

PRESS RELEASE

**Kitchen Culture to acquire 30% stake in Credit 3.0 Big Data solutions provider
OOWAY Technology for S\$23.92 million**

- The OOWAY Group has developed bMARS®, a Credit 3.0 platform which enhances credit management for enterprises through the integration of Big Data and AI
- Total acquisition consideration will be funded via the issuance of 90,000,000 new shares at S\$0.2658 per share
- Presents the Group business opportunities in the burgeoning fintech industry in line with the Group’s diversification strategy

Singapore, 13 August 2020 – Kitchen Culture Holdings Ltd. (“**Kitchen Culture**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), one of the leading premier kitchen solutions providers in Asia, is pleased to announce that the Company has entered into a sale and purchase agreement (the “**SPA**”) and a shareholders’ agreement (the “**SHA**”) with OOWAY Group Ltd. (the “**Vendor**”) to acquire 30% equity stake in OOWAY Technology Pte. Ltd. (the “**Target**”) at a purchase consideration of S\$23.92 million (the “**Purchase Consideration**”).

The Purchase Consideration for the acquisition will be satisfied by the issuance of 90,000,000 new ordinary shares in the Company, based on an agreed issue price of S\$0.2658 per share (“**Issue Price**”). The Issue Price represents 17.25% discount to the volume weighted average price of S\$0.3212 on 11 August 2020, which is the last full market day on which the shares were traded prior to the date of the SPA.



From left: Mr Lincoln Teo, Director of OOWAY Technology Pte. Ltd., Mr Lim Wee Li, Executive Chairman and CEO of Kitchen Culture Holdings Ltd., and Mr Jim Rogers, Co-founder of OOWAY



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The Vendor and the Target are in the process of procuring the completion of the establishment of OOWAY Data Technology (Beijing) Co., Ltd. (“**OOWAY Beijing**”), as a Wholly Foreign Owned Enterprise in China wholly-owned by the Target, and the completion of the restructuring exercise resulting in OOWAY Technology Co., Ltd (“**OOWAY Technology**” or “**OOWAY**”, and together with its subsidiaries, the “**OOWAY Group**”) becoming a wholly-owned subsidiary of OOWAY Beijing.

Mr Lim Wee Li, Executive Chairman and Chief Executive Officer of Kitchen Culture, commented, “**This acquisition is in line with the Group’s diversification strategy. We believe that this acquisition will allow the Group to explore new areas of opportunities and alternate businesses, including the areas of artificial intelligence, machine learning and data science, whilst offering an opportunity for the Group to leverage on the networks and capabilities of the Target and the OOWAY Group. We have high hopes that this investment would deliver great value to our shareholders.**”

Led by a team comprising AI talents and data scientists from the UK, Southeast Asia and China, the OOWAY Group is principally engaged in the establishment of the Credit 3.0 platform in China named Behaviour Model of Association Risk System (“**bMARS®**”), which utilises machine learning and artificial intelligence to quantify corporate behaviour into credit value. Via bMARS®, the OOWAY Group provides credit rating services and credit management services for importers and exporters in China, Singapore, Thailand, Vietnam, Malaysia, Myanmar, Philippines, Brunei, Cambodia, Indonesia, and Laos.

Professor Peter Grindrod, Chief Scientist of OOWAY, said, “**OOWAY offers thought-leadership, devising radical and novel ways to address risk-based analytics for markets that do not conform to existing processes. With bMARS®, we may now observe SMEs behavioral histories of transactions, deals, and activities and re-purpose that behavioral footprint efficiently to infer estimates of their credit worthiness, bypassing those traditional requirements, and opening up to include mass markets of SMEs wishing to grow through trading and requiring cash to pump-prime their expansion.**

The data science is never sleeping. I spend my life working with many different kinds of AI and data science initiatives and have a network of colleagues across the world. There are both surprises and

risks inherent in the extraordinary and scalable performance of modern data scientific methods. These will transform whole sectors and we, OOWAY, will be a catalyst for such transformations.”

