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

RESPONSES TO QUESTIONS RECEIVED FROM SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

The Board of Directors (the "**Board**" or "**Directors**") of Singapore Kitchen Equipment Limited (the "**Company**" or "**SKE**", together with its subsidiaries, collectively the "**Group**") wishes to announce its responses to questions received from Securities Investors Association (Singapore) ("**SIAS**") on 21 April 2026:

Q1. The company, through its sponsor, submitted a trading resumption proposal to the Singapore Exchange on 25 July 2025. Following consultations with the exchange, the proposal was withdrawn and the company has since obtained a 12-month extension to 3 October 2026 to comply with Rule 1304 of the Catalist Rules.

Trading has now been suspended for close to five years since 5 August 2021.

(i) **Can the board provide a detailed account of the key issues identified during consultations with the exchange, and clarify whether these issues were new to the group and had not been adequately addressed in the trading resumption proposal?**

(ii) **What concrete steps and corrective actions have been taken to date, what remains outstanding, and what is the expected timeline for full resolution ahead of re-submission?**

(iii) **What has been the involvement of the independent directors in reviewing and preparing the resumption proposal, and how has the sponsor supported or guided the company through the regulatory process?**

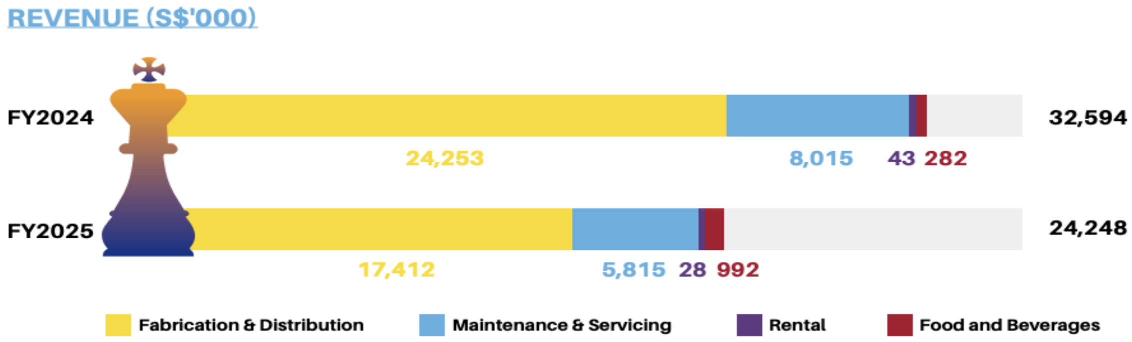
<u>Company's Response:</u>

(i) Please refer to the Company's announcement dated 17 October 2025 for the reasons of seeking a further 12-months extension of time to submit its trading resumption proposal and the withdrawal of the resumption proposal.

(ii) The Company has re-submitted its trading resumption proposal via the Sponsor to SGX on 24 April 2026.

(iii) The resumption proposal was prepared and put forward by management. The independent directors reviewed the proposal and worked with the Company's internal auditors, external auditors and legal counsel to ensure that the key issues which had resulted in the voluntary suspension were addressed. Having satisfied themselves that those issues had been adequately addressed, the independent directors supported the submission of the resumption proposal on the basis that it is in the best interests of the minority shareholders for trading in the Company's shares to be resumed as soon as possible. The Sponsor serves as the primary point of contact with the SGX and provided guidance and advice in the preparation and submission of the resumption of trading proposal.

Q2. The group's revenue declined by 25.5% to $24.3 million in FY2025, compared with $32.6 million in FY2024. Management attributed this to a challenging operating environment, including supply chain disruptions and intensified pricing competition.



(Source: company annual report)

At the same time, while parts of the F&B sector have faced closures, there has been a notable influx of new entrants, including large Chinese F&B chains expanding rapidly in Singapore. This suggests a more nuanced industry dynamic than a uniformly weak market.

(i) Can management explain whether the group has been able to capture opportunities arising from new F&B entrants, particularly inbound Chinese brands?

