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IPC reports net profit of S\$24.968 million for FY2018 driven by fair value gains from the Group's burgeoning hotel management business

- Driven mainly by its preference shares investment in Nest Hotel Japan Corporation ("NHJC"), IPC reports after-tax profit amounting to S\$24.968 million, reversing losses of S\$4.768 million for FY2017
- IPC continues to aggressively scale its hotel management business in Japan where NHJC operates 12 hotels along with a pipeline of an additional 6 hotels by FY2020 which will take its total to 18 hotels
- In partnership with PhillipCapital Group-backed APAHL, an integrated real estate service platform with deep knowledge of local real estate markets across Asia, the Group aims to expand its hotel management business into new markets across the Asia Pacific Region

Singapore, 30 January 2019 – Mainboard-listed IPC Corporation Limited ("IPC" or "the Group"), a property investment and development, hotel management and investment holding company has announced its financial results for the full year ended 31 December 2018 ("FY2018").

Financial Highlights (S\$'000)	FY2018	FY2017
Revenue	9,019	4,070
Other gains/(losses), net	29,893	(861)
Profit/(loss) before income tax	25,039	(4,768)
Total profit/(loss)	24,968	(4,768)
Earnings per Share – (S\$ cents)	29.27	(5.59)

Following its divestment of 9 hotels in Japan in 2015 and a cash distribution of S\$1.60 per share to shareholders in 2016, IPC has transformed its business model into an asset-light hotel management business. Through its ownership of preference shares in Nest Hotel Japan Corporation ("NHJC"), a company incorporated in Japan, primarily engaged in the business of hotel management, operations and investment, NHJC operates and manages 12 hotels in Japan under the "Nest", "Tissage" and "Bespoke" brands. The "Nest Hotel" trademark and name is registered and owned by IPC, and is licensed to NHJC under a licensing agreement.



Pictured: Café/Bar at the new Bespoke Hotel Shinjuku, Tokyo opened in December 2018



Pictured: Lounge and Reception of Bespoke Hotel Shinjuku, Tokyo

As part of its asset-light growth strategy, the following new hotels in Japan commenced operations under the management of NHJC in 2018:

- 1) Nest Hotel Tokyo Hanzomon, Tokyo
- 2) Nest Hotel Hakata Station, Fukuoka
- 3) Tissage Hotel Naha by Nest, Naha
- 4) Nest Hotel Kyoto Shijo Karasuma, Kyoto
- 5) Nest Hotel Osaka Umeda, Osaka
- 6) Bespoke Hotel Shinjuku, Tokyo



Pictured: The exterior and lobby at the new Nest Hotel Osaka Umeda, Osaka opened in November 2018



Pictured: A room at the newly opened Nest Hotel Osaka Umeda, Osaka

As at end-2018, the total number of hotels under NHJC's management has grown to 12. With another 6 hotels in the pipeline, it will bring the Group's total of 18 by end-2020. The planned opening schedule will be 2 new hotels within FY2019 and the remaining 4 in FY2020.

Beyond Japan, the Group is looking to expand its presence across the Asia Pacific Region. As announced on 12 November 2018, the Group inked a joint venture agreement with AP ASEAN Holding Limited ("APAHL") to further its growth trajectory. In partnership with APAHL, the Group will be able to leverage on APAHL's integrated real estate service platform to facilitate its regional expansion. Backed by deep knowledge of local real estate markets in Asia, APAHL's platform specialises in areas such as asset management, property and estate management, data analytics and valuation services. Combined with IPC's strong operational execution in hotel management, this synergistic partnership will accelerate the growth of the Group's hospitality business in new high-growth markets.

Commenting on the Group's FY2018 financial results, Chairman and CEO Mr Patrick Ngiam said, *"Leveraging on the established brands and expertise in hotel management, we will continue to expand our footprint in Japan."*

Beyond Japan, we are looking to expand our hotel management business into new high-growth markets across the Asia Pacific countries. Ultimately, these initiatives are in line with our long-term goal of enhancing shareholder value."

– The End –

About IPC Corporation Limited

IPC Corporation Ltd (the "Company") (www.ipc.com.sg) was incorporated in Singapore on 8 May 1985 and has been listed on the Mainboard of the SGX-ST since 21 May 1993. The businesses of the Company and its subsidiaries (the "Group") include property investment and development, hotel management as well as investment holding. Today, the Group, through its ownership of preference shares in Nest Hotel Japan Corporation, operates 12 hotels in Japan.

For more information on the Group, visit <http://www.ipc.com.sg/>

About Nest Hotel Japan Corporation ("NHJC")

NHJC is based in Tokyo, Japan, and it operates and manages 12 hotels in Japan under the "Nest", "Tissage" and Bespoke brands. It has extensive experience in hotel management with a proven track record of optimising returns. NHJC also offers consultancy and advisory services in addition to the ability to conduct extensive feasibility studies before

embarking on repositioning efforts for existing hotels or new hotel development. The “Tissage” and “Bespoke” trademarks and names are registered and owned by NHJC.

For more information on NHJC, visit <https://www.nesthotel.co.jp/en/>

Issued for and on behalf of IPC Corporation Ltd by Financial PR

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