



KITCHEN CULTURE HOLDINGS LTD.

(Company Registration No: 201107179D)

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

INDEMNITIES EXTENDED BY THE COMPANY

1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Kitchen Culture Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company had, pursuant to Article 172 of the Company's Constitution, extended the following indemnities to its directors:

- (1) an indemnity to each of Mr William Teo Choon Kow ("**Mr Teo**") and Mr Ang Lian Kiat ("**Mr Ang**"), out of the assets of the Company, from and against all losses, damages, charges, costs (including legal costs) and expenses of whatever nature which each of them may sustain, incur or suffer, directly and/or indirectly, as a result of or arising out of a demand letter sent by Mr Lim Wee Li ("**Mr Lim**") dated 2 August 2021 in the discharge of Mr Teo and Mr Ang's Directors' duties; and
- (2) an indemnity to Mr Lincoln Teo Choong Han ("**Mr Lincoln Teo**"), out of the assets of the Company, from and against any and all losses, damages, charges, costs (including legal costs) and expenses of whatever nature which each of them may sustain, incur or suffer, directly and/or indirectly, as a result of or arising out of a demand letter sent by Mr Lim dated 23 August 2021 in the discharge of Mr Lincoln Teo's CEO and Director's duties.

The background to these indemnities is set out below.

2. DETAILS OF THE INDEMNITIES

On 8 July 2021, the Company had announced that the Board had terminated the employment of Mr Lim as the Chief Executive Officer ("**CEO**") of the Company with effect from 7 July 2021.

On 12 July 2021, the Company released a further announcement in response to certain queries from Singapore Exchange Securities Trading Limited ("**SGX-ST**"). This announcement elaborated on the "*gross default or grave misconduct*" for which the Company had terminated Mr Lim's employment.

By a Notice of Compliance dated 14 July 2021 ("**Notice**"), the Singapore Exchange Regulation ("**SGX RegCo**") then required the Company's Nominating Committee ("**NC**") to disclose details of its assessment and considerations in arriving at the decision to terminate Mr Lim's employment as the CEO of the Company.

In compliance with SGX RegCo's Notice, the Board released an announcement on 1 August 2021, enclosing a statement from the majority of the NC, being the independent directors of the Company, Mr Ang (being the NC Chairman) and Mr Teo, setting out their assessment and considerations (the "**NC Statement**").

On 2 August 2021, Mr Lim's lawyers sent a letter of demand to Mr Ang and Mr Teo, alleging that that the NC Statement was defamatory and had damaged Mr Lim's reputation. Mr Ang and Mr Teo then requested for an indemnity from the Company (as the NC Statement was released in the course of the

execution of their office duties as directors of the Company), which was approved by a majority of the Board. Mr Lim, Mr Ang and Mr Teo had abstained as they had an interest in the matter.

Following this, on 23 August 2021, Mr Lim's lawyers sent a further letter of demand to Mr Lincoln Teo, alleging that he too had defamed Mr Lim and damaged his reputation based on publication of certain statements which Mr Lincoln Teo had made in the course of his execution of his duties as Interim CEO. Mr Lincoln Teo then requested for an indemnity from the Company (as this allegation arose in the course of the execution of his office duties as a director of the Company), which was approved by a majority of the Board. Mr Lim and Mr Lincoln Teo had abstained as they had an interest in the matter.

3. RATIONALE FOR THE PROVISION OF THE INDEMNITIES

Article 172 of the Company's Constitution provides that every director of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no such directors or other office shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. However, this Article shall only have effect in so far as its provisions are not avoided by the Companies Act of Singapore.

The majority of the Board, having considered all relevant matters, was of the view that Mr Lincoln Teo, Mr Ang and Mr Teo had published the relevant allegedly defamatory statements, in the execution of their duties as directors of the Company. The Company was accordingly obliged to provide the relevant indemnities requested.

The indemnities extended to Mr Ang, Mr Teo, and Mr Lincoln Teo include the costs incurred by Mr Ang, Mr Teo, and Mr Lincoln Teo in the defence of two lawsuits, which Mr Lim has since commenced against them, arising from the matters raised in the abovementioned letters of demand.

4. FINANCIAL IMPACT

To date, the Company has incurred the total amount of S\$181,183 (including GST) in legal fees and costs which comprises of the following:

- (a) Legal fees and costs of approximately S\$39,000 incurred pursuant to the indemnities extended to Mr Lincoln Teo;
- (b) Legal fees and costs of approximately S\$86,000 incurred pursuant to the indemnities extended to Mr Ang and Mr Teo;
- (c) Deposit of S\$30,000 payable to the lawyer of Mr Ang and Mr Teo; and
- (d) Amount payable of S\$26,000 by Mr Ang and Mr Teo to Mr Lim at the Court's order in relation to the Court's dismissal of the application and appeal to strike out the relevant lawsuit.

The Company is unable to ascertain the financial impact of the abovementioned indemnities to the Group as the legal proceedings are ongoing.

The Company will provide further updates on material developments in relation to the lawsuits and the total amount indemnified when the lawsuits are concluded.

By Order of the Board

Hao Dongting
Non-Executive Chairperson
4 March 2022

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.