

# IPCO INTERNATIONAL LIMITED

(Company Registration Number 199202747M)

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## ACQUISITION OF ADDITIONAL 6.25% OF THE ISSUED AND PAID UP ORDINARY SHARE CAPITAL OF ESA ELECTRONICS PTE LTD

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The Board of Directors of Ipco International Limited (the "**Company**") wishes to announce that the Company has entered into a sale and purchase agreement ("**Agreement**") with Chng Peng Hion on 18 December 2009 for the acquisition by the Company of an additional 75,000 ordinary shares (the "**Sale Shares**") in the capital of ESA Electronics Pte Ltd ("**ESA**") at the consideration of S\$6.00 for each Sale Share (or an aggregate consideration of S\$450,000 (the "**Purchase Price**") for all of the Sale Shares) ("**Acquisition**").

The consideration for the Acquisition was arrived at on a willing buyer and willing seller basis, taking into consideration the net tangible asset value per share of ESA of approximately S\$12.20 as at audited report on 30 April 2009.

The Company will make payment of the Purchase Price in cash from the Company's existing cash resources and internal sources of funds in the following manner:-

- 10% of the Purchase Price shall be paid upon the execution of the Agreement;
- the balance of the Purchase Price shall be paid upon the completion of the Agreement (which is currently scheduled for 28 February 2010)

With such acquisition, the investment of the Company in ESA will increase from 62.50% to 68.75%.

The increase in investment is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Company and its subsidiaries for the current financial year ending 30 April 2010.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above transaction.

### BY ORDER OF THE BOARD

Quah Su Ling  
Chief Executive Officer  
21 December 2009