director)
Li Ling Xiu (Non-Independent & Non-Executive Director)
Lien Kait Long (Independent Director)

Registered Office:

23 Tai Seng Drive,
#06-00, Deutsche
Telekom Centre,
Singapore 535224

26 January 2016

To: The Shareholders of IPC Corporation Ltd

Dear Sir/Madam,

THE PROPOSED CAPITAL REDUCTION**1. INTRODUCTION**

On 17 December 2015, the Company announced that it intended to distribute approximately S\$136.467 million in aggregate to Shareholders by way of the Proposed Capital Reduction. The Proposed Capital Reduction is subject to, *inter alia*, the approval of Shareholders. The Proposed Capital Reduction will involve a cash distribution (the “**Cash Distribution**”) by the Company to Shareholders of S\$1.60 in cash for each Share held by Shareholders or on their behalf as at the Books Closure Date, amounting to an aggregate distribution of approximately S\$136.467 million.

The Directors propose to convene an extraordinary general meeting (the “**EGM**”) to be held on 18 February 2016 at 2.30 p.m. at 23 Tai Seng Drive, #06-00, Deutsche Telekom Centre, Singapore 535224 to seek Shareholders’ approval for the Proposed Capital Reduction.

The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Capital Reduction, including the rationale and the pro forma financial effects of Proposed Capital Reduction, which will be tabled at the EGM to seek Shareholders’ approval for the special resolution in relation thereto, the notice of which is set out in this Circular.

Shareholders are advised that the SGX-ST assumes no responsibility for the contents of the Circular, including the accuracy or correctness of any of the statements made, opinions expressed or reports contained in this Circular.

2. THE PROPOSED CAPITAL REDUCTION**2.1 Background**

The Company is proposing to return S\$1.60 in cash for each Share held by Shareholders or on their behalf as at the Books Closure Date. Based on the issued and paid-up share capital of the Company, of approximately S\$169,982,780 comprising 85,291,885 Shares, as at the Latest Practicable Date, an aggregate amount of approximately S\$136.467 million will be returned to Shareholders pursuant to the Proposed Capital Reduction.

LETTER TO SHAREHOLDERS

The actual aggregate Cash Distribution to be made to the Shareholders pursuant to the Proposed Capital Reduction will be based on the issued and paid-up share capital of the Company as at the Books Closure Date.

The Proposed Capital Reduction will not result in a cancellation of Shares, or change in the number of Shares held by any Shareholder. Each Shareholder will hold the same number of Shares before and immediately after the Proposed Capital Reduction.

2.2 Illustration

For illustrative purposes only and based on the assumption that a Shareholder holds 100 Shares as at the Books Closure Date, the following sets out the position of such Shareholder before and immediately after the Proposed Capital Reduction, and the cash distribution that such Shareholder will receive:

	Shareholder
<u>Position before the Proposed Capital Reduction</u>	
Number of Shares currently held	100
<u>Position immediately after the Proposed Capital Reduction</u>	
Cash Distribution received (S\$)	160
Number of Shares held after the Proposed Capital Reduction	100

In summary, Shareholders will receive S\$160 in cash for every 100 Shares (or S\$1.60 in cash for each Share) held as at the Books Closure Date, while maintaining the same shareholding in the Company. Shareholders holding odd lots of Shares (i.e. lots other than board lots of 100 Shares) will likewise receive S\$1.60 in cash for each Share held by them or on their behalf as at the Books Closure Date. The shareholding of each Shareholder in the Company shall remain unchanged immediately after the Proposed Capital Reduction.

2.3 Rationale for the Proposed Capital Reduction

The Directors are of the view that the Proposed Capital Reduction is in the best interests of the Group, as the Cash Distribution comprises paid-up capital in excess of the immediate requirements of the Company and thus, the Proposed Capital Reduction will allow the Company to achieve a more efficient capital structure.

Following the completion of the Proposed Capital Reduction, the Board believes that the Company is able to maintain a sufficient capital base to support its existing operations and to pay its debts as and when they fall due.

2.4 Funds for the Proposed Capital Reduction

The Proposed Capital Reduction will be funded from existing cash and cash equivalents, including the net proceeds (the "**Net Proceeds**") received by the Company arising from the disposal of the Seven Hotels by the Company (the "**Disposal**"). As announced by the Company on 6 November 2015, the Net Proceeds were to be utilised for the Proposed Capital Reduction to allow the Company to achieve a more efficient capital structure.

