

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

**THE SALE OF THE PROPERTIES LOCATED AT NO. 7 AND NO. 11 TANGQI ROAD, TANGJIA,
ZHUHAI, GUANGDONG PROVINCE, THE PRC**

The board of directors (the “**Board**” or “**Directors**”) of IPC Corporation Limited (“**IPC**” or the “**Company**”) and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 8 June 2023, 12 June 2023, 14 June 2023 and 20 June 2023 (the “**Announcements**”). In particular, the Board refers to the following query raised by the Singapore Exchange Regulation (the “**SGX**”) and the Company’s response as set out in the Company’s announcement dated 14 June 2023, which is reproduced below (“**Query 7**”):

“Query 7

We note that (i) the risk to the Company changes significantly due to the increase in loss from S\$7.5 million before the sales to S\$17.6 million after the sales; and (ii) the net asset value (“NAV”) of the assets to be disposed of is 88.0% of the Group’s NAV, constituting a substantial part of the Company’s business. Hence, the disposal of the Properties is not in the ordinary course of business. The Company is required to comply with Listing Rules 1010 and 1014 and seek shareholders’ approval accordingly, given that the ratios under Listing Rule 1006 exceeds 20%.

Further, as the ratios under Listing Rule 1006 exceed 75%, the Company must appoint a competent and independent valuer to value the assets to be disposed.

Company Response:

The Company is seeking clarification from the Exchange on this and shall follow up with an announcement in due course.”

Unless otherwise defined, all capitalised terms used herein shall have the same meanings ascribed to them in the Announcements.

Further to the Company’s letter to the SGX dated 14 June 2023 in relation Query 7, the Company has received a letter from the SGX on 27 June 2023. The SGX has responded that the sale of the properties located at No. 7 and No. 11 Tangqi Road, Tangjia, Zhuhai, Guangdong province, PRC (“**Property Sale**”) is not in the ordinary course of business and the Company is required to comply with Listing Rules 1010 and 1014 and seek shareholders’ approval in relation to the Property Sale on the following basis:

- a) Listing Rule 1002(1) should be read in conjunction with paragraph 2.6 of Practice Note 10.1 of the Listing Manual. A disposal of an issuer’s business or a substantial part thereof will usually not be considered to be in the ordinary course of business;
- b) The Properties constitute approximately 88.0% of the Group’s net assets and the Group has, in the past 2 financial years, derived a significant portion of its total revenue from the Properties. In addition, the loss on disposal of S\$10.09 million is significant and will amount to 134.5% of the Group’s FY2022 pre-tax loss of S\$7.5 million; and
- c) Accordingly, the Properties are a substantial part of the Group’s business and the disposal will have a significant impact on the operations and financials for the Group. The sale of such Properties, notably at below market valuation and at a significant loss, should not be considered to be in the ordinary course of business and should be subject to Chapter 10 of the Listing Manual.

Accordingly, as the disposal is a major transaction, the Company must ensure compliance with Listing Rule 1014 and shareholders' approval is required.

Pursuant to the above, the Company will convene an extraordinary general meeting to seek the approval of shareholders of the Company for the Property Sale. The circular to shareholders of the Company containing, inter *alia*, information on the Property Sale will be despatched to the shareholders of the Company in due course.

BY ORDER OF THE BOARD

Ngiam Mia Hai Bernard
Director
28 June 2023