

CIRCULAR DATED 11 JUNE 2018

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Kitchen Culture Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”). If you are in any doubt as to the course of action you should take, you should consult your bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of EGM (as defined herein) and the attached Proxy Form (as defined herein) to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this Circular. This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made, or reports contained in this Circular. The contact person for the Sponsor is Ms. Lee Khai Yinn (telephone no.: (65) 6532 3829), at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.



KITCHEN CULTURE HOLDINGS LTD.
(Company Registration Number 201107179D)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**THE PROPOSED CONVERSION OF THE SHAREHOLDER'S LOANS OF S\$2,500,000
INTO 18,477,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY
AT THE ISSUE PRICE OF S\$0.1353 PER SHARE**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	24 June 2018 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	26 June 2018 at 10.00 a.m.
Place of Extraordinary General Meeting	:	25 New Industrial Road #02-01 KHL Building Singapore 536211

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

- “associate”* : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more,
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Audit Committee”* : The audit committee of the Company, comprising Mr Ong Beng Chye, Mr Kesavan Nair and Ms Joanne Khoo Su Nee
- “Board”* : The board of Directors of the Company as at the Latest Practicable Date
- “Catalist”* : The sponsor-supervised listing platform of the SGX-ST
- “Catalist Rules”* : The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
- “CDP”* : The Central Depository (Pte) Limited
- “Circular”* : This circular to Shareholders dated 11 June 2018
- “Companies Act”* : The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
- “Company”* : Kitchen Culture Holdings Ltd.
- “Completion”* : Completion of the Proposed Debt Conversion
- “Control”* : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company

DEFINITIONS

<i>"Controlling Shareholder"</i>	: A person (including a corporation) who: <ul style="list-style-type: none">(a) holds directly or indirectly 15% or more of the nominal amount of all voting Shares; or(b) in fact exercises Control over the Company
<i>"Debt Conversion Deed"</i>	: The conditional debt conversion deed entered into between the Company and Mr Lim Wee Li dated 14 February 2018
<i>"Debt Conversion Shares"</i>	: 18,477,000 new Shares in the capital of the Company to be allotted and issued at the Issue Price to Mr Lim Wee Li in repayment of a portion of the Shareholder's Loans extended by Mr Lim Wee Li amounting to S\$2,500,000
<i>"Directors"</i>	: The directors of the Company as at the Latest Practicable Date
<i>"EGM"</i>	: The extraordinary general meeting of the Company to be held on 26 June 2018, notice of which is set out on pages 16 and 17 of this Circular
<i>"FY"</i>	: Financial year of the Company ended or ending 30 June (as the case may be)
<i>"Group"</i>	: The Company and its subsidiaries, collectively
<i>"HY"</i>	: 6-month financial period of the Company ended or ending 31 December (as the case may be)
<i>"Independent Directors"</i>	: Mr Ong Beng Chye, Mr Kesavan Nair and Ms Joanne Khoo Su Nee, who are considered independent in relation to the Proposed Debt Conversion
<i>"Issue Price"</i>	: S\$0.1353 per Debt Conversion Share
<i>"Latest Practicable Date"</i>	: 31 May 2018, being the latest practicable date prior to the printing of this Circular
<i>"Notice of EGM"</i>	: The notice of EGM set out on pages 16 and 17 of this Circular
<i>"NTA"</i>	: Net tangible assets
<i>"Ordinary Resolution"</i>	: The ordinary resolution to be passed by Shareholders at the EGM to be convened for Shareholders to consider and approve the Proposed Debt Conversion
<i>"Proposed Debt Conversion"</i>	: The proposed repayment of a portion of the Shareholder's Loans amounting to S\$2,500,000 by the Company to Mr Lim Wee Li, by way of the allotment and issue of the Debt Conversion Shares to Mr Lim Wee Li
<i>"Proxy Form"</i>	: The proxy form attached to this Circular

