

1(a)(i)	A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.			
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Group			
	3 Months to 31/07/17 S\$'000	3 Months to 31/07/16 S\$'000	% Increase/ (decrease)	
Revenue				
Sale of goods	5,604	3,946	42.0	
Sale of land lots	-	-	-	
Natural gas installation, connection, delivery and usage	7,027	5,989	17.3	
	12,631	9,935	27.1	
Other items of revenue/(expenses)				
Financial assets, at fair value through profit or loss				
- fair value loss	(8)	(21)	(61.9)	
Other income	69	64	7.8	
	61	43	41.9	
Total revenue	12,692	9,978	27.2	
Operating expenses				
Changes in inventories of finished goods, work-in-progress and land held for sale	567	917	(38.2)	
Raw materials and consumables used	(8,267)	(7,048)	17.3	
Amortisation of intangible assets	(335)	(331)	1.2	
Depreciation of property, plant and equipment	(644)	(605)	6.4	
Allowance for doubtful receivables, net	(35)	(40)	(12.5)	
Foreign exchange loss, net	(1,438)	(88)	nm	
Employee benefits expenses	(2,002)	(1,783)	12.3	
Finance Costs	(226)	(142)	59.2	
Operating lease expenses	(128)	(128)	-	
Other expenses	(793)	(1,015)	(21.9)	
Total expenses	(13,301)	(10,263)	29.6	
Loss before income tax	(609)	(285)	nm	
Income tax expense	(391)	(139)	nm	
Loss for the financial period	(1,000)	(424)	nm	
Other comprehensive income :				
Available-for-sale-financial assets				
- fair value loss	(38)	(139)	(72.7)	
Exchange differences on translating foreign operations	617	(525)	nm	
Other comprehensive income for the financial period	579	(664)	nm	
Total comprehensive income for the financial period	(421)	(1,088)	(61.3)	
(Loss)/Profit attributable to :				
Owners of the parent	(935)	34	nm	
Non-controlling interests	(65)	(458)	(85.8)	
	(1,000)	(424)	nm	
Total comprehensive income attributable to :				
Owners of the parent	(521)	(589)	(11.5)	
Non-controlling interests	100	(499)	nm	
	(421)	(1,088)	(61.3)	
nm-not meaningful				

IPCO INTERNATIONAL LIMITED
FOR THE PERIOD ENDED 31 JULY 2017
These figures have not been audited

1(a)(ii)	ADDITIONAL INFORMATION ON THE INCOME STATEMENT			
		Group		
		3 Months to 31/07/17 S\$'000	3 Months to 31/07/16 S\$'000	% Increase/ (decrease)
	Other Income			
	Gain on disposal of property, plant and equipment	(1)	3	nm
	Interest income	65	58	12.1
	Sundry income	5	3	66.7
		69	64	7.8
	nm-not meaningful			

1(b)(i)	A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.				
	STATEMENT OF FINANCIAL POSITION	Group As at 31/07/17 S\$'000	Group As at 30/04/17 S\$'000	Company As at 31/07/17 S\$'000	Company As at 30/04/17 S\$'000
	Non-current assets				
	Intangible assets	49,101	50,092	-	-
	Property, plant and equipment	70,568	64,462	72	95
	Subsidiaries	-	-	70,761	70,761
	Other receivables	2,831	2,946	-	-
	Deferred tax assets	910	910	-	-
		123,410	118,410	70,833	70,856
	Current assets				
	Available-for-sale financial assets	668	707	540	540
	Inventories	13,130	12,962	-	-
	Trade and other receivables	9,174	9,339	63,988	64,239
	Financial assets, at fair value through profit or loss	43	51	14	14
	Cash and cash equivalents ** Refer to breakdown	8,455	9,036	162	74
		31,470	32,095	64,704	64,867
	Current liabilities				
	Trade and other payables	31,082	25,404	7,442	7,346
	Provisions	316	294	316	294
	Finance lease liabilities	37	46	37	46
	Current income tax payable	709	920	-	-
	Borrowings	8,686	8,891	200	-
		40,830	35,555	7,995	7,686
	Net current (liabilities)/assets	(9,360)	(3,460)	56,709	57,181
	Non-current liabilities				
	Other Payables	(367)	(367)	-	-
	Finance lease liabilities	-	(2)	-	(2)
	Borrowings	(11,375)	(11,733)	-	-
	Deferred tax liabilities	(8,587)	(8,706)	-	-
		(20,329)	(20,808)	-	(2)
	NET ASSETS	93,721	94,142	127,542	128,035
	Equity				
	Share capital	264,227	264,227	264,227	264,227
	Other reserves	(21,198)	(21,612)	1,961	1,961
	Accumulated losses	(145,403)	(144,468)	(138,646)	(138,153)
	Equity attributable to owners of the parent	97,626	98,147	127,542	128,035
	Non-controlling interests	(3,905)	(4,005)	-	-
	TOTAL EQUITY	93,721	94,142	127,542	128,035
	** Breakdown as follows:				
	Cash and cash equivalents	8,455	9,036		
	Less:				
	Bank Overdrafts	(2,100)	(2,089)		
	Cash pledged for bank facilities	(2,600)	(2,600)		
	As per consolidated statement of cash flows	3,755	4,347		

