

SINGAPORE KITCHEN EQUIPMENT LIMITED
(Company Registration No.: 201312671M)
(Incorporated in Singapore)
(the “**Company**”)

**RESPONSE TO QUERIES FROM
THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

The Company (and together with its subsidiaries, collectively the “**Group**”) refers to the Company’s previous announcements, including the announcements dated 11 April 2022, 13 April 2022, 25 April 2022, 8 June 2022, 4 July 2022, 14 June 2023, 15 June 2023 and 25 April 2026, in relation to the investigations by the Commercial Affairs Department (“**CAD**”), and the announcement dated 4 June 2026 in relation to charges served against the Company’s Chief Executive Officer (“**CEO**”) and the Company’s Senior Manager. The Company received queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 4 June 2026, which have been set out below along with the Company’s responses.

Query 1: It was disclosed in the 15 June 2023 Announcement that:

- the CAD investigation arose from the Fact-Finding Review by Rajah & Tann Singapore in relation to the 8 payments amounting to S\$1,395,536.17 made by QKE Holdings Pte Ltd on behalf of Q’son Kitchen Equipment Pte Ltd. (the “**Eight Transactions**”)
- the Board, on the NC’s recommendation, had then seen no impediment to Ms Chua and Ms Koh remaining in their respective appointments pending the outcome of the CAD’s investigation, on the basis that no charges had been made against them, the Fact-Finding Review findings were not conclusive as to their liability under the Penal Code, and the Company had strengthened its internal controls with the gaps reviewed as remediated by its internal auditors.

In light of the formal charges now brought against Ms Chua Chwee Choo (“**Ms Chua**”) and Ms Koh Sai Eng (“**Ms Koh**”), please clarify:

1. Whether the charges under section 424A(1)(a) and section 477A of the Penal Code arise from the same matters disclosed in the Company’s prior announcements relating to the Eight Transactions and the related Fact-Finding Review. If so, please provide further details of
 - a. the alleged conduct covered by the amalgamated charges;
 - b. whether the alleged offences relate to the Group’s business, operations, financial statements, internal accounting records, announcements or disclosures; and
 - c. the respective alleged roles of Ms Chua and Ms Koh.

Company’s response:

The charges brought against Ms Chua and Ms Koh under section 424A(1)(a) and section 477A of the Penal Code (collectively, the “**Charges**”) appear to arise from one of the Eight Transactions which were disclosed in the Company’s prior announcement dated 8 June 2022 and the executive summary of the fact-finding review conducted by Rajah & Tann Singapore (“**Fact-Finding Review**”) on the circumstances surrounding the Eight Transactions (“**Executive Summary**”) enclosed therein. The Charges relate to the payment by QKE Holdings Pte Ltd (“**QKEH**”), the Company’s majority shareholder, of S\$741,721.55 in January 2019 which were made on behalf of Q’son Kitchen Equipment Pte Ltd (“**QKE**”), the Company’s wholly-owned subsidiary, for employee incentives and bonuses for the year 2018, and the subsequent reimbursement by QKE to QKEH of this amount.

Based on the information provided by Ms Chua and Ms Koh, the Charges allege that Ms Chua and Ms Koh had engaged in a conspiracy with each other and with:

- (a) the former chief financial officer of the Company (“**Former CFO**”) to fraudulently make false representations to the Company’s then-external auditors, BDO LLP (“**BDO**”), that bonus payments of S\$741,721.55 were made to QKE’s employees in January 2020 instead of January 2019 (as stated in the Executive Summary); and
- (b) the Former CFO and human resource executive Beh Siew In in the falsification of 102 payment vouchers belonging to QKE, with the intent to defraud by purporting that QKE had paid the incentive bonuses stated in the payment vouchers in January 2020 instead of January 2019 (as stated in the Executive Summary).

