

IPCO INTERNATIONAL LIMITED

(Company Registration No. 199202747M)
(Incorporated in the Republic of Singapore)

DISCLOSURE UPDATE FOR USE OF SHARE PLACEMENT PROCEEDS

The Board of Directors (the “Board”) of Ipco International Limited (the “Company”) would like to provide an update to the announcements dated 3 July 2017, 29 August 2017, 6 September 2017, 4 October 2017, 31 October 2017, 1 December 2017 and 2 January 2018, concerning the use of proceeds from the private share placement.

The private share placement of 880,000,000 ordinary shares to Meridian Equities Pte. Ltd. was completed at the Issue Price of S\$0.0018 per Placement Share. A total of S\$1,584,000.00 was raised from the placement of new ordinary shares in the Company. The share placement proceeds were received on 7 September 2017. The intended use of share placement proceeds was 50% for the purchase of equipment and development of land in Seattle through Capri Investments LLC, a real estate development subsidiary of the group and 50% for working capital of the Company. The actual usage is as follows:

	Amount S\$'000	Amount S\$'000	Amount S\$'000
Funds raised from private share placement			1,584
Actual use of proceeds period:	6/9/2017 - 19/1/2018*	20/1/2018 - 30/3/2018	6/9/2017 - 30/3/2018
Placement expenses	(32)	(33)	(65)
Payroll expenses Executives	(313)	(86)	(399)
Payroll expenses Non-Executives	(147)	(76)	(223)
Legal professional fees	(70)	(22)	(92)
Audit and Tax professional fees	(98)	(41)	(139)
Annual Report and EGM printing & postage charges	(25)	(21)	(46)
Office Rental	(84)	(15)	(99)
Director fees	(89)	-	(89)
General & Admin expenses	(138)	(46)	(184)
Working Capital Sub-total	(996)	(340)	(1,336)
Capri Property Development:			
Division 4 Development Cost	(18)	(12)	(30)
Legal and Professional fees	(24)	(104)	(128)
Property Tax	(29)	-	(29)
Capri Investments LLC Sub-total	(71)	(116)	(187)
Balance proceeds as at 30 March 2018			61

*date of Extraordinary General Meeting resulting in new Board composition

The aforementioned use of proceeds is not in accordance with the intended use as stated in the SGX Approval-in-Principle received on 28 August 2017. In early January 2018, the former executives of the Company diverted proceeds which were allocated to Capri Investments LLC earmarked for the Falling Water project to working capital of the Company.

For further information on Capri property development, please see Company announcement of 29 March 2018.

No Board approval was given to the former executives for any deviations from the intended use and no announcements were made by the Company to this fact as required by the SGX Approval-in-Principle. The Board is investigating the break-down of corporate governance by former executives.

The Board has reported the Approval-in-Principle non-compliance to the SGX regulatory officers prior to releasing this announcement.

The Board will continue its internal investigations to uncover if there are further breaches on corporate governance and to strengthen internal controls of the Company to ensure proper compliance.

In the meantime, the Board wishes to advise shareholders and investors to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By the Order of the Board

Allan Tan Poh Chye
Company Secretary
11 April 2018