Mr Jim Rogers, Co-founder of OOWAY, said, **“It is my pleasure to welcome Kitchen Culture as our strategic investor. With the complementary strengths of OOWAY and Kitchen Culture, I believe that our collaborations will yield exciting results in the future. If OOWAY can continue to do what it’s doing, it’s a bonanza. It’s going to be phenomenal. This is one of those things that comes along and makes a huge change in the way the world works and also brings prosperity and efficiency to a lot of people.”**

Decision-making is increasingly based on data and analytics in business, economics, and beyond. The Global Big Data & Business Analytics Market is expected to grow from USD 192.24 billion in 2019 to USD 446.42 billion by the end of 2025 at a Compound Annual Growth Rate (CAGR) of 15.07%. The Risk & Credit Analytics is projected to witness the highest growth during the forecast period while the Asia-Pacific is projected to witness the highest growth during the forecast period¹.

Being at the forefront of fintech growth, China is the world’s largest fintech market² with two main technologies used which are Big Data and AI. China’s fintech sector is expected to enjoy further growth with the release of Fintech Development Plan (2019 – 2021) by People’s Bank of China in August last year in a move to promote the development of fintech industry³. In addition, China’s fintech lending market is forecasted to grow at a compound annual growth rate (CAGR) of 16% between 2017 and 2023⁴.

“Beyond China, we see huge development opportunity for OOWAY in ASEAN. As the fourth largest market globally and a leading manufacturing and trading hub, ASEAN is also China’s largest trading partner. The multiplying bilateral trade between ASEAN and China will lead to explosive expansion with Big Data and AI being one of the key engines of growth,” Mr Rogers added.

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¹ Big Data & Business Analytics Market Research Report by Analytics Tools, by Component, by Deployment Mode, by Application, by End User - Global Forecast to 2025 - Cumulative Impact of COVID-19, published in July 2020 via ReportLinker:

https://www.reportlinker.com/p05913566/Big-Data-Business-Analytics-Market-Research-Report-by-Analytics-Tools-by-Component-by-Deployment-Mode-by-Application-by-End-User-Global-Forecast-to-Cumulative-Impact-of-COVID-19.html?utm_source=GNW

² Fintech in China: What lies ahead, published on 12 July 2019 by Wharton School of the University of Pennsylvania:

<https://knowledge.wharton.upenn.edu/article/fintech-china-lies-ahead/#:~:text=China%20has%20been%20at%20the,in%202018%20was%20%2425.5%20billion>

³ China unveils fintech development plan, published on 22 August 2019 by China Daily:

<https://www.chinadaily.com.cn/a/201908/22/WS5d5e5ed7a310cf3e35567595.html#:~:text=China%20has%20issued%20a%20three,the%20central%20bank%20on%20Thursday>

⁴ China’s fintech lending to grow 16% between 2017 and 2023, published on 31 January 2020 by Asian Banking & Finance:

<https://asianbankingandfinance.net/financial-technology/news/chinas-fintech-lending-grow-16-between-2017-and-2023>

About OOWAY Technology Co., Ltd (大路网络科技有限公司)

OOWAY Technology Co., Ltd (“OOWAY Technology”) is a Big Data integrated solution provider with a mission to develop a global credit standard for digital trade transactions. Led by a team comprising AI talents and data scientists from the UK, Southeast Asia and China, OOWAY Technology is principally engaged in the establishment of the Credit 3.0 platform in China named Behaviour Model of Association Risk System (“bMARS®”), which utilises machine learning and AI to quantify corporate behaviour into credit value. Via bMARS®, OOWAY Technology provides credit rating services and credit management services for importers and exporters in China, Singapore, Thailand, Vietnam, Malaysia, Myanmar, Philippines, Brunei, Cambodia, Indonesia, and Laos.

The founding members include Professor Peter Grindrod and Mr Jim Rogers.