Query (2): Catalist Rule 720(1) provides that an issuer must comply with Catalist Rule 406(3) on a continuing basis, which requires amongst others, a consideration of the character and integrity of the directors and key management. Please provide the NC's and Board's updated assessment and bases of the suitability of Ms Chua to continue as Executive Director and CEO, and Ms Koh to continue as senior management, having regard to the formal charges now brought against them. In particular, please explain how the NC and Board considered the nature and seriousness of the charges, and any implications for character, integrity, governance and management oversight.

Company's response:

The Nominating Committee ("**NC**") and the Company's board of directors ("**Board**") have assessed that, pending the conclusion of the prosecution by the CAD ("**CAD Prosecution**"), Ms Chua is suitable to continue as Executive Director and CEO and Ms Koh is suitable to continue as senior management, for the reasons set out below:

- (a) The Charges do not present information that was not covered under the Fact-Finding Review.
- (b) Whilst the Charges allege Ms Chua and Ms Koh had committed offences of fraudulent conduct, there is no determination on the Charges. The NC and the Board will carry out an updated assessment when there are key developments in the court proceedings, including at the conclusion of the judicial process.
- (c) The Board, on the recommendation of the NC, remains of the view that pending the outcome of the CAD Prosecution it will be in the best interest of the Company for both Ms Chua and Ms Koh to continue in their respective appointments given that:
 - (i) the findings of the Fact-Finding Review and the Charges are not conclusive as to whether Ms Chua and/or Ms Koh have any liability under the Penal Code and/or the extent of any liability impacting on their character or integrity;
 - (ii) the Charges do not allege that Ms Chua and/or Ms Koh had intended to make financial gains at the expense of third parties. There is also no allegation that Ms Chua and/or Ms Koh had intended to facilitate any criminal breach of trust and/or fraudulent transactions with third parties and/or cause any financial loss to any party.
 - (iii) the Company has taken steps to strengthen and enhance its internal controls and governance to ensure that there will not be a repeat of the circumstances that gave rise to the Eight Transactions, including but not limited to the internal control measures as set out in the Company's announcements dated 11 August 2021, 19 August 2021 and 8 June 2022;
 - (iv) the internal control measures taken by the Company have been thoroughly reviewed by the Company's internal auditors who have confirmed that all gaps had been remediated, as set out in the Company's announcement dated 31 January 2023;
 - (v) based on the existing safeguards and measures as described in paragraphs (ii) and (iii) above, the NC and the Board do not consider it immediately necessary to put in place additional measures to safeguard against the potential risks associated with the continued appointment of Ms Chua and Ms Koh to continue to discharge their duties as CEO and Director and Senior Manager respectively;
 - (vi) subsequent to the disclaimer of opinion by the Company's statutory auditors on the Company's consolidated financial statements for the financial year ended 31 December 2021 (as a result of the circumstances arising from the Eight Transactions), the Company's statutory auditors have not observed recurrence of control lapses during the audits for the financial year ended 31 December 2022 ("**FY2022**"), the financial year ended 31 December 2023 ("**FY2023**"), the financial year ended 31 December 2024 ("**FY2024**") and the financial year ended 31 December 2025 ("**FY2025**");

- (vii) based on the Company's audited consolidated financial statements for the past three most recently completed financial years (i.e. FY2023, FY2024 and FY2025), the Company recorded net profit positions for FY2023 and FY2024 and net current assets and net assets position as well as net operating cash inflows for FY2025; and
- (viii) as Ms Chua and Ms Koh have the appropriate experience and expertise to manage the Company's business, and having considered the Company's performance for the past three most recently completed financial years, it remains in the interest of the shareholders as a whole for them to continue in office in the interim.

Query (3): In support of the NC and Board's assessment above, Please provide details of the "additional safeguards and measures" referred to in the 4 June 2026 Announcement, including whether there have been any changes to:

- a. duties, authority limits or reporting lines;**
- b. involvement in finance, accounting, payments, internal controls or disclosures;**
- c. Board / independent director oversight; and**
- d. any restrictions or conditions imposed by CAD or the Court.**

Company's response:

The additional safeguards and measures that the Company has taken to date include the following:

