



International Press Softcom Limited

(Incorporated in the Republic of Singapore-197201169E)

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RECEIPT OF ORDER-IN-ORIGINAL PASSED BY THE COMMISSIONER OF CUSTOMS, CHENNAI VII, INDIA

The Board of Directors (the “**Board**”) of International Press Softcom Limited (the “**Company**”) and together with its subsidiaries (the “**Group**”) wishes to announce that its wholly-owned subsidiary, IP Softcom (India) Pvt. Ltd. (the “**IPSI**”) has received an order (“**Order**”) from the Commissioner of Customs of Chennai VII, India (“**CC**”) for, *inter alia*, :

- a) a demand for additional custom duty of Rs 177.13m (equivalent to S\$3.54m¹);
- b) a redemption fine of Rs 180.00m (equivalent to S\$3.59m¹); and
- c) a penalty of Rs 177.13m (equivalent to S\$3.54m¹).

The Order is pursuant to disputed royalty or licence fees in relation to the import of CD/DVD media into India from Singapore between 2007 to 2008.

The Company, upon consultation with its legal adviser, is of the view that the Order from the CC is without merit and will fill an appeal (the “**Appeal**”) and vigorously challenge the same in the Customs, Excise and Service Tax Appellate Tribunal (the “**CESTAT**”).

At this juncture, the full financial impact, if any, arising from the above Order is yet to be determined. Notwithstanding, IPSI has to deposit 7.5% (Rs13.28m or S\$0.27m¹) of the customs duty (i.e. 7.5% of S\$3.54 m) demanded as a pre-condition for the hearing of the Appeal by CESTAT. Such deposit is not expected to have any material impact on the earnings per share and/or net tangible assets per share of the Group for the financial year ending 31 December 2018.

The Company will keep shareholders updated on any material developments on the above through announcements on the SGXNet as and when necessary.

Shareholders and potential investors are advised to carefully read this announcement and any further announcements made by the Company. Shareholders are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In event of any doubt, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD
International Press Softcom Limited

Low Ka Choon Kevin
Managing Director
7 May 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) for compliance with the Singapore Exchange

¹ Based on an exchange rate of S\$1: Rs50.1.

Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).