

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Nippecraft Limited (“**Company**”) will be held at 9 Fan Yoong Road, Singapore 629787 on Wednesday, 24 June 2020 at 10.00 a.m. for the following purposes:

As Ordinary Business

- To receive and adopt the Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2019, together with the Auditors’ Report thereon. **(Resolution 1)**
- To re-elect Mr Khoo Song Koon, retiring by rotation under regulation 104 of the Company’s Constitution. **(Resolution 2)**
- To re-elect Mr Chow Wai San, retiring by rotation under regulation 104 of the Company’s Constitution. **(Resolution 3)**
- To approve Directors’ fees of S\$106,000 (equivalent to approximately US\$76,000) for the financial year ending 31 December 2020, payable quarterly by the Company in arrears (2019: S\$106,000, equivalent to approximately US\$79,000). **(Resolution 4)**
- To re-appoint Crowe Horwath First Trust LLP as auditors of the Company for the financial year ending 31 December 2020 and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**
- To transact any other ordinary business that may properly be transacted at an Annual General Meeting.

As Special Business

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as Ordinary Resolutions:

- Authority To Allot And Issue Shares**
“THAT, pursuant to section 161 of the Companies Act, Chapter 50 (“**Companies Act**”) and Rule 806 of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), authority be and is hereby given to the Directors of the Company to:
(a) (i) allot and issue shares in the capital of the Company (“**Shares**”) (whether by way of rights, bonus or otherwise); and/or
(ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible or exchangeable into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:
(1) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the Company’s total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below);
(2) (subject to such manner of calculation and adjustments as may be prescribed by SGX-ST), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of issued Shares shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:
(a) new Shares arising from the conversion or exercise of any convertible securities;
(b) new Shares arising from the exercise of share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
(c) any subsequent bonus issue, consolidation or subdivision of Shares.
Adjustments in accordance with sub-paragraph (2)(a) or sub-paragraph (2)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.
(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all legal requirements under the Companies Act and the Constitution for the time being of the Company; and
(4) (unless revoked or varied by the Company in a general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in general meeting, whichever is the earlier.” (See Explanatory Notes) **(Resolution 6)**
- Renewal Of The Shareholders’ Mandate For Interested Person Transactions**
“THAT:-
(a) approval be and is hereby given for the purposes of Chapter 9 of the Catalist Rules for the Company, its subsidiaries and target associated companies or any of them, to enter into any of the transactions falling within the types of interested person transactions, described in the Appendix dated 15 April 2020 (“**Appendix**”) with any party who is of the class of interested persons described in the Appendix, provided that such transactions are made on an arm’s length basis and on normal commercial terms and in accordance with the guidelines and review procedures for such interested person transactions as amended in the Appendix ;
(b) the approval given in paragraph (a) above (“**Shareholders’ Mandate**”) shall, unless revoked or varied by the Company in general meeting, continue in force until the next Annual General Meeting of the Company; and
(c) the Directors of the Company, be and are hereby authorised to complete and do all such acts, deeds and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders’ Mandate or this Resolution.” (See Explanatory Notes) **(Resolution 7)**
- Renewal Of The Share Purchase Mandate**
“THAT:-
(a) for the purposes of the Companies Act, the authority conferred on the Directors to exercise all the powers of the Company to purchase or otherwise acquire from time to time the Shares (excluding treasury shares and subsidiary holdings, if any) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
(i) on-market purchase(s) (each a “**Market Purchase**”) on the SGX-ST; and/or
(ii) off-market purchase(s) (each an “**Off-Market Purchase**”) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,
and otherwise in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act and the Catalist Rules as may for the time being be applicable, be and is hereby approved generally and unconditionally (the “**Share Purchase Mandate**”);
(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
(i) the date on which the next Annual General Meeting is held or required by law to be held;
(ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; and
(iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by shareholders in general meeting.

ADDITIONAL INFORMATION

- in this Resolution:
“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) consecutive Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Catalist Rules, for any corporate action that occurs during the relevant five-day period and the day on which the purchases are made;
“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holder of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase;
“**Market Day**” means a day on which the SGX-ST is open for trading in securities;
“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) which shall not exceed:
(i) in the case of a On-Market Purchase, 105% of the Average Closing Price of the Shares; and
(ii) in the case of an Off-Market Purchase, pursuant to an equal access scheme, 105% of the Average Closing Price of the Shares; and
“**Prescribed Limit**” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares and subsidiary holdings, if any, as at that date); and
(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution. (See Explanatory Notes) **(Resolution 8)**

BY ORDER OF THE BOARD

RAYMOND LAM KUO WEI

LEE LIH FENG

Company Secretaries

Singapore

15 April 2020

Explanatory Notes:

- A member of the Company entitled to attend and vote at the Annual General Meeting may appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company and where there is more than one proxy, the proportion (expressed as a percentage of the whole) of his shareholding to be represented by each proxy must be stated.
- Pursuant to section 181 of the Companies Act, a member who is a relevant intermediary entitled to attend and vote at the Annual General Meeting is entitled to appoint more than two proxies to attend and vote at the Annual General Meeting, but each such proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than one proxy, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.
“relevant intermediary” means:
(a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds shares in that capacity; or
(c) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.
- The instrument appointing a proxy must be deposited at the Company’s registered office at 9 Fan Yoong Road, Singapore 629787, not less than 48 hours before the time appointed for holding the Annual General Meeting.
- A Depositor’s name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the Annual General Meeting in order for the Depositor to be entitled to attend and vote at the Annual General Meeting.

