



SDAI LIMITED

(formerly known as Kitchen Culture Holdings Ltd.)
(Company Registration No. 201107179D)
(Incorporated in Republic of Singapore on 25 March 2011)

UPDATE ON THE COMPANY'S ACTIONS TO BE TAKEN IN RELATION TO THE SPECIAL AUDIT REPORT

The board of directors (the “**Board**” or “**Directors**”) of SDAI Limited (the “**Company**”) refers to the following:

- (a) the Notices of Compliance issued by the Singapore Exchange Regulation Pte. Ltd. (“**SGX RegCo**”) on 14 July 2021 and 19 August 2021;
- (b) the Company’s announcements made on 20 September 2021, 14 January 2022, and 21 July 2023 in relation to the special audit;
- (c) the Executive Summary of the Independent Special Audit Report (“**Executive Summary**”) dated 21 July 2023 issued by the Special Auditor; and
- (d) the SGX RegCo’s regulatory announcement on 21 July 2023 in relation to the findings from the Independent Special Audit Report,

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

Unless otherwise defined, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the Announcements.

Actions to be taken by the Board

The Board wishes to announce that it has sought legal advice on the appropriate courses of action in the best interests of the Company and its shareholders. The Board has accepted the recommendations of its legal advisors and will be taking the following actions:

- (i) in relation to the Payroll Matter, writing to BDO Advisory Pte. Ltd. (“**BDO**”), the liquidators of KHL Marketing Asia-Pacific Pte. Ltd. (“**KHLM**”), with the following enquiries:
 - (a) in light of the Executive Summary, whether BDO intends to take further steps on the Payroll Matter;

- (b) if KHLM is deemed to have contravened the Employment of Foreign Manpower Act 1990, and is exposed to a monetary fine, whether BDO intends to seek an indemnity from persons that BDO deem responsible for any such fines; and
 - (c) whether the Company is entitled to monetary recovery as KHLM's shareholder and creditor; and
- (ii) in relation to the Unauthorised Transaction, writing to Mr Lincoln Teo Choong Han ("**Mr Teo**") to:
 - (a) reprimand him for his role in the lapses in corporate governance for any and all claims that might be brought or threatened against the Company and/or KCT by any of the counterparties, namely Sino Allied, Wisechain and/or Chengxin arising out of or in connection with the Investment Opportunity Agreements; and
 - (b) ask for further information from Mr Teo as to whether there are other occasions where Mr Teo entered into transactions and/or agreements on behalf of the Company or its subsidiaries without full Board approval from the Directors.

The Company will make further announcement(s) to update its shareholders as and when appropriate in accordance to the Catalist Rules. Shareholders of the Company are advised to read this announcement (including the Independent Special Audit Report) and any further announcements by the Company carefully.

By Order of the Board of
SDAI Limited

Yip Kean Mun
Executive Director
22 November 2023

*This announcement has been prepared by SDAI Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by 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 Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone: (65) 6636 4201.