

Our Ref: REG/LC/CML/IN2018

13 April 2018

The Board of Directors
Innopac Holdings Limited
190 Middle Road
Fortune Centre
#19-07
Singapore 188979

PRIVATE & CONFIDENTIAL

Attention: Board of Directors

Dear Sirs

**INNOPAC HOLDINGS LIMITED (THE “COMPANY”)
NOTICE OF COMPLIANCE (THE “NOTICE”)**

1. The Exchange refers to the following announcements:
 - (a) The Company's Announcement dated 8 April 2017 (Announcement Reference No: SG170408OTHRT2LD) titled “Annual Reports and Related Documents” relating to the “Independent Auditors' Report on the Financial Statements for the Year Ended 31 December 2016”
 - (b) The Company's Announcement dated 8 April 2017 (Announcement Reference No: SG170408OTHREH2D) titled “Annual Reports and Related Documents” relating to the “Opinion of the Board on Independent Auditors Report”
 - (c) The Company's Announcement dated 21 September 2017 (Announcement Reference No: SG170921OTHRX1VH) titled “Response to SGX Queries” relating to the “Reply to SGX-ST Queries on the Company's Announcements dated 8 August 2017 and 10 August 2017”
 - (d) The Company's Announcement dated 5 January 2018 (Announcement Reference No: SG180105OTHRZT9Y) titled “Response to SGX Queries” relating to the “Reply to SGX-ST Queries on the Company's Announcements dated 10 November 2017”
 - (e) The Company's Announcement dated 10 January 2018 (Announcement Reference No: SG180110OTHR7LX3) titled “General Announcement – Change of Financial Year End from 31 December to 30 June”
 - (f) The Company's Announcement dated 8 February 2018 (Announcement Reference No: SG180208OTHRQLQE) titled “Response to SGX Queries” relating to the “Reply to SGX's Queries on the Company's Announcements dated 17 January 2018”

- (g) The Company's Announcement dated 12 February 2018 (Announcement Reference No. SG180212OTHRN0L6) titled "Financial Statements and Related Announcements" relating to the "Fourth Quarterly Results instead of Full Yearly Results Announcement"
 - (h) The Company's announcement dated 20 February 2018 (Announcement Reference No. SG180220OTHRUVAR) titled "Response to SGX Queries" relating to the "Reply to SGX's Queries on the Company's Announcement dated 12 February 2018".
2. On 8 April 2017, the Auditors issued a disclaimer of opinion in the Independent Auditors' Report for the financial statements of the Company and the Group for the financial year ended 31 December 2016. The auditors opined that they have not been able to obtain sufficient appropriate audit evidence on the financial statements because of the significance of the matters described in the "Basis Of Disclaimer". These matters included recoverability of Other Receivables, Investments, Amount Due from Golden Eagle Mining Pte Ltd and the appropriateness of the use of Going Concern Assumption. On the same date, the Company disclosed inter alia that the "Board has reviewed the Group's cashflow requirements for the next 12 months and the fund raising initiatives and believe that although uncertainties exist, there are reasonable grounds to believe that the Company will be able to raise sufficient funds to enable the Group to fund its operations in the next 12 months."
 3. On 21 September 2017, 5 January 2018, 8 February 2018 and 20 February 2018, the Company responded to SGX's queries on information relating to investments of the Company and other matters. On 5 January 2018, the Exchange also informed the Company of its opinion that the Company falls under the definition of a cash company and should be suspended under Listing Rule 1303(2). The Company is of the view that it is not a cash company as it has other investments in properties, joint ventures and available-for-sale investments.
 4. The Company announced on 10 January 2018 a change of its financial year end from 31 December 2017 to 30 June 2018.
 5. On 12 February 2018, the Company reported revenue of S\$102,000 for the 12 months period ended 31 December 2017 and a pre-tax loss of S\$2.23 million and a negative working capital of S\$11.37 million as at 31 December 2017.
 6. Pursuant to Mainboard Listing Rule 1405(1)(f), the Exchange requires the Company to undertake an interim audit on its financial results for the 12 month period ended 31 December 2017 and to complete the interim audit by **31 May 2018**. The Exchange requires clarity on the following: (i) the Company's state of affairs i.e. whether the Company is able to operate as a going concern; (ii) whether the Company has any active business operations failing which, the Company would be designated as a cash company under the Listing Rules.

7. Pursuant to Mainboard Listing Rule 1405(1)(f) and arising from the concerns raised by the Auditors on the Company's investments, the Exchange requires the Company to appoint a Professional Firm acceptable to the Exchange **by 12 May 2018** to conduct a review on the group's investment processes and to recommend improvements in controls ("**Investment Process Review**"), if any and to announce findings of the Investment Process Review . The terms of reference of the Investment Process Review must be cleared with the Exchange.
8. Pursuant to Listing Rule 1405(4), failure to comply with the requirements imposed by the Exchange shall be deemed to be a contravention of the Listing Rules. Upon fulfillment of the requirements imposed, please write to inform the Exchange.

Yours faithfully,
June Sim
Senior Vice President
Head, Listing Compliance
Singapore Exchange Regulation