

IPCO INTERNATIONAL LIMITED

(Company Registration No. 199202747M)

MATERIAL DIFFERENCE BETWEEN AUDITED AND UNAUDITED FINANCIAL STATEMENT

The Board of Directors of Ipco International Limited ("Company") refers to the announcement made on 29 June 2015 on the full year unaudited financial statements of the Company and its subsidiaries ("Group") for the financial year ended 30 April 2015.

The Company wishes to announce, pursuant to Rule 704(6) of the Listing Manual of the SGX-ST, material adjustments made following the finalisation of the Group's audit.

The differences between the audited and unaudited financial statements are as follows :

	Note	Group Audited As at 30/04/15 S\$'000	Group Unaudited As at 30/04/15 S\$'000	Difference S\$'000
Consolidated Statement of Comprehensive Income				
Operating expenses				
Changes in inventories of finished goods, work-in-process and land held for sale	1	(5,776)	(431)	(5,345)
Land development costs		-	(5,345)	5,345

Note 1

The land development cost of S\$5,345,000 was part of the changes in land held for sale, and this was presented together with changes in inventories in the audited accounts.

There is no difference between the audited and unaudited Loss for the financial year, which remains at S\$3,941,000.

	Note	Group Audited As at 30/04/15 S\$'000	Group Unaudited As at 30/04/15 S\$'000	Difference S\$'000
Statement of Financial Position				
Non-current assets				
Property, plant and equipment	2	55,280	55,372	(92)
Current assets				
Trade and other receivables		19,003	18,370	633
Current liabilities				
Trade and other payables		36,991	36,450	541
Net Current Assets	3	183	91	92
Equity				
Other reserves	4	(25,593)	(24,058)	(1,535)
Accumulated losses		(142,652)	(144,187)	1,535

Note 2

The revision to audited Non-current Assets of S\$111,213,000 compared to unaudited Non-current Assets of S\$111,305,000 is due to S\$92,000 overaccrual of professional fees which was previously capitalised in Construction-in-Progress of pipelines of a China subsidiary being reclassified to accruals included in Trade and Other Payables.

Note 3

The revision to audited Net-current Assets of S\$183,000 compared with unaudited Net-current Assets of S\$91,000 is due to :

- (i) S\$92,000 reclassified from Non-current Assets to Accruals included in Trade and Other Payables as mentioned in Note 2;
- (ii) an adjustment of S\$633,000 in respect of overaccrued construction costs recorded in accruals and advance payments for the construction of plant and equipment which was included in Trade and other receivables and Trade and Other Payables respectively. Advance payments are capitalised as Construction-in-Progress when progressive stages of pipeline works of a China subsidiary are carried out.

Note 4

The revision to audited Other reserves and Accumulated losses of S\$25,593,000 and S\$142,652,000 compared with unaudited Other reserves and Accumulated losses of S\$24,058,000 and S\$144,187,000, is due to S\$1,535,000 equity adjustment of Non-controlling interests of a China subsidiary being reclassified from Accumulated losses to Equity Non-controlling interests included in Other reserves. The reclassification does not result in any difference in equity.

BY ORDER OF THE BOARD

Carlson Clark Smith
Executive Director and Chief Financial Officer
13 August 2015