DEFINITIONS

“Securities Account”	:	The securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
“SFA”	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share(s)”	:	Ordinary share(s) in the capital of the Company
“Shareholder’s Loans”	:	The total outstanding loans extended by Mr Lim Wee Li to the Company, which are interest-free, unsecured and repayable on demand, and amounting to S\$4,791,710 as at the Latest Practicable Date
“Shareholders”	:	The registered holders of the Shares in the register of members of the Company, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Shares
“Sponsor”	:	SAC Capital Private Limited
“Substantial Shareholder”	:	A person (including a corporation) who holds directly or indirectly 5% or more of the total issued voting Shares

Currencies, Units and Others

“%”	:	Per centum or percentage
“S\$” or “cents”	:	Singapore dollars and cents, respectively

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA. The term “**subsidiary**” shall have the same meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference in this Circular to shares being allotted to a person includes allotment to CDP for the account of that person.

Any reference to a time of day and to dates in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

DEFINITIONS

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in this Circular between the sum of the figures stated and the total thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures which precede them.

LETTER TO SHAREHOLDERS

KITCHEN CULTURE HOLDINGS LTD.
(Company Registration Number 201107179D)
(Incorporated in the Republic of Singapore)

Board of Directors

Lim Wee Li (Executive Chairman and Chief Executive Officer)
Ong Beng Chye (Lead Independent Director)
Kesavan Nair (Independent Director)
Joanne Khoo Su Nee (Independent Director)

Registered Office

25 New Industrial Road
#02-01 KHL Building
Singapore 536211

11 June 2018

To: The Shareholders of Kitchen Culture Holdings Ltd.

Dear Sir/Madam

THE PROPOSED CONVERSION OF THE SHAREHOLDER'S LOANS OF S\$2,500,000 INTO 18,477,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE ISSUE PRICE OF S\$0.1353 PER SHARE

1. INTRODUCTION

The Directors are convening an EGM to be held on Tuesday, 26 June 2018 at 10.00 a.m. to seek the approval of Shareholders in respect of the Proposed Debt Conversion.

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Debt Conversion, and the rationale thereof, and to seek Shareholders' approval at the EGM for the Ordinary Resolution in respect of the Proposed Debt Conversion as set out in the Notice of EGM.

The SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made, or reports contained in this Circular. If a Shareholder is in any doubt as to the course of action he should take, he should consult his bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser immediately.

2. PROPOSED DEBT CONVERSION

2.1 Background

On 14 February 2018, the Company announced that it had entered into the Debt Conversion Deed with Mr Lim Wee Li in relation to the Proposed Debt Conversion.

Mr Lim Wee Li is the Executive Chairman, Chief Executive Officer and Controlling Shareholder of the Company, holding 74.7% of the total number of issued and paid-up Shares as at the Latest Practicable Date.

As at the Latest Practicable Date, the total outstanding loans extended by Mr Lim Wee Li to the Company which are interest-free, unsecured and repayable on demand, amounts to an aggregate of S\$4,791,710. Pursuant to the Debt Conversion Deed, Mr Lim Wee Li had agreed to convert S\$2,500,000 of the Shareholder's Loans into 18,477,000 Debt Conversion Shares at the Issue Price, fractional entitlements to be disregarded.

LETTER TO SHAREHOLDERS

The Shareholder's Loans were extended by Mr Lim Wee Li to the Company to fund its operational requirements and for its working capital purposes.

2.2. Rationale for the Proposed Debt Conversion

Based on the Group's latest announced unaudited consolidated financial statements for HY2018, the Group has incurred a net loss attributable to owners of the Company amounting to approximately S\$1.7 million, was in a negative working capital position of S\$3.2 million and in a net liability position of S\$1.4 million. The Proposed Debt Conversion will enable the Group to (i) improve its working capital and NTA value, (ii) reduce its indebtedness, gearing and loss per Share, (iii) eliminate the need for cash repayment for the full amount of the Shareholder's Loans owed to Mr Lim Wee Li in view of the current financial and cash position of the Group, and (iv) allow the Group to focus its resources on stabilising its business activities and financial position to enable it to continue as a going concern.

