

ANNOUNCEMENT ON THE PROPOSED SALE OF PROPERTY
- Consent from JTC Corporation

Unless otherwise defined, all capitalized terms used herein shall bear the same meaning as ascribed to them in the Company's announcements dated 5 July 2022 and 29 July 2022 regarding the grant and acceptance of the Option to Purchase for the sale of the property at 9 Fan Yoong Road, Singapore 629787 (the "Announcements").

A. Introduction

Further to the Announcements, the Board of Directors ("**Board**") of Nippecraft Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to update Shareholders that it has received the written consent (the "**Consent**") from Jurong Town Corporation (the "**JTC**") dated 23 December 2022 for the proposed sale of the Company's property at 9 Fan Yoong Road, Singapore 629787 (the "**Property**"), subject to such conditions to be complied by the Company and the Purchaser, further details of which are set out below.

B. Conditions to be complied with pursuant to the Consent

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

1. The Company shall agree to pay the following on or before the date of actual transfer of the Property to the Purchaser (the "**Transfer**"):
 - (a) all sums due to JTC in respect of the Property up to the date immediately preceding the transfer;
 - (b) all outgoings (including property tax) outstanding in respect of the Property up to the date immediately preceding the Completion Date to the relevant authorities;
 - (c) reasonable costs and disbursements incurred by JTC in preparation of the Consent, and the legal fees relating to any enforcement of the Company's obligations on a full indemnity basis.
2. The Company shall remedy any breaches of its obligations before the Completion Date unless JTC consents to the Purchaser undertaking the same.
3. The Company shall ensure that any outstanding mortgages on the Property are discharged by the Completion Date.
4. 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. If decontamination is required, the Company must carry out all works to decontaminate the Property in accordance with JTC's requirements as set out in the Environmental Baseline Requirements.

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

1. The Purchaser must use the Property for the authorised use as set out in the Consent only and comply with the requirements of the authorities in respect of such use at all times.
2. The gross plot ratio ("**GPR**") shall not be less than 1.33 but shall not exceed the existing maximum GPR of 2.5 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 following:
 - (a) all development charges and differential premium which may be imposed on or charged by JTC by the relevant authorities;
 - (b) any other charges which may be imposed in connection with any increase in the maximum GPR; and
 - (c) additional land rent or premium as JTC may in its absolute discretion determine.
3. The Purchaser is required to take over the remainder of the original lease term and enter into a variation of lease/supplemental document with JTC on completion of the Transfer to incorporate the terms in the Consent issued by JTC.

The Company and the Purchaser are required to accept the conditions set out in the Consent by providing the items requested in the Consent to JTC by 12 January 2023.

C. Further Announcement(s)

The Company will make further announcements as and when there are material developments to the Proposed Disposal.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. In particular, Shareholders and potential investors should note that completion of the Proposed Disposal is subject to the fulfilment of various conditions as set out in the Option and there is no certainty or assurance that the Proposed Disposal will be completed. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

BY ORDER OF THE BOARD

Chan Cheng Fei
Executive Director and Chief Financial Officer

27 December 2022

*This announcement has been reviewed by the Company's sponsor ("**Sponsor**"), SAC Capital Private Limited. This announcement has not been examined or approved by Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.*

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