1(b)(ii)	In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year: (A) the amount repayable in one year or less, or on demand; (B) the amount repayable after one year; (C) whether the amounts are secured or unsecured; and (D) details of any collaterals.				
	Group Borrowings and Debt Securities	As at 31/07/17 Secured S\$'000	As at 31/07/17 Unsecured S\$'000	As at 30/04/17 Secured S\$'000	As at 30/04/17 Unsecured S\$'000
	Amount repayable in one year or less, or on demand	7,714	1,009	8,117	820
	Amount repayable after one year	11,375	-	11,735	-
a (i)	Details of any collaterals				
	Short Term Borrowings				
	The current year's secured short term borrowings of S\$7.714 million and previous year's borrowings of S\$8.117 million comprise : (a) short term bank borrowings of S\$5.577 million in current year as compared to S\$5.982 million in previous year which are secured by property, plant and equipment. (b) the remaining bank borrowings of S\$2.1 million in current year and S\$2.089 million in previous year, are secured by cash pledged for bank facilities. Interest is charged at 4.57% to 6.95% per annum. (c) finance lease liabilities of S\$0.037 million in current year and S\$0.046 million in previous year which are secured by leased assets which will revert to the lessors in the event of default. Effective interest rates ranged from 3.48% to 4.3% per annum.				
(ii)	The unsecured short term borrowings of S\$1.009 million and S\$0.82 million in current and previous year respectively, comprised (a) current year S\$0.2 million non-bank loans with interest charged at 12% per annum and (b) current year S\$0.809 million and previous year S\$0.82 million loans from business associates and are unsecured and repayable on demand.				
b	Long Term Borrowings The current year's secured long term borrowings of S\$11.375 million as compared to previous year's secured long term borrowings of S\$11.735 million comprise : (a) bank borrowings of S\$11.375 million in current year and S\$11.733 million in previous year respectively, secured by property, plant and equipment. Interest is charged at 4.57% to 6.95% per annum. (b) finance lease liabilities of S\$0.002 million previous year which are secured by leased assets which will revert to the lessors in the event of default. Effective interest rates ranged from 3.48% to 4.3% per annum.				

1(c)	A statement of cashflows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.		
	CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 JULY 2017	3 Months to 31/07/17 S\$'000	3 Months to 31/07/16 S\$'000
	Operating activities		
	Loss before income tax	(609)	(285)
	Adjustments for:		
	Allowance made for doubtful receivables	35	40
	Write back other creditors and accrued expenses	-	(24)
	Amortisation of intangible assets	335	331
	Depreciation of property, plant and equipment	644	605
	Gain on disposal of property, plant and equipment	1	(3)
	Interest expenses	197	123
	Interest income	(65)	(58)
	Provisions made during the financial year	22	20
	Fair value loss on financial assets, at fair value through profit or loss	8	21
	Unrealised foreign exchange	1,425	58
	Operating profit before changes in working capital	1,993	828
	Working capital changes		
	Inventories	(314)	(936)
	Trade and other receivables	28	(513)
	Trade and other payables	(1,025)	1,340
	Provisions	-	9
	Cash from operations	682	728
	Interest received	65	58
	Interest paid	(197)	(123)
	Net income tax paid	(543)	(202)
	Net cash from operating activities	7	461
	Investing activities		
	Increase in intangible assets	(8)	2
	Purchase of property, plant and equipment	(33)	(1,096)
	Proceeds from disposals of property, plant and equipment	20	364
	Net cash used in investing activities	(21)	(730)
	Financing activities		
	Proceeds from borrowings	211	-
	Proceeds from issuance of shares	-	540
	Dividends paid to non-controlling interests of a subsidiary	-	(484)
	Repayments of borrowings	(763)	(581)
	Repayments of finance leases	(11)	(11)
	Net cash used in financing activities	(563)	(536)
	Net change in cash and cash equivalents	(577)	(805)
	Effect of foreign exchange rate changes in cash and cash equivalents	(15)	(56)
	Cash and cash equivalents at beginning of financial period	4,347	5,646
	Cash and cash equivalents at end of financial period	3,755	4,785