2.3 Terms of the Proposed Debt Conversion

2.3.1 Debt Conversion Shares

As at the Latest Practicable Date, the issued and paid-up share capital of the Company comprises 100,000,000 Shares (the "**Share Capital**"). The 18,477,000 Debt Conversion Shares represent approximately 18.5% of the Share Capital and approximately 15.6% of the enlarged Share Capital upon Completion. Following Completion, Mr Lim Wee Li will hold approximately 78.6% of the enlarged Share Capital. Please refer to paragraph 7 of this Circular for the changes in shareholdings of the Company as a result of the Proposed Debt Conversion.

The Debt Conversion Shares will, when allotted and issued, be credited as fully paid-up, free from any and all encumbrances, and shall rank *pari passu* in all respects with and carry all rights similar to the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of allotment and issue of the Debt Conversion Shares.

2.3.2 Issue Price

The Issue Price of S\$0.1353 for each Debt Conversion Share which was mutually agreed between the Company and Mr Lim Wee Li, was arrived at after taking into consideration, *inter alia*, (i) the rationale for the Proposed Debt Conversion as set out in paragraph 2.2 of this Circular; (ii) Mr Lim Wee Li's undertaking to provide financial support for the Group when necessary; and (iii) the amount of financial support provided by Mr Lim Wee Li to the Group as at the Latest Practicable Date.

The Issue Price represents a discount of approximately 10.0% to the volume weighted average price of S\$0.1503 for trades done on Catalist on 21 November 2017 (being the last full market day on which the Shares were traded on Catalist preceding the date of the Debt Conversion Deed). The discount is within the limit prescribed by Rule 811(1) of the Catalist Rules.

LETTER TO SHAREHOLDERS

2.3.3 Conditions Precedent

Completion is conditional upon, *inter alia*, the fulfilment of the following conditions precedent:

- (i) the listing and quotation notice being obtained from the SGX-ST for the listing of and quotation for the Debt Conversion Shares on Catalist and not having been revoked or amended and, where such approval is subject to conditions, to the extent that any conditions for the listing of and quotation for the Debt Conversion Shares on Catalist are required to be fulfilled on or before the date of Completion, they are so fulfilled;
- (ii) the approval of the Shareholders being obtained in respect of the Proposed Debt Conversion at the EGM; and
- (iii) the allotment and issue of the Debt Conversion Shares being in compliance with the SFA in connection with offers of securities and not being prohibited by any statute, order, rule or regulation promulgated by any legislative, executive or regulatory body or authority of Singapore.

2.4 **Listing and Quotation Notice**

The Company had, through the Sponsor, made an application to the SGX-ST for the listing of and quotation for the Debt Conversion Shares on Catalist. As announced by the Company on 5 June 2018, the Company had on 5 June 2018 received the listing and quotation notice from the SGX-ST for the listing of and quotation for the 18,477,000 Debt Conversion Shares on Catalist, subject to:

- (a) Compliance with the SGX-ST's listing requirements; and
- (b) Shareholders' approval to be obtained at the EGM to be convened.

It should be noted that the listing and quotation notice issued by the SGX-ST is not an indication of the merits of the Debt Conversion Shares, the Debt Conversion Deed, the Company, its subsidiaries and their securities.

3. **PROPOSED DEBT CONVERSION AS AN INTERESTED PERSON TRANSACTION**

3.1 **Interested Persons under Chapter 9 of the Catalist Rules**

Mr Lim Wee Li is the Executive Chairman, Chief Executive Officer and Controlling Shareholder of the Company, holding 74.7% of the total number of issued and paid-up Shares as at the Latest Practicable Date. Mr Lim Wee Li is therefore an interested person pursuant to Rule 904(4) of the Catalist Rules, and the allotment and issue of the Debt Conversion Shares to Mr Lim Wee Li is an interested person transaction pursuant to Rule 904(5) of the Catalist Rules.

