



**KITCHEN CULTURE HOLDINGS LTD.**

(Company Registration No: 201107179D)

(Incorporated in the Republic of Singapore on 25 March 2011)

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**UPDATE ON JUDICIAL MANAGEMENT APPLICATION BY SUBSIDIARY  
AND WINDING UP APPLICATION**

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The Board of Directors (the “**Board**”) of Kitchen Culture Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements dated 23 December 2021, 17 January 2022, 7 February 2022, 17 March 2022, 22 March 2022, and 25 March 2022 (“**25 March Announcement**”) in relation to the following proceedings:

- (1) The winding up application that was filed on 13 December 2021 by Kim Hup Lee & Co (Private) Limited (“**Kim Hup Lee**”) against the Company’s wholly-owned subsidiary, KHL Marketing Asia-Pacific Pte Ltd (“**KHLM**”) (the “**Winding Up Application**”); and
- (2) The judicial management application that was filed on 13 January 2022 by KHLM (the “**JM Application**”),

(collectively, the “**Applications**”).

**Update on the outcome of the Applications**

A further hearing of the Winding Up Application was held on 5 April 2022, as mentioned in the 25 March Announcement. As there was no appeal against the Court’s decision on the JM Application, the Court proceeded to deliver its decision on the Winding Up Application and granted the said application.

Accordingly, as of 5 April 2022, KHLM has entered into compulsory liquidation. Mr. Gary Loh Weng Fatt and Mr. Leow Quek Shiong, both care of BDO Advisory Pte Ltd, have been appointed the joint and several liquidators of KHLM.

Once compulsory liquidation commences, the powers of KHLM’s directors will vest in the liquidators, and the liquidators will effectively displace the directors. In general, the role of the liquidators would be to *inter alia* investigate into the affairs and assets of the company, realise the company’s assets in the most advantageous manner and ultimately adjudicate the claims of the creditors and distribute dividends. In the case of KHLM, the liquidators would also have to consider any potential claims that can be made by KHLM or existing legal proceedings and decide whether to commence or continue these claims.

As the Group has effectively lost control of KHLM with effect from 5 April 2022, KHLM has ceased to be a wholly owned subsidiary of the Group, and will be deconsolidated from the Group’s financial statements from 5 April 2022 in accordance with SRSF(I) 10 *Consolidated Financial Statements*, paragraph 25, which states that

“if a parent loses control of a subsidiary, the parent:

- a) derecognises the assets and liabilities of the former subsidiary from the consolidated statement of financial position;

- b) recognises any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant SFRS(I)s. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with SFRS(I) 9 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture;
- c) recognises the gain or loss associated with the loss of control attributable to the former controlling interest.”

Since KHLM has been loss making for several years, the winding up of KHLM will likely result in lower operating losses and net cash outflows for operating activities for the Group.

The Board will make further announcements on other material developments, as and when required.

By Order of the Board

Hao Dongting  
Non-Executive Chairperson  
7 April 2022

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*This announcement 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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms. Lee Khai Yinn (Tel (65) 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.*