- (a) As announced by the Company on 11 August 2021, 19 August 2021, and 8 August 2022, the Company had appointed Ms Serine Yeo (from 11 August 2021 to 18 February 2022) and Mr Chong Wun Leong (from 8 August 2022), each of whom are certified public accountants, to take on various appointments including as Chief Financial Officer, and to undertake all aspects of financial management, including corporate accounting, regulatory and financial reporting, budget, cash management, risks management, internal control policies and processes, and implement the various critical internal control measures that were suggested by the Company's internal auditors in the course of the reviews conducted on the Company's operating procedures and internal controls.
- (b) The Company had also appointed 3 independent directors, namely (i) Mr Ang Chiang Meng on 4 August 2021, (ii) Mr Lim Chee San on 28 August 2021, and (iii) Mr Choo Kok Kiong on 28 August 2021, prior to the resignation and retirement of the former independent directors. The Audit Committee was also renamed the Audit and Risk Management Committee ("**ARMC**") with effect from 8 August 2022 to better reflect the roles and responsibilities of the ARMC in assisting the Board in overseeing the risk management of the Company, in particular, to safeguard the Group's assets, maintain adequate records, develop and maintain effective systems of internal controls with an overall objective to ensure that management has created and maintained an effective control environment in the Group. On 19 March 2026, the Company announced that Mr Choo Kok Kiong has decided to step down as an independent director of the Company at the conclusion of the annual general meeting held on 30 April 2026 for board renewal purposes. Prior to Mr Choo Kok Kiong's effective cessation date of 1 May 2026, the ARMC comprised at least 3 members, all of whom are independent non-executive directors. The ARMC currently comprises at least 2 members who are independent non-executive directors. A suitable replacement for Mr Choo Kok Kiong has been identified and will be appointed in due course.
- (c) As announced by the Company on 11 August 2021 and 8 June 2022, the Company implemented additional control measures since the discovery of the lapses in internal controls. Most pertinently, since 5 August 2021, the Company designated two groups of signatories to approve payments, with the executive directors of the Board as group A signatories and an independent director and the CFO as group B signatories. All payments would have to be authorised by a group A signatory and a group B signatory. Where payment amount exceeds S\$200,000, the approval of the Independent Director (Mr Ang Chiang Meng) as the Group B signatory is strictly required. This additional control measure is to ensure that at all times an independent director from the Board is able to have an oversight on all the Company's significant transactions, including any concerns of interested persons transactions.

- (d) The Company appointed Baker Tilly as the Company's internal auditors to thoroughly review and enhance the Company's operating procedures and internal controls, and Baker Tilly had reported its findings to the ARMC upon the completion of each round of review, on 21 December 2021, 21 September 2022, 8 November 2022 and 30 December 2022 respectively. As announced by the Company on 31 January 2023, Baker Tilly had confirmed that all of the internal control measures that Baker Tilly had recommended were implemented by the Company and all gaps had been remediated, in particular that those issues and areas of concern related to control environment, processes to safeguard against falsification of bank statement and cash management, and interested persons' transactions, have been assessed by Baker Tilly to be satisfactorily remediated.

The NC and the Board have assessed that these measures are sufficient to support the NC's and the Board's assessment above pending the conclusion of the CAD Prosecution.

Query (4): Please clarify whether the Board has considered any contingency or succession arrangements in the event that Ms Chua and/or Ms Koh are unable to continue discharging their duties.

Company's response:

The Board has considered the following contingency arrangements in the event that Ms Chua and/or Ms Koh are unable to continue discharging their duties:

- (a) the appointment of Mr Alan Lee Chong Hoe, currently an Executive Director of the Company, as CEO of the Company; and
- (b) the hiring of a qualified executive with relevant experience as replacement Senior Manager.

5. Please confirm whether there is any other material information shareholders should be aware of.

Company's response:

The Company confirms that all material disclosures, facts and information have been provided and announced to shareholders and there are no facts, information or disclosures, the omission of which would make any statement in the responses to the above queries misleading.

By Order of the Board
SINGAPORE KITCHEN EQUIPMENT LIMITED

Lim Chee San
Chairman & Independent Non-Executive Director

11 June 2026

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

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