



KITCHEN CULTURE HOLDINGS LTD.
(Company Registration No: 201107179D)
(Incorporated in the Republic of Singapore on 25 March 2011)

ENTRY INTO A LOAN AGREEMENT

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Kitchen Culture Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 30 August 2022 entered into a redeemable loan agreement (“**Loan Agreement**”) with Mr Tan Gin Tat (the “**Lender**”). Pursuant to the Loan Agreement, the Lender has agreed to grant a loan in the principal amount of S\$1,000,000 (the “**Loan**”) to the Company, subject to the terms and conditions set out in the Loan Agreement.

2. SALIENT TERMS OF THE LOAN AGREEMENT

The salient terms of the Loan Agreement are as follows:

Principal Amount	S\$1,000,000
Term	The term of the Loan will commence on the date of the Loan Agreement for a period of one (1) year (“ Term ”).
Repayment	The Loan will be payable in one lump sum upon the expiry of the Term or upon the repayment of the Loan (whichever is the earlier). The Company will be entitled to repay the Loan in full at any time prior to the expiry of the Term upon giving at least seven (7) days’ notice to the Lender prior to the repayment of the Loan.
Placement Option	At the request of the Company, the Lender will enter into a subscription agreement with the Company to provide for the subscription of ordinary shares in the capital of the Company (“ Shares ”) to be issued and allotted by the Company within one week following the resumption of trading of the Shares on the Catalist of the Singapore Exchange Securities Trading Limited (“ SGX-ST ”) (“ Resumption of Trade ”) on terms including: (i) the subscription price per Share shall be priced at 10% discount to the weighted average price for trades of the Shares done on the Catalist of the SGX-ST for the full market day on which such subscription agreement is signed, or if trading in the Shares is not available for a full market day, the weighted average price for trades of the Shares done on the preceding market day before such subscription agreement is signed (rounded up to the nearest 3 decimal places in Singapore dollars). Where there are no trades of the Shares on the Catalist during the period of one

	<p>week following the Resumption of Trade, the subscription price per Share shall be priced at 10% discount to the weighted average price for trades of the Shares done on the Catalist for the last full day on which the Shares were traded prior to the suspension of trade of the Shares up to the time the suspension was effected, being the subscription price of S\$0.0732 per Share;</p> <p>(ii) the entire aggregate amount owing to the Lender under the Loan Agreement (being the Loan) shall be applied towards settlement of the subscription consideration for such subscription of Shares at the above subscription price (fractional shares to be disregarded); and</p> <p>(iii) the usual and customary terms for transactions of a similar nature, including the subscription of Shares to be subject to the SGX-ST's approval and in compliance with the Listing Manual Section B: Rules of Catalist of the SGX-ST ("Catalist Rules")</p>
Interest	<p>The Loan will bear simple interest at the rate of 10% per annum on the principal amount of the Loan for the entire duration of the Term, being the amount of S\$100,000.</p> <p>Such interest will be prepaid on the date of disbursement of the Loan, and the Lender will be entitled to withhold such amount from the Loan before disbursing the Loan less the interest to the Company. In the event that the Loan is repaid prior to the expiry of the Term, the interest (or any part thereof) will be non-refundable.</p>
Purpose of the Loan	<p>The Loan (less the interest) shall be used by the Company for general working capital purposes.</p>
Event of Default	<p>Upon the occurrence of (i) the Company making a general assignment for the benefit of creditors or consent to the appointment of a receiver, liquidator, custodian, or similar official of all or substantially all of his properties, or any such official is placed in control of such properties; or (ii) there being any change in the composition of the existing Board of Directors as at the date of the Loan Agreement such as the removal of any existing director or addition of new director, without the prior written consent of the Lender (each an "Event of Default"), and where such Event of Default is capable of remedy and has not been remedied for 30 days after the occurrence of such Event of Default, the Lender may at his discretion request in writing to the Company to repay the Loan, and the Company shall make such repayment of all outstanding amounts under the Loan Agreement within 30 days after receipt of such written request.</p>

In determining the interest terms on the Loan (including the interest rate and prepayment of interest which is non-refundable), the Company took into consideration the challenges in obtaining a loan from banks and other financial institutions in view of the financial position and operations of the Group, as well as the typical requirement to provide some form of collateral or other security for loans obtained from other financial service providers, in addition to administrative charges.

3. INFORMATION ON THE LENDER

The Lender is a third-party private investor. The Lender is a personal contact of Mr Lim Wee Li, the Executive Director of the Company, and was introduced to the Company via Mr Lim Wee Li. For avoidance of doubt, Mr Lim Wee Li is not compensated for introducing the Lender to the Company.

As at the date of this announcement, the Lender does not hold, directly and indirectly, any Shares in the Company. To the best of knowledge of the Directors, the Group, the Company, its Directors and substantial shareholders do not have any connection (including business relationship) with the Lender, save as stated above.

There is no introducer fee, arranger fee or other commission payable to any party in connection with the Loan Agreement.

4. RATIONALE FOR THE LOAN

For the financial period ended 31 December 2021, the Group reported a net loss of S\$3.7 million and negative operating cash flows of S\$2.0 million. The Group's working capital position and net asset position was S\$1.6 million and S\$25.3 million respectively as at 31 December 2021. As at the date of this announcement, the cash and cash equivalents of the Company and the Group are currently standing at S\$26,559 and S\$230,128, respectively.

As part of its efforts in addressing going concern issues of the Group, the Board is of the view that the Company's entry into the Loan Agreement is beneficial to the Group as it will help the Group to meet its anticipated general working capital requirements up to end of 2022. If the Loan is applied towards the subscription of Shares at the Company's request in the event of the Resumption of Trade, this would allow the Group to strengthen its financial position. The Company will continue working on other fundraising activities to strengthen the financial position of the Group and will make further announcement(s) as and when appropriate.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Loan Agreement (other than through their respective shareholdings (if any) and/or directorships in the Company).

The Company will make further announcement(s) in relation to the Loan Agreement, as and when appropriate.

By Order of the Board

William Teo Choon Kow
Lead Independent Director
30 August 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.