(ii) Can management specify the nature of the supply chain disruptions currently affecting the group, including which inputs are impacted, and explain why these issues persist despite broader normalisation in global supply chains?

(iii) How is the group incorporating artificial intelligence into its operations, such as in fabrication design or within its F&B-related activities, and what measurable impact does management expect on efficiency, margins, or growth?

Company's Response:

(i) The influx of new F&B entrants, including large Chinese F&B chains, has been a notable feature of the Singapore F&B landscape in recent years. The Group's main customers continue to be local homegrown F&B chains. The Group has secured some business from inbound Chinese F&B chains, but the majority of these chains source their kitchen equipment from China-based suppliers with whom they have existing relationships in their home market, typically at price points below local fabrication costs.
This trend has coincided with an increase in PRC-based kitchen equipment suppliers selling directly into the Singapore market, including to local F&B operators. Together, these two developments have contributed to margin compression in the Group's core fabrication and distribution business. The Group competes on quality, customisation, lead time and after-sales service rather than on price alone, continues to focus on local homegrown F&B chains where its value proposition is strongest, and has diversified into the F&B segment to broaden its revenue base.

(ii) The nature of supply chain disruptions in 2025-2026 is fundamentally different, shifting from the broad pandemic-era shutdowns to targeted structural and geopolitical volatility. While global logistics have "normalized" in terms of ocean freight capacity, the Group faces persistent headwinds from tariff volatility, critical material scarcity, and geopolitical weaponization of key maritime chokepoints.

(iii) As at the date of this announcement, the Group has not embedded artificial intelligence ("AI") into its own fabricated kitchen equipment or its F&B outlet operations in any material way. The Group is at an exploratory stage and is studying the use of AI-enabled tools for back-end functions such as design drafting, demand forecasting and inventory planning. Separately, certain upstream equipment manufacturers whose products the Group distributes and installs for customers have begun to offer AI-enabled features (for example, cooking equipment that adjusts temperature and time based on load), and the Group monitors these developments as part of its ordinary product selection process. Management does not, at this stage, expect AI adoption to have a measurable impact on the Group's efficiency, margins or growth in the near term, and will update shareholders if and when this changes.

Q3. The group has diversified into the food and beverage segment through the opening of cafes and lifestyle coffeeshops.

Strategic Diversification

To drive revenue growth, SKE has ventured into synergistic business activities, reducing its exposure to risks within the commercial kitchen equipment segment. This strategic move was undertaken to mitigate industry headwinds experienced since January 2025.

In 2025, under the trade name Tic Toc Kopi, SKE expanded into the F&B space, operating one café, Sync Haus, and one upcoming lifestyle coffeeshop, Tic Toc @ Alkaff. This expansion brings its portfolio to two lifestyle coffeeshops—Chill Bar (since January 2025) and Tic Toc @ Alkaff (opening in April 2026)—and two cafés—To U @ Senang (since February 2025) and Sync Haus (since September 2025). Together, these outlets generated approximately $1 million in revenue.

This contributed approximately 0.5% to SKE's FY2025 revenue. SKE remains agile in addressing on-the-ground challenges. With a strong team across sales, technical, service and executive functions, the Group is well-positioned to deliver improved performance in 2026 and return to profitability.

(Source: company annual report)

Based on disclosed figures, this segment contributed approximately $991,870 in revenue, representing approximately 4.1% of group revenue, which differs from the 0.5% referenced by management.

(i) Has the board assessed if this diversification significantly alters the group's overall risk profile? Also, has management maintained its strategic focus on the core business?

In the FY2024 annual report, management described the expansion as entry into the "food court" business. The group has since opened, or will open, two cafes and two lifestyle coffeeshops.

(ii) Can the board clarify the intended business model, target customer segment, and how these formats fit within a coherent F&B strategy?

The F&B segment recorded losses of $(2.7) million against revenue of $991,870.

(iii) What are the reasons for the significant loss?