1(d)(i)	A statement (for the issuer and group), showing either (ii) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.		
	Refer to separate worksheet.		
1(d)(ii)	Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.		
	There were no shares issued during the current financial period which remained at 5,300,799,986 ordinary issued shares as at 31 July 2017 and 31 July 2016.		
1(d)(iii)	To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.		
		Group As at 31/07/17	Group As at 30/04/17
	Number of ordinary shares issued and fully paid	5,300,799,986	5,300,799,986
	There are no treasury shares as at end of the current financial period and as at end of the immediately preceding year.		
1(d)(iv)	A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.		
	Not Applicable		
2	Whether the figures have been audited, or reviewed, and in accordance with which auditing standard or practice.		
	These figures have not been audited or reviewed.		
3	Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).		
	These figures have not been audited or reviewed.		
4	Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.		
	The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as compared to the audited financial statements as at 30 April 2017.		
5	If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.		
	The Group and Company has adopted the new/revised FRS that are effective for annual periods beginning on or after 1 May 2017. The adoption of this new/revised FRS did not result in any significant impact on the financial statements of the Group and Company.		
6	Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: (a) Based on the weighted average number of ordinary shares on issue; and (b) on a fully diluted basis (detailing any adjustments made to the earnings).		
	Earnings per ordinary share of the group (in cents)	Group Basic	Group Diluted
6(a)	current financial period 31/07/17 and (Based on 5,300,799,986 basic and diluted weighted average number of ordinary shares in issue at 31/07/17)	(0.018)	(0.018)
6(b)	immediately preceding financial period 31/07/16 (Based on 5,124,713,029 basic and diluted weighted average number of ordinary shares in issue at 31/07/16)	0.001	0.001

7	Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the : (a) current financial period reported on; and (b) immediately preceding financial year.		
	Net asset value	Group (\$)	Company (\$)
7(a)	current financial period ended 31/07/17 and (Based on 5,300,799,986 issued shares at 31/07/17)	0.02	0.02
7(b)	immediately preceding financial year at 30/04/17 (Based on 5,300,799,986 issued shares at 30/04/17)	0.02	0.02
8	A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.		
	<u>Income Statement Items:</u> <u>1QFY2018 vs 1QFY2017</u> In the first financial quarter ended 31 July 2017 ("1QFY18"), the Group achieved a Turnover of S\$12.6 million, which was S\$2.7 million or 27.1% higher than the Turnover of S\$9.9 million recorded for the corresponding quarter ended 31 July 2016 ("1QFY17"). The Group's Turnover was attributable to the following subsidiaries: • ESA Electronics Pte Ltd ("ESA") recorded a 42% increase in Turnover of S\$1.7 million to S\$5.6 million in 1QFY18, as compared with a Turnover of S\$3.9 million recorded in 1QFY17. The increase was mainly due to higher demand of burn-in boards by semi-conductor manufacturers in the current quarter. • Capri Investments L.L.C. ("Capri") which was transferred to Excellent Empire Limited in previous year, did not make any contribution in 1QFY18 and 1QFY17 as there was no finalised sales agreement with home builders in the current and previous quarter. • Excellent Empire Ltd ("Excellent Empire"), via its wholly-owned subsidiary China Environmental Energy Protection Investment Ltd ("China Environmental"), which in turn through its China subsidiaries, supplies natural gas to households, commercial and industrial users in Anlu, Dawu, XiaoChang and Guangshui cities in Hubei, PRC, achieved a Turnover of S\$7.0 million in the 1QFY18, as compared with S\$6.0 million in 1QFY17. The 17.3% increase in Turnover of S\$1.0 million was due to increased installations to new households, resulting in higher natural gas sales. The Group recorded a Loss before Income Tax of S\$0.6 million in 1QFY18, as compared with a loss of S\$0.3 million recorded in 1QFY17. The Group recorded a Loss after Income Tax of S\$1.0 million in 1QFY18, as compared with S\$0.4 million recorded in 1QFY17. Correspondingly, in 1QFY18 the Group had a Net Loss Attributable to Shareholders of S\$0.9 million and Loss per Share of 0.018 Singapore cents (1QFY17: Net Profit Attributable to Shareholders of S\$0.03 million and Earnings per Share of 0.001 Singapore cents). Other Revenue increased by S\$18,000 to S\$61,000 in 1QFY18, compared to S\$43,000 million in 1QFY17. This was mainly due to: a) a decrease of S\$13,000 fair value loss of Financial Assets, at Fair Value Through Profit or Loss arising from market valuation of quoted securities in 1QFY18;		