2.5 Financial Effects of the Proposed Capital Reduction

For illustration purposes only and based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2014 ("**FY2014**"), the financial effects of the Proposed Capital Reduction on, *inter alia*, the share capital, NTA per Share, EPS and gearing of the Company and the Group, as the case may be, are set out below.

LETTER TO SHAREHOLDERS

The financial effects of the Proposed Capital Reduction have been prepared solely for illustrative purposes and do not purport to be indicative or a projection of the actual financial position of the Company and the Group immediately after completion of the Proposed Capital Reduction, and have been prepared based on the following key assumptions:

- (a) for the purposes of computing the Share capital, NTA per Share and gearing, assuming that the Proposed Capital Reduction had been completed on 31 December 2014, being the end of FY2014;
- (b) for the purposes of computing the EPS, assuming that the Proposed Capital Reduction had been completed on 1 January 2014, being the beginning of FY2014;
- (c) the computation takes into account completion of the share consolidation of every ten (10) ordinary shares into one (1) ordinary share in the capital of the Company (which had been approved by Shareholders at the annual general meeting held on 28 April 2015, and completed on 9 June 2015), and assumes that any fractional interests in the consolidated Shares arising from the share consolidation had been disregarded, such that the issued share capital of the Company is approximately S\$169,982,780 comprising 85,291,885 Shares (excluding treasury Shares) as at 31 December 2014;
- (d) the computation takes into account the gross proceeds received by the Group pursuant to completion of the Disposal, and assumes that all borrowings of the Group in the Japanese Yen have been fully repaid using such portion of the gross proceeds arising from the Disposal; and
- (e) the computation does not take into account any expenses that may be incurred in relation to the Proposed Capital Reduction.

(i) Share Capital

The Proposed Capital Reduction will not have any impact on the number of Shares held by the Shareholders. The financial effects of the Proposed Capital Reduction on the issued and paid-up share capital of the Company as at 31 December 2014 are as follows:-

	Before the Proposed Capital Reduction	After the Proposed Capital Reduction
Number of issued Shares	85,291,885	85,291,885
Amount of Share capital (S\$'000)	169,982	33,515

(ii) NTA per Share

The financial effects of the Proposed Capital Reduction on the NTA of the Group for FY2014 are as follows:-

	Before the Proposed Capital Reduction	After the Proposed Capital Reduction
NTA (S\$'000)	208,220	102,873
Number of issued Shares	85,291,885	85,291,885
NTA per Share (S\$)	2.44	1.21

LETTER TO SHAREHOLDERS

(iii) EPS

The financial effects of the Proposed Capital Reduction on the EPS of the Group for FY2014 are as follows:-

	Before the Proposed Capital Reduction	After the Proposed Capital Reduction
Profits/ (Loss) attributable to Shareholders (S\$'000)	28,634	59,754
Weighted average number of Shares	85,291,885	85,291,885
Earnings/ (Loss) per Share (S\$)	0.34	0.70

(iv) Gearing

The financial effects of the Proposed Capital Reduction on the gearing of the Group for FY2014 are as follows:-

	Before the Proposed Capital Reduction	After the Proposed Capital Reduction
Total Borrowings (S\$'000)	103,427	14,381
Shareholders' Equity (S\$'000)	208,220	102,873
Gearing Ratio	0.5	0.14

2.6 Conditions of the Proposed Capital Reduction

2.6.1 General

The Proposed Capital Reduction will be effected under Section 78C of the Companies Act and is subject to, *inter alia*, the following:-

- (i) all the Directors making a solvency statement in relation to the Proposed Capital Reduction and compliance with other relevant solvency requirements as prescribed by the Companies Act;
- (ii) the approval of the special resolution in relation to the Proposed Capital Reduction (the "**Capital Reduction Resolution**") by a majority of not less than three-fourths of the Shareholders present and voting at the EGM, of which not less than 21 days' notice of the EGM shall have been given;
- (iii) compliance with the applicable publicity requirements as prescribed in the Companies Act;
- (iv) no application having been made for the cancellation of the Capital Reduction Resolution by any creditor of the Company within the period of six (6) weeks beginning with the date of the Capital Reduction Resolution (the "**Creditor Objection Period**"), or if such application was made, the withdrawal or dismissal thereof by the judicial authorities;
- (v) lodgement of the relevant documents with the Registrar after the end of six (6) weeks (but before the end of eight (8) weeks) beginning with the date of the Capital Reduction Resolution; and
- (vi) the approval of all other relevant regulatory authorities (if any and if necessary).

