

# iFabric Corp Announces Favourable Ruling on Contract Dispute in China

January 06, 2022

**MARKHAM, ON / ACCESSWIRE / January 6, 2022** / iFabric Corp. ("iFabric" or the "Company") (TSX:IFA)(OTCQX:IFABF), today announced the ruling of the Shanghai International Economic Trade Arbitration Commission (the "Arbitrator") in connection with a contract dispute between its wholly owned subsidiary company, Intelligent Fabric Technologies (North America) Inc. ("IFTNA") and a Chinese N95 mask supplier.

In May 2020, IFTNA contracted for the supply of 1,000,000 N95 masks. The contract was partially fulfilled, then the supplier defaulted on the remainder of the contract citing supply constraints. IFTNA terminated the contract for breach in July 2020 and demanded repayment of its remaining deposit of US \$2,905,000 together with liquidated damages, as was provided for in terms of the contract. As the contract between IFTNA and the supplier required that any contract disputes be submitted to binding arbitration by the Arbitrator, IFTNA duly made application for its dispute to be heard and ruled upon.

The Company is pleased to announce that it has now received a favorable ruling by the Arbitrator which, includes the obligation of the supplier to:

- return the outstanding deposit of US \$2,905,000 as of the date that the contract was terminated;
- pay liquidated damages, including legal costs, in an amount of US \$146,942;
- pay interest at the rate of 12% per annum calculated from the date of payment of the deposit, on the amount of \$2,905,000; and
- reimburse the full cost of the arbitration hearing, amounting to Chinese RMB 445,902, which was paid by IFTNA prior to the hearing.

The ruling of the Arbitrator is legally enforceable against the supplier, its shareholders, and any intermediaries involved in the transaction. The Company's legal counsel will now proceed with moving to recover the amounts awarded by the Arbitrator's ruling. While the Company is optimistic that it will recover all or substantially all of the amounts owing, there is no guarantee of such recoveries.

## **ABOUT iFABRIC CORP:**

Headquartered in Markham, Ontario, iFabric, [www.ifabriccorp.com](http://www.ifabriccorp.com), is listed on the TSX and currently has 29.6 million shares issued and outstanding. Its two strategic divisions offer a variety of products and services through wholly-owned subsidiaries, namely, Intelligent Fabric Technologies (North America) Inc. ("IFTNA") and Coconut Grove Pads Inc. ("Coconut Grove").

IFTNA is focused on development and sale of high-performance sports apparel, medical protective apparel, consumer protective apparel, and proprietary treatments that provide "intelligent" properties to fabrics, foams, plastics, and numerous other surfaces, thereby improving the safety and well-being of the user. Such intelligent properties include antiviral and antibacterial characteristics, water-repellence and UV protection, among others.

Coconut Grove, operating as Coconut Grove Intimates, is a designer, manufacturer, distributor, licensor and licensee of ladies' intimate apparel products and accessories.

## **FORWARD LOOKING STATEMENTS**

*Forward-looking statements provide an opinion as to the effect of certain events and trends on the business. Certain statements contained in this news release constitute forward looking statements. The use of any words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Forward-looking information includes, but is not limited to, statements with respect to the development potential of the company's products and its current or future sales or earnings results.*

*Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance, or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize. The Company assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or any other reason except as required by applicable securities laws.*

*Any financial outlook or future oriented financial information in this news release, as defined by applicable securities legislation, has been approved by management of iFabric. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's reasonable expectations as to the anticipated results of its proposed business activities. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.*

FOR FURTHER INFORMATION, please contact:

Hilton Price, CFO

Tel: 647.465.6161

Email: [hilton.price@rogers.com](mailto:hilton.price@rogers.com)

Jessica Butt - Investor Relations

Tel: 416.844.6202

Email: [jessica@adcap.ca](mailto:jessica@adcap.ca)

Website: [www.ifabriccorp.com](http://www.ifabriccorp.com)

*Neither the TSX Exchange nor its Regulations Services Provider (as that term is defined in the policies of the TSX Exchange) accepts responsibility for the adequacy or accuracy of this press release.*

**SOURCE:** iFabric Corp.

View source version on accesswire.com:

<https://www.accesswire.com/681162/iFabric-Corp-Announces-Favourable-Ruling-on-Contract-Dispute-in-China>

## SHARE



---

News powered by iR Direct — Copyright © 2022 Issuer Direct Corporation. All Rights Reserved.