

**KIMLY LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 201613903R)

---

**JOINT VENTURE WITH TENDERFRESH FRIED & BBQ CHICKEN PTE LTD  
TO OPERATE AND MANAGE HALAL COFFEESHOP**

---

**1. INTRODUCTION**

The Board of Directors ("**Board**") of Kimly Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its wholly-owned subsidiary, Kimly Makan Place Pte. Ltd. ("**KMP**") has, on 3 November 2020, entered into a joint venture agreement ("**JVA**") with Tenderfresh Fried & BBQ Chicken Pte Ltd ("**Tenderfresh**") to operate and manage a halal coffeeshop located at Block 380 Clementi Avenue 5 #01-376 Singapore 120380 ("**Block 380 Clementi Coffeeshop**") leased by Kedai Kopi Pte. Ltd. ("**JVCO**").

**2. INFORMATION ON THE JOINT VENTURE COMPANY AND TENDERFRESH**

**2.1 Information on the JVCO**

The JVCO was incorporated by Tenderfresh, having an initial issued share capital of S\$10,000 comprising 10,000 ordinary shares.

The JVCO will be allotting 153,000 ordinary shares to KMP and 137,000 ordinary shares to Tenderfresh, at a consideration of S\$153,000 and S\$137,000 respectively. Following which, KMP will hold 51% of the shares in the JVCO, whilst Tenderfresh shall hold the remaining 49% of the shares in the JVCO.

**2.2 Information on Tenderfresh**

Tenderfresh Fried & BBQ Chicken Pte Ltd is a private company incorporated in Singapore on 26 November 1993 and has an issued and paid-up share capital of S\$400,000 comprising 400,000 ordinary shares. The shareholders of Tenderfresh are Mr Soh Chun King and Ms Koh Siew Tin, who each holds 150,000 ordinary shares, representing an aggregate of 75% of its issued and paid-up capital, and Ms Soh Bi Xue, Patricia, who holds 100,000 ordinary shares, being the balance 25%. The principal activities of Tenderfresh are manufacturing, processing, wholesale of foodstuffs and food caterers/foodstall holders.

Mr Soh Chun King, Ms Koh Siew Tin and Ms Soh Bi Xue, Patricia are Singapore citizens and the directors of Tenderfresh.

To the best knowledge of the Board, Tenderfresh and its directors and ultimate beneficial shareholders are independent of the Company, its directors and controlling shareholders, and their respective associates. The Board is also not aware of any relationship between the directors of Tenderfresh and the shareholders of the existing JV Partners of the Group (as defined and referred to in the Company's announcements dated 9 September 2020 and 29 September 2020).

### **3. INFORMATION ON THE BLOCK 380 CLEMENTI COFFEESHOP**

The Block 380 Clementi Coffeeshop is one of the coffeeshop properties recently acquired by Jin Wei Food Holdings Pte. Ltd., the Company's wholly-owned subsidiary. Please refer to the Company's announcement dated 26 August 2020 for further details on the acquisition.

The Block 380 Clementi Coffeeshop has a strata floor area of 383 sqm with 9 stalls (including the drink stall). It is located near HDB flats and within walking distance from Clementi MRT station.

Concurrent with the entry into the JVA, the Group has entered into a new lease agreement with the JVCO. The Block 380 Clementi Coffeeshop will undergo major enhancement and is targeted to reopen for business around middle of December 2020.

### **4. PRINCIPAL TERMS OF THE JVA**

- 4.1 Upon completion of the subscription and allotment, KMP shall hold 153,000 ordinary shares representing 51% of the issued share capital of the JVCO.
- 4.2 The Board of Directors of the JVCO will comprise of two (2) directors, with one (1) director each being nominated by KMP and Tenderfresh respectively. The chairman of the board of the directors of JVCO shall be appointed by KMP.
- 4.3 The JVCO will enter into a service agreement with Tenderfresh, for Tenderfresh to operate and manage the Block 380 Clementi Coffeeshop.

### **5. RATIONALE FOR THE JOINT VENTURE**

The Halal food industry is growing rapidly in Singapore which can be seen by the increase in halal certification where the number of premises and products certified halal in 2018 have doubled in volume from a decade ago<sup>1</sup>. This is an opportune time for the Group to make its foray into the Halal industry to ride on the surging trend, and seize the opportunity to serve the Halal market. Around 14% of the local population are Muslims, which equates to about 789,000 people in the community<sup>2</sup>.

Tenderfresh is a homegrown food and beverage company built on the commitment of quality good food at great value. Grown from a single well-loved local food concept specialising in lip-smacking fried or roasted spring chickens and chicken wings, Tenderfresh currently manages 18 brands and 64 outlets, with concepts ranging from western fares and traditional local cuisines to food kiosk, retails and OEM manufacturing across Singapore and Myanmar.

The Board believes that the entry into the JVA is beneficial to the Group as it will facilitate the Group's expansion of its Food and Beverage ("F&B") business to include the Halal F&B market. In addition, by leveraging on Tenderfresh's competitive edge and wide network in Singapore's Halal F&B market, the entry into the JVA with Tenderfresh provides a strategic platform for the Group to further expand customer base as well as product offerings.

---

<sup>1</sup> Asia Pacific Food Industry, <https://apfoodonline.com/industry/international-alignment-on-halal-certification/>

<sup>2</sup> Singapore Demographics Profile 2019, [https://www.indexmundi.com/singapore/demographics\\_profile.html](https://www.indexmundi.com/singapore/demographics_profile.html)

## 6. AGGREGATE CONSIDERATION

- 6.1 Apart from the capital injection detailed in paragraph 2.1 above, KMP and Tenderfresh have also provided proportionate interest-bearing shareholders' loan of S\$255,000 and S\$245,000 respectively to the JVCO to finance the enhancement work for Block 380 Clementi Coffeeshop and working capital requirements ("**Shareholders' Loan**").
- 6.2 The aggregate consideration payable by KMP for the 51% interest in the issued share capital of the JVCO and the Shareholders' Loan is **S\$408,000**, in the following proportions:

	<b>S\$</b>
Capital Injection	153,000
Shareholders' Loan	255,000
<b>Aggregate Consideration</b>	<b>408,000</b>

The capital injection and Shareholders' Loan has been wholly satisfied in cash through utilisation of the internal resources of the Group.

## 7. CHAPTER 10 OF THE CATALIST RULES

All relative figures relating to the JVCO computed pursuant to Rule 1006 of the Catalist Rules of the Singapore Exchange Trading Limited ("**Catalist Rules**"), based on the Company's latest announced consolidated results, is less than 5% and constitute a non-discloseable transaction under Chapter 10 of the Catalist Rules. Accordingly, this Announcement is released by the Company on a voluntary basis.

## 8. FINANCIAL IMPACT

The JVCO is not expected to have any material impact on earnings per share or net tangible assets per share of the Group for the financial year ending 30 September 2021.

## 9. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the directors and substantial shareholders of the Company have any interest, direct or indirect, in the JVA other than through their respective directorships and shareholdings in the Company.

## 10. DOCUMENTS FOR INSPECTION

Copies of the JVA and the service agreement entered into by Tenderfresh with the JVCO to operate and manage the Block 380 Clementi Coffeeshop is available for inspection during normal business hours at the Company's registered office at 13 Woodlands Link, Singapore 738725 for a period of three (3) months from the date of this Announcement.

BY ORDER OF THE BOARD

**Hoon Chi Tern**

Company Secretary

3 November 2020

---

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The contact person for the Sponsor is Mr. Joseph Au, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg).*