3.2 **Thresholds under Chapter 9 of the Catalist Rules**

Pursuant to Rule 905 of the Catalist Rules, where the value of a transaction with an interested person singly, or, in aggregation with the values of other transactions entered into with the same interested person during the same financial year, equals or exceeds 3.0% of the Group's latest audited NTA, an immediate announcement shall be made regarding that transaction.

Pursuant to Rule 906 of the Catalist Rules, where the value of a transaction with an interested person singly, or, in aggregation with the values of other transactions entered into with the same interested person during the same financial year, equals or exceeds 5.0% of the

LETTER TO SHAREHOLDERS

Group's latest audited NTA, that transaction shall be subject to the approval of the Shareholders.

3.3 Value of Interested Person Transaction

Based on the Group's latest audited consolidated financial statements for FY2017, the audited NTA of the Group as at 30 June 2017 was approximately S\$269,973. The amount of the Proposed Debt Conversion is S\$2,500,000, representing approximately 926.0% of the audited NTA of the Group as at 30 June 2017. Accordingly, as the value at risk is more than 5.0% of the Group's latest audited NTA and pursuant to Rule 906 of the Catalist Rules, the allotment and issue of the Debt Conversion Shares to Mr Lim Wee Li is subject to Shareholders' approval.

Save for the allotment and issue of the Debt Conversion Shares, there were no other interested person transactions (excluding transactions less than S\$100,000) entered into by the Group with Mr Lim Wee Li and his associates since the beginning of FY2018 and up to the Latest Practicable Date. There were no other interested person transactions (excluding transactions less than S\$100,000) entered into by the Group since the beginning of FY2018 and up to the Latest Practicable Date.

Pursuant to Rule 919 of the Catalist Rules, Mr Lim Wee Li and his associates will abstain from voting on the Ordinary Resolution approving the allotment and issue of the Debt Conversion Shares. Mr Lim Wee Li and his associates will also decline to accept appointment as proxy for any Shareholder to vote in respect of the Ordinary Resolution, unless the Shareholder concerned shall have given instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of the Ordinary Resolution.

4. ISSUE OF DEBT CONVERSION SHARES TO RESTRICTED PERSON PURSUANT TO CHAPTER 8 OF THE CATALIST RULES

4.1 Rule 804 and Rule 812 of the Catalist Rules

Rule 804 of the Catalist Rules provides, among others, that except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Catalist Rules, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment. Such directors and associates must abstain from exercising any voting rights on the matter.

Rule 812 of the Catalist Rules further provides, among others, that an issue must not be placed to an issuer's directors and substantial shareholders unless specific shareholder approval for such a placement has been obtained and the person, and its associates, must abstain from voting on the resolution approving the placement.

Mr Lim Wee Li is the Executive Chairman, Chief Executive Officer and Controlling Shareholder of the Company. Accordingly, the Company is seeking Shareholder's approval for the allotment and issue of the Debt Conversion Shares in accordance with Rule 804 and Rule 812 of the Catalist Rules.

Mr Lim Wee Li shall abstain, and will procure that his associates abstain, from voting on the Ordinary Resolution.

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4.2 Rule 805(1) of the Catalist Rules

Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules provide, among others, that an issuer must obtain the prior approval of shareholders in general meeting for the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer unless the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer is made pursuant to a general mandate previously obtained from shareholders of the issuer at a general meeting as provided in Rule 806 of the Catalist Rules.

The allotment and issue of the Debt Conversion Shares will be made pursuant to a specific mandate and the Company is seeking specific Shareholder's approval for the allotment and issue of the Debt Conversion Shares in accordance with Rule 805(1) of the Catalist Rules. The Company will not be relying on the general mandate previously obtained from Shareholders on 27 October 2017 for the allotment and issue of the Debt Conversion Shares.

