

ENTRY INTO NON-BINDING HEADS OF AGREEMENT IN RELATION TO THE PROPOSED DISPOSAL OF GRAND NEST HOTEL ZHUHAI

The Board (the “**Board**”) of Directors (the “**Directors**”) of IPC Corporation Ltd (“**IPC**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had, on 17th September 2017, entered into a non-binding heads of agreement (“**HOA**”) with Xinyuan (China) Real Estate Co., Ltd. (the “**Purchaser**”), a subsidiary of Xinyuan Real Estate Co., Ltd., a company listed on the New York Stock Exchange, in relation to the proposed disposal of its hotel, “Grand nest HOTEL zhuhai” (the “**Property**”), to the Purchaser for an indicative purchase consideration of approximately RMB200 million (the “**Indicative Consideration**”) (“the “**Proposed Disposal**”).

The Indicative Consideration was arrived at after taking into consideration the book value of the Property, the market conditions in the locality of the Property, as well as other comparable transactions as advised by the Company’s property consultant.

The Proposed Disposal is subject to, amongst others, the requisite regulatory approvals, Board approval and/or shareholders’ approval being obtained (if applicable), as well as due diligence being conducted on the Property. The parties will continue to negotiate in a commercially reasonable manner with a view to finalising and executing definitive agreement(s) with respect to the Proposed Disposal within 30 days from the date of the HOA.

The Proposed Disposal is in the ordinary course of business of the Group and is not expected to change the risk profile of the Group. Accordingly, the Proposed Disposal does not fall under Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Shareholders should note that there is no certainty or assurance that definitive documents will be entered into in connection with the Proposed Disposal, or that the Proposed Disposal will materialise.

Shareholders are advised to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests. Shareholders and potential investors are reminded to exercise caution when dealing or trading in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors if they are in doubt about the actions that they should take.

The Company will make further announcement(s) upon the execution of definitive documents and/or when there are material developments in respect of the Proposed Disposal.

On Behalf of the Board

Ngiam Mia Hai Bernard
Director
18 September 2017