LETTER TO SHAREHOLDERS

2.6.2 Effective Date and Payment Date

The Proposed Capital Reduction will take effect after the expiry of the Creditor Objection Period upon the lodgement of the prescribed documents with the Registrar, and the Cash Distribution will be made thereafter.

Subject to the above conditions being satisfied, it is currently expected that the Cash Distribution will be paid to the relevant Shareholders on or about 5 April 2016.

The Company will publicly announce and notify Shareholders of the effective date of the Proposed Capital Reduction through a SGXNET announcement to be posted on the SGX-ST website at <http://www.sgx.com>.

2.7 Taxation

Shareholders should note that the following statements are not to be regarded as advice on the tax position of any Shareholder or on any tax implications arising from the Proposed Capital Reduction and Cash Distribution. Shareholders who are in doubt as to their respective tax positions or any such tax implications or who may be subject to tax in a jurisdiction outside Singapore should consult their own professional advisers.

Section 10I of the Income Tax Act provides that where a Singapore resident company makes a payment to its shareholders upon a reduction of its share capital and such a capital reduction is made out of “contributed capital” of the company, the payment to the shareholders will be treated as a return of capital and not as a payment of dividend. For Singapore income tax purposes, a return of capital would generally be treated as capital in nature and would not be taxable to the shareholders in Singapore, except in certain cases, such as shareholders who are traders in securities or who have classified their investments as trading stocks, marketable securities or short-term investments. However, where such a capital reduction is not made out of “contributed capital” of the company, the payment to the shareholders will be deemed as dividends paid by the company to its shareholders. Dividends paid by a Singapore resident company after 1 January 2008 are tax exempt for its shareholders pursuant to Section 13(1)(za) of the Income Tax Act.

In relation to the Cash Distribution to be made to Shareholders pursuant to the Proposed Capital Reduction, as the amounts which are to be paid to Shareholders pursuant to the Cash Distribution will be paid out of the reduction of the existing issued and paid up share capital of the Company, the Cash Distribution should generally be regarded as a return of capital and not taxable for the Shareholders unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by the Shareholders.

Shareholders are advised to consult their own tax advisers as to the precise tax consequences of the Cash Distribution pursuant to the Proposed Capital Reduction.

2.8 Administrative Procedures for the Proposed Capital Reduction

The following paragraphs set out the administrative procedures for the Proposed Capital Reduction. Shareholders should note that dates stated in this section are tentative, and are subject to the Proposed Capital Reduction being effective. Please refer to Section 2.6 of this Circular for the conditions to the Proposed Capital Reduction.

2.8.1 Books Closure Date

The Register will be closed as at a time and date to be determined by the Directors, for the purpose of determining Shareholders’ entitlements pursuant to the Proposed Capital Reduction. The Company will announce the Books Closure Date as soon as practicable.

LETTER TO SHAREHOLDERS

Persons registered in the Register, and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date would be entitled to receive a Cash Distribution of S\$1.60 for each Share held by them or on their behalf as at the Books Closure Date.

Persons registered in the Register, and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date would be considered for purposes of the Proposed Capital Reduction on the basis of the number of such Shares registered in their names or standing to the credit of their Securities Accounts as at the Books Closure Date.

2.8.2 Shareholders holding Scrip Shares

Shareholders who hold Shares registered in their own names in the Register and who wish to deposit their Shares with CDP prior to the Books Closure Date must deliver their existing share certificates in respect of their Shares, together with the duly executed instruments of transfer in favour of CDP, at least 12 Market Days prior to the Books Closure Date in order for their Securities Accounts maintained with CDP to be credited with the relevant Shares by the Books Closure Date.

2.8.3 Payment of the Cash Distribution

Payment of the Cash Distribution pursuant to the Proposed Capital Reduction will be made in the following manner:

(i) *Shareholders holding Scripless Shares*

Shareholders who are Depositors and who have Shares standing to the credit of their Securities Accounts as at the Books Closure Date, will have the cheques for payment of their respective entitlements to the Cash Distribution under the Proposed Capital Reduction despatched to them by CDP by ordinary post at their own risk tentatively in April 2016. Alternatively, such Shareholders will have payment of their respective entitlements to the Cash Distribution under the Proposed Capital Reduction made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions tentatively by April 2016.