8	A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.								
	The Group's Total Cost and Expenses increased by approximately S\$3.0 million to S\$13.3 million in 1QFY18, compared with S\$10.3 million in 1QFY17. This was mainly due to the following factors: b) changes in inventories, work-in-process, raw materials and consumables increased by S\$1.6 million, which is in line with the increased turnover by the semi-conductor business of its subsidiary ESA; c) an increase of S\$1.3 million in Foreign Exchange Loss in 1QFY18, from S\$0.1 million Foreign Exchange loss in 1QFY2017 to S\$1.4 million in 1QFY18, largely due to unrealised exchange losses arising from the revaluation of foreign currency denominated balances primarily in: i) United States Dollars ("US\$"), which weakened from S\$1.396 to S\$1.377 in 1QFY18 (1QFY17: strengthened from S\$1.344 to S\$1.349); ii) Chinese Renminbi ("RMB"), which remained constant at S\$0.202 in 1QFY18 (1QFY17: weakened from S\$0.207 to S\$0.202). d) an approximately S\$0.2 million increase in employee benefits expenses, mainly from ESA; e) a S\$0.1 million increase in finance cost, mainly due to bank loans of China subsidiaries; f) S\$0.2 million decrease in other operating expenses, mainly from ESA. Income Tax increased by S\$0.3 million to S\$0.4 million in 1QFY18, as compared with S\$0.1 million in 1QFY17, due to increased tax provisions for the Group companies. <u>Consolidated Statement of Financial Position and Cash Flows:</u>								
	<table> <tr> <th data-bbox="209 994 1334 1066">Description</th><th data-bbox="1334 994 1492 1066">Amount in S\$ million</th></tr> <tr> <td data-bbox="209 1066 1334 1211"> 1) An Increase in Non-Current Assets 1a. Intangible Assets 1b. Property, Plant and Equipment 1c. Other Receivable Increase in Non-Current Assets </td><td data-bbox="1334 1066 1492 1211"> (1.0) 6.1 (0.1) 5.0 </td></tr> <tr> <td data-bbox="209 1211 1334 1413"> 2) An Increase/(Decrease) in Current Assets and (Increase)/Decrease in Current Liabilities 2a. Cash and Bank Balances 2b. Trade and Other Payables and Income Tax Payable 2c. Borrowings Increase in Net Current Liabilities </td><td data-bbox="1334 1211 1492 1413"> (0.6) (5.5) 0.2 (5.9) </td></tr> <tr> <td data-bbox="209 1413 1334 1615"> 3) A Decrease in Non-Current Liabilities 3a. Long-Term Borrowings and Finance Lease Liabilities 3b. Deferred Tax Liabilities Decrease in Non-Current Liabilities </td><td data-bbox="1334 1413 1492 1615"> 0.4 0.1 0.5 </td></tr> </table>	Description	Amount in S\$ million	1) An Increase in Non-Current Assets 1a. Intangible Assets 1b. Property, Plant and Equipment 1c. Other Receivable Increase in Non-Current Assets	(1.0) 6.1 (0.1) 5.0	2) An Increase/(Decrease) in Current Assets and (Increase)/Decrease in Current Liabilities 2a. Cash and Bank Balances 2b. Trade and Other Payables and Income Tax Payable 2c. Borrowings Increase in Net Current Liabilities	(0.6) (5.5) 0.2 (5.9)	3) A Decrease in Non-Current Liabilities 3a. Long-Term Borrowings and Finance Lease Liabilities 3b. Deferred Tax Liabilities Decrease in Non-Current Liabilities	0.4 0.1 0.5
Description	Amount in S\$ million								
1) An Increase in Non-Current Assets 1a. Intangible Assets 1b. Property, Plant and Equipment 1c. Other Receivable Increase in Non-Current Assets	(1.0) 6.1 (0.1) 5.0								
2) An Increase/(Decrease) in Current Assets and (Increase)/Decrease in Current Liabilities 2a. Cash and Bank Balances 2b. Trade and Other Payables and Income Tax Payable 2c. Borrowings Increase in Net Current Liabilities	(0.6) (5.5) 0.2 (5.9)								
3) A Decrease in Non-Current Liabilities 3a. Long-Term Borrowings and Finance Lease Liabilities 3b. Deferred Tax Liabilities Decrease in Non-Current Liabilities	0.4 0.1 0.5								
	The Non-Current Assets of the Group were S\$123.4 million as at 31 July 2017, as compared to S\$118.4 million as at 30 April 2017. The increase of S\$5.0 million was primarily due to: 1a. a decrease in Intangible Assets of S\$1.0 million, mainly due to S\$0.7 million foreign exchange translation loss of Goodwill, Distribution and Licensing Rights in foreign currency denominated subsidiaries, and S\$0.3 million amortisation of Distribution and Licensing Rights in 1QFY18; 1b. a increase in Property, Plant and Equipment of S\$6.1 million, mainly due to S\$6.7 million additions from construction in progress in CNG station and connection pipelines to industrial plants and housing estates by the Group's China subsidiaries, offset by S\$0.6 million depreciation in current quarter; 1c. a decrease of Other Receivables of S\$0.1 million, mainly due to decrease in non-trade receivables from China subsidiaries.								

