



KITCHEN CULTURE HOLDINGS LTD.

(Company Registration No: 201107179D)

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

**APPLICATION TO THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED FOR
EXTENSION OF TIME TO RELEASE THE COMPANY'S UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

The Board of Directors (the "**Board**") of Kitchen Culture Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has made an application on 27 August 2021, through the Company's Sponsor, to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for an extension of time under Rule 705(1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**") to release its unaudited financial statements for the financial year ended 30 June 2021 ("**FY2021**") by 29 October 2021 (from the initial deadline of 29 August 2021).

The reasons for seeking the extension of time are as follows:

- (a) There was a change of Chief Executive Officer in July 2021. The disruption due to the ensuing staff movement led to an internal review that had caused a delay in finalising and closing of the financial results for FY2021.
- (b) In preparation of the Group's consolidated financial figures, the Company will require, amongst others, financial information and analysis from its subsidiaries and associate companies. As the Group has multiple operations in different countries, under its wholly-owned subsidiaries and associate companies, the financial information to be obtained for verification is still in progress.
- (c) Under SFRS(I) 1-2 Inventories, inventories are to be carried in the issuer's financial statements at the lower of cost or net realisable value. Management is conducting an internal review to assess at the end of the reporting period whether its inventories need to be written down/off. The review included determining the physical location, age and condition of inventory, and the findings raised concerns over valuation and existence of inventories as listed in the Company's records. To comply with SFRS(I) 1-2, Management is finalising the proposed adjustments to be made for:
 - (i) obsolete/slow moving items;
 - (ii) inventory value listed in old locations which no longer exist, if any; and
 - (iii) appliances where the Company is no longer an authorised dealer.

A report on the internal review findings and proposed amount of adjustments to be made to the financial statements is being prepared and will be submitted to the Board for its consideration and approval. The completion of inventories assessment is expected to be by 10 September 2021.

- (d) SFRS(I) 1-36 Impairment of Assets requires the issuer to assess at the end of each reporting period whether there is any objective evidence or indication that an asset may be impaired. Impairment assessments to be performed on non-financial assets as follows:

Other assets (e.g. property, plant & equipment, investment properties carried at cost, investments in associates and joint ventures) to be tested for impairment only when impairment indicators exist.

In October 2020, the Company had subscribed for 30% of the issued and paid-up ordinary share capital of OOWAY Technology Pte. Ltd. at a consideration of S\$23.9 million and recorded this as an investment in associate. The preliminary summarised financial information of the associate company as at 30 June 2021 showed it had net assets value which is significantly below the carrying amount, hence the Management proposes to conduct an independent valuation of OOWAY Technology Pte. Ltd. to determine the recoverable amount, and to assess whether the investment in associate may be impaired.

The timeline for the completion of impairment assessment is expected to be 17 October 2021.

- (e) The internal review would accordingly require more time to liaise with the external auditor of the Company, Nexia TS Public Accounting Corporation, to retrieve, understand and ascertain the accounting records of the Group. Until then, the interim Chief Executive Officer cannot confirm that the financial records have been properly maintained for FY2021 and the financial statements may not give a true and fair view of the Company's operations and finances.

As a result of the above, the Company will require more time for financial adjustments, internal and external review by the working team, professional parties and the Board, prior to the finalisation and release of the Group's unaudited financial statements for FY2021.

The Company will make further announcement to update its shareholders on the outcome of the application for extension of time in due course.

By Order of the Board

Hao Dongting
Non-Executive Chairperson
27 August 2021

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.