(iv) What due diligence was undertaken by the board/independent directors prior to entering the F&B segment, and what competitive advantages does the group possess in operating such outlets? How much capital has been committed or approved for this diversification?

<u>Company's Response</u>:

There is an error on the figure which should read 4.1% instead of 0.5%.

(i) The Board of Directors oversees the Group's risk appetite. As the F&B revenue is still relatively small at 4.1% of the Group's entire revenue, the Board has assessed that the current venture into the F&B segment does not significantly alter the Group's overall risk profile.

Nevertheless, the Board is constantly monitoring the Group's expansion into the F&B business. The Board regularly reviews the Group's risk exposures and trends to ensure they align with existing risk management frameworks. The Company will seek shareholders' approval for the diversification of business when it constitutes a material change of risk profile.

The Board has confirmed that recent diversification efforts have been structured to maintain a balanced risk profile, while management remains committed to a "strategic reset" that continues to prioritize core business performance. The Company continues to work with manufacturers on innovation and explore potential overseas market with government assistance.

(ii) The Company is doing a strategic pivot towards becoming a comprehensive F&B space operator, expanding beyond our traditional kitchen equipment core business.

The intended business model is to adopt a hybrid model designed to reduce exposure to risks in the commercial kitchen equipment segment while capturing value from the entire F&B ecosystem.

In Outlet Management, the Company is functioning as a "traffic aggregator" by managing food courts and coffee shops, which includes sub-leasing stalls to third-party hawkers to generate recurring rental income.

In Direct F&B Retail, operating proprietary outlets under the Tic Toc Kopi trade name helps to capture consumer-facing margins. This diversification allows the Group to benefit from both landlord-style rental stability and retail sales growth

The Company's target customer segments are tiered to address different demographics within Singapore's shifting lifestyle landscape:

- Cafes (To U @ Senang, Sync Haus): Target younger, "lifestyle-oriented" consumers and professionals looking for modern, air-conditioned dining and aesthetic "chill" environments.

- Lifestyle Coffeeshops (Chill Bar, Tic Toc @ Alkaff): Are aimed at "heartland" residents and the general public, providing traditional coffeeshop culture (value-for-money options) but with upgraded, "organized" dining spaces

These formats integrate into a coherent strategy centered on synergy and resilience:

- Synergistic Expansion: The new F&B outlets leverage SKE's core expertise in commercial kitchen fabrication, effectively acting as internal showrooms and proof-of-concepts for their equipment.

- Revenue Diversification: This segment provides a hedge against headwinds in the core fabrication business. In FY2025, the F&B segment already recorded a threefold increase in revenue (to S$1.0 million), contributing 4.1% to the Group's total revenue as a high-growth pivot.

- Portfolio Balance: By mixing food courts (stable sub-leasing) with lifestyle cafes (higher margin retail), the board aims to build a resilient, multi-brand portfolio that can weather macroeconomic volatility.

(iii) The reasons for the significant loss are mainly coming from initial start-up costs and staffing costs. The Company has been actively managing the staff costs and has seen improvements in 2026 with some outlets breaking even.

(iv) The Board conducted a preliminary assessment prior to entry into the F&B business, evaluating on the business model and potential for new revenue streams, CAPEX and return on investment against a backdrop of global economic uncertainty and rising costs.

The Board had also assessed whether this diversification would significantly alter the Group's overall risk profile and ensured that management maintained its strategic focus on the core fabrication and distribution business.

The Group possesses several strategic advantages in operating these outlets. The F&B business will leverage on the Company's core expertise in kitchen solutions, often offering products that reduce labour costs and improving on food consistency and speed. The Company will also have a vast network of readily available tenants to tap on from our existing F&B customers' base.

The Company has committed approximately S$1.5 million for the entire F&B business segment so far.

By Order of the Board

SINGAPORE KITCHEN EQUIPMENT LIMITED

Chua Chwee Choo
Executive Director and Chief Executive Officer
27 April 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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