(ii) *Shareholders holding Scrip Shares*

Shareholders whose Shares are registered in the Register as at the Books Closure Date will have the cheques for payment of their entitlements to the Cash Distribution under the Proposed Capital Reduction despatched to them by ordinary post at their own risk tentatively in April 2016. The Company shall not be liable for any loss in transmission.

3. **INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

The interests of the Directors and Substantial Shareholders in the Shares as recorded in the Register of Directors and Register of Substantial Shareholders, respectively, as at the Latest Practicable Date are set out as follows:

LETTER TO SHAREHOLDERS

	Direct Interest		Deemed Interest		Total Interest	
	No. of shares	% ⁽¹⁾	No. of shares	% ⁽¹⁾	No. of shares	% ⁽¹⁾
Directors						
Ngiam Mia Je Patrick ⁽²⁾	1,063,981	1.25	8,717,893	10.22	9,781,874	11.47
Ngiam Mia Kiat Benjamin ⁽³⁾	1,053,681	1.24	7,558,114	8.86	8,611,795	10.10
Lauw Hui Kian ⁽⁴⁾	1,159,779	1.36	8,622,095	10.11	9,781,874	11.47
Ngiam Mia Hai Bernard	1,096,029	1.29	–	–	1,096,029	1.29
Ngiam Mia Hong Alfred	1,058,529	1.24	–	–	1,058,529	1.24
Lee Joo Hai	–	–	–	–	–	–
Lee Soo Hoon Phillip	–	–	–	–	–	–
Seah Seow Kang Steven	3,101	0.004	–	–	3,101	0.004
Li Ling Xiu	–	–	–	–	–	–
Lien Kait Long	–	–	–	–	–	–
Substantial Shareholders (other than Directors)						
Oei Hong Leong ⁽⁵⁾	26,915,120	31.56	–	–	26,915,120	31.56
Essex Investment (Singapore) Pte Ltd (“Essex”)	7,558,114	8.86	–	–	7,558,114	8.86

Notes:

- (1) Based on 85,291,885 Shares in the share capital of the Company as at the Latest Practicable Date.
- (2) Deemed interest in 7,558,114 shares held by Essex by virtue of Section 7 of the Companies Act and 1,159,779 shares held by Ms Lauw Hui Kian.
- (3) Deemed interest in 7,558,114 shares held by Essex by virtue of Section 7 of the Companies Act.
- (4) Deemed interest in 7,558,114 shares held by Essex by virtue of Section 7 of the Companies Act and 1,063,981 shares held by Mr Ngiam Mia Je Patrick.
- (5) Mr Oei Hong Leong's shares are registered in the name of DB Nominees (Singapore) Pte Ltd.

Save for their respective interests in the Company, if any, none of the Directors or the Substantial Shareholders has any direct or indirect interest in the Proposed Capital Reduction.

4. DIRECTORS' RECOMMENDATIONS

Having fully considered the terms and rationale for the Proposed Capital Reduction, the Directors are of the opinion that the Proposed Capital Reduction is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the special resolution to approve the Proposed Capital Reduction at the EGM.

LETTER TO SHAREHOLDERS

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page N-1 of this Circular, is being convened at 23 Tai Seng Drive, #06-00, Deutsche Telekom Centre, Singapore 535224 on 18 February 2016 at 2.30 p.m. for the purpose of considering and, if thought fit, passing, with or without any modifications, the special resolution relating to the Proposed Capital Reduction set out therein.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than 48 hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by the CDP, as at 72 hours before the EGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Capital Reduction, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 23 Tai Seng Drive, #06-00, Deutsche Telekom Centre, Singapore 535224 during normal business hours from the date of this Circular up to and including the date of EGM:

- (i) the Existing Constitution of the Company; and
- (ii) the annual report of the Company for FY2014.

Yours faithfully

Ngiam Mia Hai Bernard
Secretary

For and on behalf of the Board of Directors of
IPC Corporation Ltd

NOTICE OF EXTRAORDINARY GENERAL MEETING

IPC CORPORATION LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 198501057M)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of IPC Corporation Ltd (the “**Company**”) will be held on 18 February 2016 at 2.30 p.m. at 23 Tai Seng Drive, #06-00, Deutsche Telekom Centre, Singapore 535224 for the purpose of considering and, if thought fit, passing, with or without any modifications, the following resolution which will be proposed as a Special Resolution:

All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Circular to shareholders of the Company dated 26 January 2016.