5. FINANCIAL EFFECTS OF THE PROPOSED DEBT CONVERSION

For illustrative purposes only, the pro forma financial effects of the Proposed Debt Conversion have been prepared based on the latest audited consolidated financial statements of the Group for FY2017, which covers a 18-month financial period from 1 January 2016 to 30 June 2017, and are based on the following principle assumptions:

- (a) the allotment and issue of 18,477,000 new Shares to Mr Lim Wee Li pursuant to the Proposed Debt Conversion;
- (b) the financial effect on the Group's consolidated NTA per Share is computed based on the assumption that the Proposed Debt Conversion was completed on 30 June 2017;
- (c) the financial effect on the Group's loss per Share is computed based on the assumption that the Proposed Debt Conversion was completed on 1 January 2016; and
- (d) the expenses incurred for the Proposed Debt Conversion are assumed to be insignificant and have been ignored for the purposes of computing the financial effects.

5.1 Share Capital

For illustrative purposes only, the effects of the Proposed Debt Conversion on the Share Capital of the Company as at the Latest Practicable Date are set out below:

	As at the Latest Practicable Date	
	Number of Shares	S\$
Existing Share Capital	100,000,000	6,231,259
Issue of the Debt Conversion Shares	18,477,000	2,500,000
Enlarged Share Capital immediately after Completion	118,477,000	8,731,259

LETTER TO SHAREHOLDERS

5.2 NTA per Share

For illustrative purposes only, the effect of the Proposed Debt Conversion on the NTA per Share of the Group as at 30 June 2017 is as follows:

	Before the Proposed Debt Conversion	After the Proposed Debt Conversion
<u>As at 30 June 2017</u>		
NTA attributable to owners of the Company (S\$)	439,757	2,939,757
Number of Shares	100,000,000	118,477,000
Effect of the Proposed Debt Conversion on NTA per Share (cents)	0.4	2.5

5.3 Loss per Share

For illustrative purposes only, the effect of the Proposed Debt Conversion on the loss per Share of the Group for FY2017 is as follows:

	Before the Proposed Debt Conversion	After the Proposed Debt Conversion
<u>FY2017</u>		
Net loss attributable to owners of the Company (S\$)	(6,929,855)	(6,929,855)
Number of Shares	100,000,000	118,477,000
Effect of the Proposed Debt Conversion on loss per Share (cents)	(6.9)	(5.8)

5.4 Gearing

For illustrative purposes only, the effect of the Proposed Debt Conversion on the gearing of the Group as at 30 June 2017 is as follows:

	Before the Proposed Debt Conversion	After the Proposed Debt Conversion
<u>As at 30 June 2017</u>	S\$	S\$
Total borrowings ⁽¹⁾	12,604,780	10,104,780
Net borrowings ⁽²⁾	11,849,763	9,349,763
Total equity	269,973	2,769,973
Gearing ⁽³⁾	46.7	3.6
Net gearing ⁽⁴⁾	43.9	3.4

LETTER TO SHAREHOLDERS

Notes:

- (1) Total borrowings is a summation of borrowings from financial and non-financial institutions, finance lease liabilities and loan from a director and shareholder of a subsidiary (including the Shareholder's Loans) as at 30 June 2017.
- (2) Net borrowings is total borrowings less cash and cash equivalents.
- (3) Gearing is computed using total borrowings divided by total equity.
- (4) Net gearing is computed using net borrowings divided by total equity.

6. CONFIRMATION BY DIRECTORS

The Proposed Debt Conversion will not result in any new cash proceeds for the Company. The Directors are of the opinion that after taking into consideration the present bank facilities available to the Group and the financial support from Mr Lim Wee Li, the working capital available to the Group is sufficient to meet its present requirements.