8	A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.
	The Net Current liabilities of the Group increased by S\$5.9 million to S\$9.4 million as at 31 July 2017, as compared with Net Current liabilities of S\$3.5 million as at 30 April 2017. This was attributable to: 2a. a decrease of S\$0.6 million in Cash and Bank Balances, mainly due to S\$0.7 million payment of taxes and interest, net S\$0.6 million repayments and proceeds from bank borrowings, S\$0.7 million net receipts and payments, of Receivables and Payables by the Group's subsidiaries; 2b. an increase in Trade, Other Payables and Income Tax Payable of S\$5.5 million, mainly due to S\$0.5 million Tax Payments, S\$0.2 million decrease in tax provision and S\$6.2 million net increase in Trade and Other Payables, mainly from China subsidiaries due to payables relating to the completed CNG station by the Guangshui subsidiary; 2c. a decrease in Short-Term Borrowings of S\$0.2 million, mainly due new loans of S\$0.2 million, offset by S\$0.1 million net bank loan repayments by the Group's subsidiaries in China and a S\$0.3 million reclassification to Long-Term Borrowings. The Non-Current Liabilities of the Group have decreased to S\$20.3 million as at 31 July 2017, compared to S\$20.8 million as at 30 April 2017. This is primarily attributable to: 3a. a decrease of S\$0.4 million in long-term borrowings and finance lease liabilities, mainly due to a S\$0.3 million reclassification from Short-Term Borrowings, offset by S\$0.7 million repayment of these borrowings by the China subsidiaries; 3b. a decrease of S\$0.1 million in deferred tax liabilities, mainly from China subsidiaries.
9	Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.
	The current results for the first quarter ended 31 July 2017 are generally in line with the Company's commentary set out in paragraph 10 of its previous results announcement for the year ended 30 April 2017.
10	A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.
	The Group's financial results for the next 12 months are most likely to be affected primarily by the performance of our three principal operating subsidiaries. The Group holds an 81.25% equity interest in ESA Electronics Pte Ltd ("ESA"). ESA is a Singapore-incorporated company engaged in the business of assembling, trading and providing consultancy services in the semiconductor industry. ESA also acts as agents and distributors of semi-conductor back-end equipment, such as burn-in systems, vision inspection systems and test systems. Worldwide market conditions are uncertain, causing a lower demand in the current financial year for burn-in boards by semi-conductor manufacturers of personal computer components and electronic devices. The demand for our Automated Optical Inspection equipment is also affected by market uncertainty. Nonetheless, ESA is anticipating more orders for its OEM line of business, especially customised products that are high mix and low volume. ESA has secured bookings of S\$5.5 million in the first quarter of FY 2018 and is in negotiation to obtain another S\$3 million of bookings in the third quarter of FY 2018. The Group's wholly-owned subsidiary Excellent Empire Ltd, in turn via its wholly-owned subsidiary China Environmental Energy Protection Investment Ltd ("China Environmental"), through a restructuring of its subsidiaries in the Peoples' Republic of China ("PRC"), holds an 85% equity interest in Hubei Zhonglianhuang Energy Investment Management Inc. ("HZLH"), which in turn holds a 100% equity interest in four companies supplying natural gas under 30-year exclusive contracts in the cities of Anlu, Dawu, Xiaochang, and Guangshui in Hubei Province, PRC. These contracts have an average remaining life of 20 years. Recently HZLH has invested considerably in the construction of Compressed Natural Gas ("CNG") stations and pipeline installations to link to new households and industrial users. The completion of the Dou Shan gateway to Xiaochang City should create opportunities for more connection revenue along with more sales to new industrial customers, while simultaneously reducing transportation costs. In the current quarter we expect to finish construction of an 18 kilometre main pipeline from Yang Zai to Wang Jia Peng, which will enable natural gas transmission from the New Substation link to our Phase One network in Guangshui and a new industrial park. The total estimated cost is RMB 65 million, which should provide the infrastructure required to support revenue and earnings growth as the customer base continues to expand.

