



KITCHEN CULTURE HOLDINGS LTD.

(Company Registration No: 201107179D)
(Incorporated in the Republic of Singapore on 25 March 2011)

UPDATE ON LEGAL PROCEEDINGS

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 10 August 2021, 20 August 2021, 17 September 2021, 28 October 2021, 22 November 2021, 4 March 2022 and 31 August 2022 (the “**Previous Announcements**”) in relation to *inter alia* the following proceedings:

- (1) The action commenced by the Company’s subsidiary, KHL Marketing Asia-Pacific Pte Ltd (“**KHLM**”), which is presently in liquidation, against the Company’s former Chief Executive Officer, Mr. Lim Wee Li, and two foreign nationals, Mr. Du Kun and Mr. Wang Yanchao, to recover the amount of S\$520,000 from the three defendants (“**KHLM’s Suit**”);
- (2) The action commenced by Mr. Lim Wee Li against the Company (“**Mr. Lim Wee Li’s Suit**”) on *inter alia* the basis that the Company had purportedly wrongfully terminated his appointment as Chief Executive Officer of the Company; and
- (3) The action commenced by Mr. Lim Wee Li against two Independent Directors of the Company, Mr. William Teo Choon Kow (“**Mr. William Teo**”) and Mr. Ang Lian Kiat (“**Mr. Ang**”), as well as the former Executive Director and Interim Chief Executive Officer of the Company, Mr. Lincoln Teo Choong Han (“**Mr. Lincoln Teo**”), for defamation (“**LWL Defamation Suits**”).

Updates on KHLM’s Suit

With respect to KHLM’s Suit, as previously stated in the announcement dated 31 August 2022, Mr. Du Kun and Mr. Wang Yan Chao had an ongoing counterclaim against the Company which was transferred to the State Courts.

On 9 November 2022, Mr. Du Kun and Mr. Wang Yanchao filed a Notice of Discontinuance in respect of their counterclaim against the Company. Mr. Du and Mr. Wang’s counterclaim against the Company have therefore been discontinued and the Company is no longer involved in any proceedings in connection with the KHLM’s Suit.

Updates on Mr. Lim Wee Li’s Suit

With respect to Mr. Lim Wee Li’s Suit in HC/S 769/2021, the following developments have taken place since the Previous Announcements:

- (a) The Company reviewed Mr. Lim Wee Li’s Statement of Claim (Amendment No. 1) dated 5 November 2021, and filed its Defence and Counterclaim (Amendment No. 1) on 22 November 2021.
- (b) Parties in Mr. Lim Wee Li’s Suit filed further and better particulars to their respective pleadings on 27 December 2021.

- (c) On 31 March 2022, Mr. Lim Wee Li filed an application for his Suit to be consolidated with two other Suits commenced by him against other directors of the Company ("**Consolidation Application**"). However, the hearing of the Consolidation Application was adjourned.
- (d) Between April 2022 and December 2022, the Board and Mr. Lim Wee Li have been in without prejudice negotiations in respect of the settlement of their respective claims and counterclaims in Mr. Lim Wee Li's Suit.

Having considered (a) the merits of the Company's and Mr. Lim Wee Li's claims in HC/S 769/2021, (b) the Company's present financial situation, (c) the present status of litigation between the Company and Mr. Lim Wee Li in HC/S 769/2021, (d) the costs incurred to-date in connection with said litigation, and (e) the advice of the Company's solicitors on the aforesaid litigation, the Board has agreed to enter into a legal settlement with Mr. Lim Wee Li for and on behalf of the Company.

The aforesaid legal settlement was entered into by way of a written agreement dated 28 December 2022 and the Board will take the necessary steps to procure the discontinuance of the Company's and Mr. Lim Wee Li's claims in Mr. Lim Wee Li's Suit. For the avoidance of doubt, the legal settlement entered into between the Company and Mr. Lim Wee Li does not prohibit the Company from doing anything which it is legally mandated to do (including but not limited to complying with directions made by SGX RegCo, or any directive(s) issued by the Special Auditor appointed pursuant to SGX RegCo's Notice of Compliance dated 19 August 2021).

Updates on LWL Defamation Suits

The Board wishes to inform that the lawsuit commenced by the Company's former Chief Executive Officer, Mr. Lim Wee Li, against two Independent Directors of the Company, Mr. William Teo and Mr. Ang for defamation, has been discontinued with effect from 26 September 2022.

Furthermore, as Mr. Lincoln Teo has ceased to be the Executive Director and Interim Chief Executive Officer of the Company with effect from 15 July 2022, the indemnity obligation of the Company on the lawsuit commenced by the Company's former Chief Executive Officer, Mr. Lim Wee Li, against him has thus ceased on 15 July 2022.

The total amount of indemnities extended to Mr. William Teo, Mr. Ang and Mr. Lincoln Teo arising from the LWL Defamation Suits was S\$217,398, which comprises the following:

- (a) Legal fees and costs of approximately S\$137,227 incurred pursuant to the indemnities extended to Mr. William Teo and Mr. Ang;
- (b) Legal fees and costs of approximately S\$54,171 incurred pursuant to the indemnities extended to Mr. Lincoln Teo; and
- (c) Amount payable of S\$26,000 by Mr. William Teo and Mr. Ang to Mr. Lim Wee Li at the Court's order in relation to the Court's dismissal of the application and appeal to strike out the relevant lawsuit.

By Order of the Board

Lau Kay Heng
Non-Executive Non-Independent Chairman
10 January 2023

*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.*

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