LETTER TO SHAREHOLDERS

7. CHANGES IN SHAREHOLDINGS IN THE COMPANY

Based on the shareholdings of the Company as at the Latest Practicable Date, the effects of the Proposed Debt Conversion on the shareholdings of the Directors, Substantial Shareholders and existing public Shareholders are as follows:

	Before Completion				After Completion			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽²⁾	Number of Shares	% ⁽²⁾
Directors								
Lim Wee Li ⁽³⁾⁽⁴⁾	74,700,000	74.70	-	-	93,177,000	78.65	-	-
Ong Beng Chye	-	-	-	-	-	-	-	-
Kesavan Nair	-	-	-	-	-	-	-	-
Joanne Khoo Su Nee	-	-	-	-	-	-	-	-
Substantial Shareholders (other than Directors)								
Lim Han Li ⁽³⁾	8,250,000	8.25	-	-	8,250,000	6.96	-	-
Watiga Trust Pte. Ltd. ⁽⁴⁾	-	-	50,000,000	50.00	-	-	50,000,000	42.20
Existing Public Shareholders	17,050,000	17.05	-	-	17,050,000	14.39	-	-
Total	<u>100,000,000</u>	<u>100.00</u>			<u>118,477,000</u>	<u>100.00</u>		

Notes:

- (1) Based on the total number of existing Shares of 100,000,000 before Completion.
- (2) Based on the total enlarged number of Shares of 118,477,000 after Completion.
- (3) Mr Lim Wee Li and Mr Lim Han Li are siblings.
- (4) In connection with the issue of Kitchen Culture Holdings Ltd. S\$750,000 9% notes due in 2019, Mr Lim Wee Li has created a charge over 50,000,000 Shares held by him in favour of the noteholders. The trustee, Watiga Trust Pte. Ltd., is holding the benefit of the share charge on trust on behalf of the noteholders.

LETTER TO SHAREHOLDERS

Assuming (i) no change in the number of Shares in the existing Share Capital of the Company; and (ii) no change in the number of Shares held by Mr Lim Wee Li and his associates from the Latest Practicable Date up to the date of Completion, approximately 14.4% of the Shares will be held in the hands of the public based on the enlarged Share Capital of the Company following Completion. Accordingly, the Company has complied with Rule 723 of the Catalist Rules.

Save for Mr Lim Wee Li who is interested in the Proposed Debt Conversion, none of the Directors or Controlling Shareholders and their respective associates has any interest, direct or indirect, in the Proposed Debt Conversion, other than through their respective shareholdings (if any) in the Company.

LETTER TO SHAREHOLDERS

8. STATEMENT OF THE AUDIT COMMITTEE

Pursuant to Rule 921(4)(b)(i) of the Catalist Rules, the opinion of an independent financial adviser is not required for an issue of Shares pursuant to Part IV of Chapter 8 of the Catalist Rules, if the audit committee provides an opinion in the form required in Rule 917(4)(a) of the Catalist Rules.

The Audit Committee of the Company, after taking into consideration, *inter alia*, the rationale for, the terms and conditions of the Proposed Debt Conversion, is of the opinion that the Proposed Debt Conversion is on normal commercial terms and is not prejudicial to the interests of the Company and the minority Shareholders.

9. INDEPENDENT DIRECTORS' RECOMMENDATION

The Independent Directors have considered and reviewed, *inter alia*, the rationale for, the terms and conditions of the Proposed Debt Conversion and all other relevant facts set out in this Circular. Save for Mr Lim Wee Li who is deemed to be interested in the Proposed Debt Conversion and has abstained from making any recommendation, the Independent Directors are collectively of the view that the Proposed Debt Conversion is in the best interests of the Company, and therefore recommend that Shareholders vote in favour of the Ordinary Resolution in relation to the allotment and issue of the Debt Conversion Shares at the EGM to be convened.

Shareholders are advised to read this Circular in its entirety, in particular the rationale for and the financial effects of the Proposed Debt Conversion, and for those who may require advice in the context of his specific investment, to consult his bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser.

10. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 16 and 17 of this Circular, will be held at 25 New Industrial Road, #02-01 KHL Building, Singapore 536211 on Tuesday, 26 June 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolution set out in the Notice of EGM.