Explanatory Notes and Statement under regulation 70 of the Company’s Constitution

Resolution 2

If re-elected, Mr Khoo Song Koon will remain as member of the Audit Committee, the Nominating Committee and the Remuneration Committee of the Company and will also remain as the Lead Independent Director and Chairman of the Audit Committee of the Company. He is considered an independent director for the purpose of Rule 704(7) of the Catalist Rules.

Resolution 3

If re-elected, Mr Chow Wai San will remain as member of the Audit Committee, the Nominating Committee and the Remuneration Committee of the Company and will also remain as the Chairman of the Remuneration Committee of the Company. He is considered an independent director for the purpose of Rule 704(7) of the Catalist Rules.

Resolution 6

The proposed Resolution 6, if passed, will empower the Directors, from the date of the Annual General Meeting until the next Annual General Meeting of the Company, to issue Shares and/or Instruments up to an aggregate number not exceeding 100% of the total number of issued Shares excluding treasury shares and subsidiary holdings if any, with a sub-limit of 50% for Shares other than on a pro rata basis to shareholders.

Resolution 7

The proposed Resolution 7, if passed, will renew the Shareholders’ Mandate (which was first approved at the Extraordinary General Meeting held on 24 October 2017 and last renewed at the Annual General Meeting of the Company held on 24 April 2019) to facilitate the Company, its subsidiaries and associated companies which are entities at risk as defined in Chapter 9 of the Catalist Rules, to enter into interested person transactions, the details of which are set out in the Appendix. The authority under the renewed Shareholders’ Mandate will, unless revoked or varied by the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting is required by law to be held, whichever is the earlier.

Resolution 8

The proposed Resolution 8, if passed, will empower the Directors to exercise all powers of the Company to purchase or otherwise acquire (whether by way of Market Purchases or Off-Market Purchases) Shares on the terms of the Share Purchase Mandate as set out in the Appendix. This authority shall, unless revoked or varied by the Company in general meeting, continue in force until the date on which the next Annual General Meeting is held or is required by law to be held or the date on which the purchases and acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated, whichever is the earlier.

Apart from using its internal sources of funds, the Company may obtain or incur borrowings to finance its purchases or acquisitions of Shares. The Directors do not propose to exercise the Share Purchase Mandate to such extent that it would result in any material adverse effect to the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST. The amount of financing required for the Company to purchase its Shares pursuant to the Share Purchase Mandate and the impact on the Company’s financial position, cannot be realistically ascertained as at the date of this Notice as this will depend on factors such as the aggregate number of Shares purchased and the purchase prices paid at the relevant times.

An illustration of the financial impact of the Share purchases by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group for the financial year ended 31 December 2019 is set out in the Appendix.

Measures to Minimise Risk of Community Spread of 2019 Novel Coronavirus (“Covid-19”):

In view of the evolving Covid-19 situation, the Company reserves the right to take such precautionary measures at the Annual General Meeting or make such alternative arrangements on a short notice in relation to the conduct of the Annual General Meeting as may be appropriate, in order to comply with the relevant guidelines required or recommended by the SGX-ST or government agencies, regulations or laws to minimise the risk of community spread of Covid-19.

The Company will continue to monitor the situation closely and update the shareholders on any material developments, including the introduction of precautionary measures or alternative arrangements, through the release of further announcements on the SGXNet in due course.

Personal Data Privacy:

By submitting an instrument appointing a proxy and/or representative to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company:

- consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of processing and administration by the Company (or its agents) of proxies and representatives relating to the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the (“**Purposes**”));
- warrants that where the member discloses the personal data of the member’s proxy and/or representative to the Company (or its agents), the member has obtained all necessary consents to do so, and that the Company (or its agents) may collect, use and disclose such personal data for the Purposes above and agrees to provide the Company with written evidence of such prior consent upon reasonable request; and
- agrees that the members will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

The member’s personal data and its proxy’s and/or representative’s personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company’s verification and record purposes. Photographic, sound and/or video recordings of the Annual General Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Annual General Meeting. Accordingly, the personal data of a shareholder or his proxy(ies) and/or representative(s) (such as his name, his presence at the Annual General Meeting and any questions he may raise or motions he proposes/seconds) may be recorded by the Company for such purpose.