

## Kimly increases its presence in the cleaning services industry with acquisition of Klovex

- Klovex was formed by an experienced team involved in the cleaning business for years and Klovex has entered into cleaning contracts with various counterparties
- Acquisition of 60% stake in Klovex for a total consideration of S\$1 million to be satisfied via cash and issuance of new shares
- This acquisition will generate additional revenue streams and equip the Group with professional in-house cleaning team to elevate hygiene standards in its existing businesses

**SINGAPORE, 1 April 2021** – SGX Catalist-listed Kimly Limited (“金味有限公司”) (“Kimly”, together with its subsidiaries, the “Group”) is pleased to announce that its wholly-owned subsidiary, Chodee Food Holdings Pte. Ltd. has signed a sale and purchase agreement with Klovex Holdings Pte. Ltd. (“Klovex”) for acquisition of 60% of the issued and paid-up share capital of Klovex for a total consideration of S\$1 million. The purchase consideration will be satisfied partly in cash of S\$700,000 and partly by the issuances of 1 million new shares in the capital of Kimly at the issue price of S\$0.30 per share.

Incorporated in February this year, Klovex is a general cleaning solutions provider in Singapore, covering commercial and residential facilities management, F&B facilities management and dishwashing operations, and deep-cleaning solutions. The vendors of Klovex have been in the cleaning business since 2015 and it has grown tremendously in a short span of about six years, with a total manpower of 100 professionals being deployed in the various sectors of cleaning to-date. It currently has 40 cleaning contracts under its management.

The COVID-19 pandemic has elevated the importance of hygiene and cleanliness which has spurred greater demand for cleaners and cleaning services. Thus, the acquisition of Klovex presents a unique opportunity for the Group to expand into the cleaning services industry to further increase its revenue streams. The hygiene standards in the Group’s F&B businesses could

also be further enhanced beyond the COVID-19 outbreak by leveraging on the expertise of Klovex. Klovex also provides relevant employee training and where its employees are trained and supervised to be prepared to provide cleaning services. With the acquisition of Klovex, the Group believes that the manpower crunch that it is facing in hiring professional cleaners could be eased.

The Directors of the Group added, **“Having identified the potential of the cleaning services industry and the operational synergies we can have with Klovex, we feel that this acquisition brings a strategic opportunity for the Group. This acquisition will allow the Group to ride on the growing trend for cleaning services, potentially enhancing the profitability of the Group. Besides that, it will also provide the Group with an enhanced set of cleaning capabilities, where the Group will be able to deliver elevated standards of cleanliness and hygiene at our operating premises, for our customers.”**

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#### **About Kimly Limited**

**Kimly Limited (“金味有限公司”)** is one of the largest traditional coffeeshop operators in Singapore with 30 years of experience. The Group operates and manages an extensive network of 83 food outlets, 137 food stalls, 2 Tonkichi restaurants and 8 Rive Gauche Patisserie shops across the heartlands of Singapore. It also operates a Central Kitchen that supplies sauces, marinades and semi-finished food products to its food stalls, which enables it to have better control over its business processes and generate cost savings.

Its Food Retail Division comprises Mixed Vegetable Rice, Teochew Porridge, Dim Sum, Seafood “Zi Char” food stalls and a chain of Japanese restaurants, Tonkichi, and a confectionery business, Rive Gauche.

In tandem with the growing demand for online food ordering and delivery services due to changing consumer trends, Kimly Group started to offer its Mix Value Rice, Dim Sum and Seafood “Zi Char” products for online ordering through Deliveroo, Food Panda, GrabFood and Oddle.

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**Issued for and on behalf of Kimly Limited**

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