

**SALE OF PROPERTY LOCATED AT NO. 23 TUAS SOUTH STREET 1, SINGAPORE
638033**

UPDATE ON THE PROPOSED SALE

1. INTRODUCTION

1.1 The Board of Directors (the “**Board**”) of Cheung Woh Technologies Ltd (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) refers to:

- (a) The Company’s announcement dated 12 March 2020 (the “**OTP Announcement**”) on the grant and exercise of the option to purchase in relation to the proposed sale by the Company to Yi Hui Metals Pte Ltd (the “**Purchaser**”) of the Company’s property located at 23 Tuas South Street 1, Singapore 638033 (the “**Property**”) (the “**Proposed Sale**”);
- (b) The Company’s announcement dated 12 May 2020 (the “**Waiver Announcement**”) on the grant of waiver from complying with the requirement under Rule 1014(2) of the Listing Manual of the SGX-ST which required the Company to obtain shareholders’ approval for the Proposed Sale; and
- (c) The Company’s announcement dated 5 September 2020 (the “**EOT Announcement**”) on the extension of the time limit for obtaining the written approval of JTC for the assignment of the Lease to the Purchaser (the “**Assignment**”).

1.2 Unless otherwise defined, all capitalised terms used in this announcement shall have the same meaning as defined in the OTP Announcement, Waiver Announcement and EOT Announcement (collectively, the “**Previous Announcements**”).

2. UPDATE ON THE PROPOSED SALE

2.1 Further to the Previous Announcements, the Board wishes to announce that it had on 17 November 2020 received the written consent from JTC via a letter dated 16 November 2020 (the “**Approval Letter**”) for the Assignment subject to such conditions to be complied by the Company and the Purchaser.

2.2 The conditions to be complied by the Company include the following:

- (a) The Company shall agree to pay the following on or before the actual completion of the Assignment (“**Assignment Completion Date**”):
 - (i) the land rent, fees and service charges as set out in the Approval Letter and all other sums due to JTC in respect of the Property up to the date immediately preceding the Assignment Completion Date;
 - (ii) all outgoings (including property tax) outstanding in respect of the Property up to the date immediately preceding the Assignment Completion Date to the relevant authorities; and

- (iii) legal fees, stamp duty and other reasonable costs and disbursements incurred by JTC in preparation of the Approval Letter, and the legal fees relating to any enforcement by JTC of the Company's obligations under the Lease on a full indemnity basis;
- (b) The Company shall remedy any breaches of its obligations under the Lease to JTC's requirements before the Assignment Completion Date (if any) unless JTC consents to the Purchaser undertaking the same;
- (c) The Company shall ensure that any outstanding mortgages on the Property (if any) are discharged by the Assignment Completion Date; and
- (d) The Company must conduct an Environmental Baseline Study which must be in accordance with JTC's Guideline on Environmental Baseline Study (2019 Edition) to determine the presence of contamination on and beneath the Property.

2.3 The conditions to be complied by the Purchaser include the following:

- (a) The Purchaser must use the Property for the Authorised Use as set out in the Approval Letter only and comply with the requirements of the authorities in respect of such use at all times;
- (b) With effect from the Assignment Completion Date, the Purchaser is required to pay the land rent as set out in the Approval Letter;
- (c) The Purchaser shall seek JTC's prior consent for any changes as set out in the Approval Letter on the ownership of the Purchaser's issued shares;
- (d) The gross plot ratio ("GPR") shall not be less than 0.7 but shall not exceed the existing GPR of 1.0 permitted for the Property except with JTC's prior written consent and that of the relevant authorities, provided always that the Purchaser shall pay to JTC the sums as set out in the Approval Letter; and
- (e) The Purchaser is required to comply with the restrictions on the Prohibited Transactions as set out in the Approval Letter.

2.4 The Company and the Purchaser are required to accept the conditions set out in the Approval Letter by providing the items requested in the Approval Letter to JTC by 30 November 2020.

3. FURTHER ANNOUNCEMENTS

The Company will make further announcement(s) in relation to the Proposed Sale as and when there are any material developments on the same.

By Order of the Board

Law Yu Chui
Director

18 November 2020