11. ABSTENTION FROM VOTING

Mr Lim Wee Li and his associates will abstain from voting on the Ordinary Resolution in relation to the allotment and issue of the Debt Conversion Shares set out in the Notice of EGM. They will also not accept any nominations to act as proxy for any Shareholder in voting on the Ordinary Resolution in relation to the allotment and issue of the Debt Conversion Shares unless specific instruction has been given in the Proxy Form as to the manner in which votes are to be cast in respect of the Ordinary Resolution.

12. ACTIONS TO BE TAKEN BY SHAREHOLDERS

12.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy/proxies to attend and vote at the EGM on their behalf will find a Proxy Form attached to this Circular which they should complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company not less than 48 hours before the time appointed for holding the EGM. The appointment of a proxy/proxies by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy/proxies if he finds that he is able to do so, although the appointment of the proxy/proxies shall be deemed to be revoked by such attendance.

LETTER TO SHAREHOLDERS

12.2 Depositors

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as certified by CDP at least 72 hours before the time appointed for holding the EGM.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Debt Conversion, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

14. DOCUMENTS FOR INSPECTION

The following documents are available for inspection by Shareholders at the registered office of the Company at 25 New Industrial Road, #02-01 KHL Building, Singapore 536211 during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the constitution of the Company;
- (b) the annual report of the Company for FY2017; and
- (c) the Debt Conversion Deed.

Yours faithfully
For and on behalf of the Board
KITCHEN CULTURE HOLDINGS LTD.

Lim Wee Li
Executive Chairman and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING

KITCHEN CULTURE HOLDINGS LTD.

(Company Registration Number 201107179D)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Kitchen Culture Holdings Ltd. (the "**Company**") will be held at 25 New Industrial Road, #02-01 KHL Building, Singapore 536211 on Tuesday, 26 June 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

THE PROPOSED CONVERSION OF SHAREHOLDER'S LOANS OF S\$2,500,000 INTO 18,477,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE ISSUE PRICE OF S\$0.1353 PER SHARE

THAT:

- (a) approval be given to the directors of the Company for the purposes of Rules 804, 805, 812 and 906 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited and Section 161 of the Companies Act (Chapter 50) of Singapore to allot and issue 18,477,000 new ordinary shares in the capital of the Company to Mr Lim Wee Li in repayment of the shareholder's loans amounting to S\$2,500,000 owed by the Company to Mr Lim Wee Li, at an issue price of S\$0.1353 per share, pursuant to and subject to the terms and conditions of the debt conversion deed dated 14 February 2018 entered into between the Company and Mr Lim Wee Li; and
- (b) the directors of the Company and each of them be authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be necessary, desirable or expedient in the interests of the Company to give effect to this ordinary resolution.

ABSTENTION FROM VOTING

Mr Lim Wee Li and his associates will abstain from exercising any voting rights on the ordinary resolution set out in this notice of EGM.

By Order of the Board
KITCHEN CULTURE HOLDINGS LTD.

Lim Wee Li
Executive Chairman and Chief Executive Officer
11 June 2018

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) (a) A shareholder who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the EGM in his stead. Where such shareholder appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified in the instrument of proxy. If the proportion of his shareholding is not specified, the first named proxy shall be deemed to represent 100% of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.
- (b) A shareholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him. Where such shareholder appoints more than one (1) proxy, the number of shares in relation to which each proxy has been appointed shall be specified in the instrument of proxy.
- “Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50) of Singapore.
- (2) A proxy need not be a shareholder of the Company.
- (3) The instrument appointing a proxy or proxies, duly executed, must be deposited at the registered office of the Company at 25 New Industrial Road, #02-01 KHL Building, Singapore 536211 not less than 48 hours before the time appointed for holding the EGM.
- (4) The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.
- (5) A Depositor’s name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.

Personal Data Privacy:

“**Personal data**” in this notice of EGM has the same meaning as “personal data” in the Personal Data Protection Act 2012, which includes your name and your proxy’s and/or representative’s name, address and NRIC/Passport number. By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder’s and its proxy(ies)’s or representative(s)’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”); (ii) warrants that where the shareholder discloses the personal data of the shareholder’s proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior express consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; (iii) undertakes that the shareholder will only use the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iv) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder’s breach of warranty. Your personal data and your proxy’s and/or representative’s personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company’s verification and record purposes.