SPECIAL RESOLUTION:

THE PROPOSED CAPITAL REDUCTION

That, pursuant to Article 12 of the Existing Constitution of the Company and subject to the provisions of Section 78A, read together with Section 78C to 78F, of the Companies Act (Chapter 50) of Singapore (the “**Companies Act**”):-

- (a) the issued and paid-up share capital of the Company be reduced by the sum of approximately S\$136.467 million, and that such reduction be effected by way of a cash distribution to the Shareholders in the sum of S\$1.60 for each fully paid-up ordinary share in the capital of the Company held by a Shareholder or on his/her behalf as at a books closure date to be determined by the Directors; and
- (b) the Directors and each of them be and are hereby authorised and empowered to do all such acts and things (including executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the Proposed Capital Reduction, with such modification thereto (if any) as they shall deem fit in the interests of the Company.

BY ORDER OF THE BOARD
IPC Corporation Ltd

Ngiam Mia Hai Bernard
Secretary
26 January 2016

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the EGM.
- (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by them.

“Relevant intermediary” has the meaning ascribed to it in Section 181(6) of the Companies Act.

2. A proxy need not be a member of the Company.
3. If the appointor is a corporation, the Proxy Form must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
4. The instrument appointing a proxy or proxies must be lodged at the Company’s registered office at 23 Tai Seng Drive, #06-00, Deutsche Telekom Centre, Singapore 535224, not less than 48 hours before the time appointed for the EGM. The completion and return of the proxy form by a member will not prevent him from attending and voting in person at the EGM if he so wishes. In such event, the relevant proxy form will be deemed to be revoked.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/ or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”); (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

IPC CORPORATION LTD

(Incorporated in Republic of Singapore)
(Company Registration No. 198501057M)

EXTRAORDINARY GENERAL MEETING PROXY FORM

(Please see notes overleaf before completing this Proxy Form)

IMPORTANT

1. Pursuant to Section 181(1C) of the Companies Act, Cap. 50 of Singapore (the "Act"), Relevant Intermediaries may appoint more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For investors who have used their CPF monies to buy IPC Corporation Ltd's shares ("CPF Investors"), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies or the appointment of their Agent Banks as proxies for the Extraordinary General Meeting.
4. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 26 January 2016.

I/We _____ (name) with NRIC/Passport Number: _____

of _____ (address)

being a member/members* of **IPC CORPORATION LTD** (the "Company"), hereby appoint:-

Name	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her/them*, the Chairman of the Extraordinary General Meeting (the "EGM") of the Company as my/our* proxy/ proxies* to attend and to vote for me/us* on my/our* behalf at the EGM of the Company to be held at 23 Tai Seng Drive, #06-00, Deutsche Telekom Centre, Singapore 535224 on 18 February 2016 at 2.30 p.m..

I/We* direct my/our* proxy/proxies* to vote for or against the resolution to be proposed at the EGM as hereunder indicated. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies* will vote or abstain from voting at his/her* discretion.

(Please indicate your vote "For" or "Against" with a tick [✓] within the box provided. Alternatively, please indicate the number of votes as appropriate.)

No.	SPECIAL RESOLUTION	For	Against
1	To approve the Proposed Capital Reduction		

Dated this _____ day of _____ 2016

Total Number of Shares Held in:	
(a) CDP Register	
(b) Register of Members	

Signature(s) of Shareholder(s) or
Common Seal of Corporate Shareholder

* Delete accordingly



Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Cap. 289, of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. Except for a member of the Company who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member of the Company appoints more than one proxy, the member shall specify the proportion of his/her shareholding to be represented by each proxy and if the proportion is not specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholding of that member and the second named proxy shall be deemed to be an alternate to the first named proxy.
4. Pursuant to Section 181(1C) of the Act, a member of the Company who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number shares in relation to which each proxy has been appointed shall be specified in the proxy form.
5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.
6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 23 Tai Seng Drive, #06-00 Deutsche Telekom Centre, Singapore 535224 not less than forty-eight (48) hours before the time appointed for holding the EGM.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Act.
9. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to vote thereat unless his name appears on the Depository Register seventy-two (72) hours before the time appointed for holding the EGM.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.