10	A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.
	Capri Investments L.L.C ("Capri"), in which the Group holds a 100% equity interest, is engaged in real estate development near the cities of Seattle and Tacoma in the state of Washington, USA. The residential real estate market in the Pacific Northwest has become increasingly favourable for continued development, as the supply of lots permitted for new home construction has become limited relative to the demand by new home builders. Since 2015 new single-family homes in the immediate vicinity of Pierce County (where Capri's land is located) have seen price increases of nearly 20%. As per an article in The Tacoma News Tribune dated 21 January 2017, the most recent data compiled by Windermere Professional Partners, a real estate firm in Tacoma, indicates only 1.5 months of home inventory in Pierce County, with homes remaining on the market for an average of 26 days. According to real estate data firm Redfin, as quoted in an article in The Tacoma News Tribune dated 23 May 2017, Pierce County is tied with the Portland, Oregon area for being the third fastest moving housing market in the USA. In view of this, a feasibility study has been conducted to design and obtain regulatory approvals for the next phase of development comprising 261 lots, with marketing expected to commence during the current quarter. Assuming the local real estate market continues to remain favorable, Capri's management expects to realize substantial sale proceeds from the sale of 261 raw lots to a real estate developer. We are encouraged by the accomplishments and prospects for our three primary subsidiaries and look forward to their continuing development and contributions.
11	If a decision regarding dividend has been made :
11(a)	Whether an interim (final) ordinary dividend has been declared (recommended); and
	None
11(b)(i)	Amount per share cents
	None
11(b)(ii)	Previous corresponding period cents
	None
11(c)	Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).
	Not Applicable
11(d)	The date the dividend is payable
	Not Applicable
11(e)	The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.
	Not Applicable
12	If no dividend has been declared (recommended), a statement to that effect.
	No dividend has been declared or recommended in the current reporting period.
13	If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.
	There is no general mandate from shareholders for Interested Party Transactions ("IPTs").
14	Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)
	The Directors of the Company confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results of the Group for the first quarter and three months ended 31 July 2017, to be false or misleading in any material aspect.
15	Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)
	Undertakings have been procured from all of its directors and executive officers.
	BY ORDER OF THE BOARD IPCO INTERNATIONAL LIMITED CARLSON CLARK SMITH EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER 13 SEPTEMBER 2017