



ELLIPSIZ LTD

Company Registration No. 199408329R
(Incorporated in the Republic of Singapore)

JOINT VENTURE BETWEEN KALMS (SINGAPORE) PTE LTD, JQ GLOBAL PTE LTD, JUSTIN QUEK BOON SIEW AND CHEF & CHEFS PRIVATE LIMITED

1. INTRODUCTION

The board of directors of Ellipsiz Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that on 6 December 2018 Kalms (Singapore) Pte Ltd (“**Kalms SG**”) has entered into a joint venture agreement with JQ Global Pte Ltd (“**JQ Global**”), Justin Quek Boon Siew (“**Justin Quek**”) and Chef & Chefs Private Limited (“**C&C**”) (collectively the “**Parties**”), pursuant to which Kalms SG and JQ Global shall conduct the business of (a) procuring ready-to-eat-meals (“**RTEM**”) for sale; and (b) selling such RTEM to Kalms SG, its nominee(s) or to third party purchaser(s) through C&C, a joint venture company (the “**Joint Venture**”).

2. INFORMATION ON THE PARTIES

2.1 Kalms SG

Kalms SG is a subsidiary company of Kalms Investment Pte Ltd (“**KIPL**”), a joint venture company of the Company. EIR Investments Pte Ltd, a wholly-owned subsidiary of the Company, has a 50% interest in KIPL and the latter holds a 90% interest in Kalms SG.

Kalms SG is in the business of providing and operating retail solutions through intelligent automated retail machines and selling and marketing RTEM via intelligent automated retail machines.

2.2 JQ Global

JQ Global is in the business of, *inter alia*, operating restaurants, providing consultancy services and providing sauces and recipes which are invented, created and/or prepared by Justin Quek, a celebrity chef based in Singapore.

2.3 Justin Quek

Justin Quek is the founder, sole shareholder and a director of JQ Global. He is one of Asia’s most internationally celebrated chefs and has served numerous politicians and dignitaries, such as, the former President of the People’s Republic of China, Jiang Zemin and the founder of Microsoft, Bill Gates. He has won numerous accolades including the World Gourmet Summit Award of Excellence Hall of Fame Best Chef in 2009.

2.4 C&C

C&C was incorporated on 6 December 2018 with an issued and paid-up share capital of S\$2.00 comprising 2 ordinary shares. Kalms SG and JQ Global each holds a 50% equity interest in C&C.

3. RATIONALE FOR THE JOINT VENTURE

The Joint Venture will enable Kalms SG to be the exclusive seller of a premium brand of RTEM which has been created and endorsed by an internationally known chef. The Joint Venture will also achieve operational synergies in that Gozen Pte Ltd (a company in which Kalms SG has a 60% interest) would be able to utilise its kitchen facilities to produce the RTEM. The vertical integration will give Kalms SG more control over the range and diversity of its products and enable it to reap gains through its direct involvement from production to sale.

4. FINANCIAL IMPACT OF THE INCORPORATION OF C&C

The incorporation of C&C was funded through internal resources of Kalms SG and is not expected to have any material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the current financial year ending 30 June 2019.

5. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or the controlling shareholder of the Company has any interest, direct or indirect, in the Joint Venture, save for their shareholdings in the Company.

By order of the Board
KELVIN LUM WEN-SUM
Chief Executive Officer
6 December 2018