About Professor Peter Grindrod

A world-renowned applied mathematician and data technology expert, CBE honoree, founding trustee of the Allen Turing Institute.

Prof. Grindrod has obtained a bachelor of science degree in mathematics from the University of Bristol, a doctorate in mathematics from Dundee University, an honorary doctorate from the University of Strathclyde, and an honorary doctorate from Oxford Brookes University. He is currently a professor at Oxford University.

Prof. Grindrod has served in the National Research Funding Council of the United Kingdom, National Defence Science Advisory Committee, the National Institute of Intelligence and Data Science, the British Engineering and Physical Sciences Research Council, the British Biotechnology and Biological Sciences Research Council. Because of the outstanding contribution in the application of innovation in mathematics, he was awarded the Most Excellent Order of Commander of the British Empire by the British government.

About Mr Jim Rogers

A legendary investor who is well respected for his views in the securities industry.

In the 70s, he co-founded the Quantum Fund. Over the decade, S&P gained 50% while the Quantum Fund rose 4,200% over the decade and positioned itself as one of the best performing hedge funds at that time.

As an internationally renowned visionary, Jim is frequently featured as a regular commentator and columnist in Time, The Washington Post, The New York Times, Barron's, Forbes, Fortune, The Wall Street Journal, The Financial Times, The Business Times, The Straits Times amongst many other renowned publications. Jim has also written many best sellers and his works include Investment Biker, Adventure Capitalist, Hot Commodities, A Bull in China, A Gift to My Children, Street Smarts, The Next Big Wave, The Future of Japan and The World That Will Be Read Through the Flow of Money, A Warning to Japan.

Jim graduated with a Bachelor's degree cum Laude degree in history from Yale University in 1964 and then earning his second Bachelor's degree in philosophy, politics and economics from Oxford University, as a member of Balliol College, in 1966.

For more information, please visit <https://www.ooway.com>

About Kitchen Culture Holdings Ltd.

Listed on the SGX-Catalist in 2011, Kitchen Culture Holdings Ltd. (“Kitchen Culture” or the “Company”, and together with its subsidiaries, the “Group”) ranks among Singapore’s leading distributors of high-end kitchen systems, kitchen appliances, wardrobe systems, bathroom furniture, household furniture and kitchen accessories from Europe. Backed by more than 28 years of experience and track record in the business, Kitchen Culture has established itself as a premier kitchen solutions provider for discerning and well-heeled consumers in Singapore, China, Hong Kong and Malaysia.

Over the past few years, Kitchen Culture has established its presence in Hong Kong and also entered the China markets by opening showrooms in Chengdu, Sichuan province. The Company now has showroom locations in Singapore, China, Hong Kong and Malaysia.

In 2016, the Company had re-fitted some of the showrooms in Hong Kong and revamped its Singapore flagship showroom for a brand new look. 2016 also marks its 25th anniversary. In 2017, the Company relocated its Malaysia showroom to its own standalone showroom. In 2019, the Company opened a new showroom in Chengdu located at a lifestyle furniture mall and entered into collaboration with Haier under China Expansion Plan.

While Kitchen Culture engages in distribution and retail sales, much of its success can be attributed to its collaborations with property developers. The Company first supplied kitchen appliances for a luxury development along Cuscaden Walk in 1991. This notable project provided the platform for forging strong working relationships with major property developers, and consequently paved the way for Kitchen Culture’s business diversification into residential projects.

As a testament to its success, Kitchen Culture has received several accolades and a few of the recent ones were “Singapore 1000 Company – Public Listed Companies 2017” given out by DP Information Group, “Singapore Tatler - Best Kitchen (Fitted) 2015” from Singapore Tatler and “1000 High-Growth Companies in Asia-Pacific” awarded by Financial Times in 2018.

For more information, please visit <http://www.kitchenculture.com>

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This press release has been reviewed by the Company’s sponsor, SAC Capital Private Limited (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 press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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