*This notice has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“**Sponsor**”), SAC Capital Private Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Sponsor has not independently verified the contents of this notice.*

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made, or reports contained in this notice. The contact person for the Sponsor is Ms Lee Khai Yinn (Telephone: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.

PROXY FORM

KITCHEN CULTURE HOLDINGS LTD.
(Company Registration Number 201107179D)
(Incorporated in the Republic of Singapore)

IMPORTANT

1. Investors who hold shares under the Supplementary Retirement Scheme ("**SRS Investors**") may attend and vote at the EGM in person. SRS Investors who are unable to attend the EGM but would like to vote, may inform their SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, such SRS Investors shall be precluded from attending the EGM.
2. This instrument of proxy is not valid for use by the SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We*, _____ (Name) (NRIC/Passport/Registration number* _____) of _____ (Address) being a shareholder/shareholders* of Kitchen Culture Holdings Ltd. (the "**Company**"), hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

or failing him, the Chairman of the Extraordinary General Meeting ("**EGM**") of the Company as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf at the EGM of the Company to be held at 25 New Industrial Road, #02-01 KHL Building, Singapore 536211 on Tuesday, 26 June 2018 at 10.00 a.m., and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/their* discretion, as he/they* will on any other matter arising at the EGM and at any adjournment thereof.

Ordinary Resolution	Number of Votes For**	Number of Votes Against**
Proposed allotment and issue of 18,477,000 new ordinary shares in the capital of the Company to Mr Lim Wee Li at the issue price of S\$0.1353 per share		

* Delete accordingly.

** If you wish to exercise all your votes "For" or "Against" the resolution, please tick [] within the relevant box provided. Alternatively, if you wish to exercise your votes both "For" and "Against" the resolution, please insert the relevant number of shares in the boxes provided.

Dated this _____ day of _____ 2018

Total number of Shares in	Number of Shares
(a) Depository Register	
(b) Register of Members	

Signature(s) or Common Seal of Shareholder(s)

IMPORTANT: PLEASE READ THE NOTES OVERLEAF

PROXY FORM

Notes:

1. If the shareholder has shares entered against his name in the Depository Register, he should insert that number of shares. If the shareholder has shares registered in his name in the Register of Members, he should insert that number of shares. If the shareholder has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this instrument of proxy will be deemed to relate to all the shares held by the shareholder.
2.
 - (a) A shareholder who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the EGM in his stead. Where such shareholder appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified in this instrument of proxy. If the proportion of his shareholding is not specified, the first named proxy shall be deemed to represent 100% of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.
 - (b) A shareholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him. Where such shareholder appoints more than one (1) proxy, the number of shares in relation to which each proxy has been appointed shall be specified in this instrument of proxy.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50) of Singapore.
3. A proxy need not be a shareholder of the Company.
4. This instrument appointing a proxy or proxies, duly executed, must be deposited at the registered office of the Company at 25 New Industrial Road, #02-01 KHL Building, Singapore 536211 not less than 48 hours before the time appointed for holding the EGM. The appointment of a proxy or proxies shall not preclude a shareholder from attending and voting in person at the EGM. If a shareholder attends the EGM in person, the appointment of a proxy or proxies shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy or proxies to the EGM.
5. This instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.
6. Where this instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney or a notarially certified copy thereof (failing previous registration with the Company) must be lodged with this instrument of proxy, failing which this instrument of proxy may be treated as invalid.
7. A corporation which is a shareholder may authorise by a resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM in accordance with Section 179 of the Companies Act (Chapter 50) of Singapore.
8. The Company shall be entitled to reject this instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument appointing a proxy or proxies (including any related attachment). In addition, in the case of a shareholder whose shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the shareholder is deemed to have accepted and agreed to the personal data privacy terms set out in the notice of EGM of the Company dated 11 June 2018.