

JB FOODS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201200268D)
(the “Company”)

PROPOSED SALE OF PROPERTY

The board of Directors (the “**Board**”) of the Company (and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, JB Cocoa EBNJ LLC (“**JBCE**”), had on 27 October 2021 entered into a Sale and Purchase Agreement (“**SPA**”) with an independent third party buyer, Evox Holdings LLC (“**Evox**”), a limited liability corporation established in the State of New York, whereby JBCE has agreed to sell and Evox has agreed that it or its nominee shall purchase the property situated at 9 Cotters Lane, East Brunswick, in New Jersey, the United States of America (the “**Property**”) (the “**Proposed Sale**”).

The Property is situated in New Jersey in the United States of America and was purchased in 2014 by the Group in the ordinary course of business to be developed into a factory building for purposes of and in connection with the Group’s business and operations. Whilst finalising plans for the development of the Property, the Property had been leased out by the Group to third party tenants.

When the Group was approached by Evox, after taking into consideration current uncertain market conditions and the change in the Group’s supply chain strategy over past few years, the Group took the view that it would be in the best interests of the Group to sell the Property. The Proposed Sale will provide additional capital to the Group for its working capital requirements and other expansion plans. In the meantime, the Group will continue to look for other strategic locations which may better support the Group’s business and operations.

Pursuant to the SPA, the purchase price for the Property is US\$18,000,000 (the “**Purchase Price**”) subject to adjustments at the closing of the SPA. The Purchase Price was arrived at based on arm’s length negotiations based on willing buyer and willing seller after taking into account prevailing market conditions and the market value of the Property.

The closing in respect of the Proposed Sale is subject to, *inter alia*, the completion of satisfactory due diligence by Evox. In the event that any issues uncovered on the Property during the due diligence exercise are not, or are unable to be cured and rectified and/or Evox at its discretion otherwise decides to terminate the SPA in accordance with its terms, the Proposed Sale may not materialise.

None of the directors or controlling shareholder(s) of the Company and/or their respective associates has any interest, direct or indirect, in the Proposed Sale (other than through their respective shareholdings in the Company, if any).

The Company will make the necessary further announcement(s) as and when there are any material developments relating to the Proposed Sale.

BY ORDER OF THE BOARD

CHUA CHEOW KHOON MICHAEL

Independent Director & Chairman
28 October 2021