

**ASX Code : VIP****DIRECTORS :****Dr Kai Fatt (Joe) WONG :**Independent Non-executive
Chairman**Wee Min CHEN :**

Executive Director

Chin Kar (Jimmy) YANG :

Executive Director

How Weng (Sebastian) CHANG :Independent Non-Executive
Director**Chee Cheong (David) LOW :**Independent Non-Executive
Director**Peter Yee Ming NG :**Independent Non-Executive
Director**Andrew METCALFE :**

Company Secretary

Issued Capital :745,871,435 ordinary shares
37,775,000 unlisted options
80,000,000 performance rights**CONTACT DETAILS :**Level 26, 360 Collins Street
Melbourne VIC 3000, Australia.**T :** +61 3 9867 7199**F :** +61 3 9867 8587**E :** inquiry@vipglove.com.my**www.vipglove.com.my****Market Announcements Office
Australian Securities Exchange****18 February 2021****Revocation of Sale & Leaseback of Land and Building**

VIP Gloves Limited (VIP or the Company) refer to announcements dated 17 January 2020, 16 July 2020, 31 August 2020 and 8 February 2021 in relation to the Sale of land and buildings to the purchaser, DC Glove Sdn Bhd for RM29 million (AUD\$10.3 million), and the subsequent Leaseback of said land and buildings.

Pursuant to the Sale and Purchase Agreement dated 16 January 2020 ("SPA"), completion was scheduled on 20 January 2021. However, due to the unprecedented Covid-19 global pandemic, the Movement Control Orders in Malaysia and the lockdown in Hong Kong which affected completion of the transaction, the parties have mutually agreed to terminate the SPA with immediate effect. Both parties have entered into a Deed of Revocation of the SPA to mutually rescind, revoke and terminate the SPA with effect from 17 February 2021.

By terminating the SPA, the Company retains full control and security over the land and buildings. This augurs well with the Company's long-term masterplan as it expands its glove line manufacturing operations at its current operations site and adjoining land.

The proceeds of sale received to date will be repaid forthwith, on terms agreed under the Deed of Revocation, through internally generated funds arising from continued strong glove sales and rising average selling prices. The 0.18 cent per share dividend and glove line expansion programme, to be completed between late February and May 2021, will not be impacted by the decision to terminate the SPA.

At 31 December 2020, the Company reported a healthy balance sheet position with a low gearing ratio. Termination of the SPA has received full support from the Company's financiers in the event future debt capital is required to fund the Company's capex initiatives.

This announcement has been approved by the Board of VIP Gloves Limited.

Andrew Metcalfe

Company Secretary

andrew@accosec.com



About VIP Gloves Limited

VIP Gloves Limited (VIP) is an Australian public company whose securities are listed for quotation on the Australian Securities Exchange (ASX code: VIP). VIP's Malaysian subsidiary companies manufacture nitrile disposable gloves from a plant located in Selangor, Malaysia. Nitrile gloves can be used in the medical, health, dental and numerous other industrial and commercial sectors. VIP currently produces and supplies gloves on an original equipment manufacturer (OEM) basis.

VIP's products:

- comply with International AQL Standards
- comply with CE Standard
- conforms to ASTM D6319 and EN455 Standards
- meet ISO 13485 and ISO 9001 Standards

Forward Looking Statements

Certain statements in this document are or maybe "forward-looking statements" and represent VIP's intentions, projections, expectations or beliefs concerning among other things, timing of activities. The projections, estimates and beliefs contained in such forward looking statements necessarily involve uncertainties and other factors, many of which are beyond the control of VIP, and which may cause VIP's actual performance in future periods to differ materially from any express or implied estimates or projections. Nothing in this document is a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect and differences may be material. VIP does not make any representation or warranty as to the accuracy of such statements or assumptions.