



KITCHEN CULTURE HOLDINGS LTD.

(Company Registration No: 201107179D)

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

UPDATE ON THE PROPOSED DIVERSIFICATION OF BUSINESS AND PROPOSED JOINT VENTURE

The Board of Directors (the "**Board**") of Kitchen Culture Holdings Ltd. (the "**Company**") refers to the Company's announcement on 19 September 2012 in respect of the proposed diversification of its business (the "**Proposed Diversification**") and the entry into a non-binding Memorandum of Understanding on 11 September 2012 (the "**MOU**") for the establishment of a joint venture (the "**Proposed Joint Venture**").

The Board wishes to update that after considering the total capital commitment required for the Proposed Joint Venture, the Company has decided to acquire 15% interest in the Proposed Joint Venture instead of 20% as provided in the MOU. The remaining 85% interest will be held by five (5) unrelated parties (the "**JV Partners**").

Pursuant to the MOU, the Company had paid a good faith deposit of S\$1,664,787 indicating its intention to participate in the Proposed Joint Venture (the "**Deposit**"). Based on the Company's revised proposed interest of 15% in the Proposed Joint Venture, the Company would be required to pay a Deposit of S\$1,248,590. Accordingly, the excess of S\$416,197 will be used to offset future payments by the Company in relation to the Proposed Joint Venture.

Save for the above, there are no other proposed changes to the terms and conditions which have been set out in the MOU. The Company is in the process of finalising the terms and conditions of a conditional joint venture agreement to be entered into between the Company and the JV Partners (the "**JVA**").

The Company will be seeking shareholders' approval in connection with the Proposed Diversification and its participation in the Proposed Joint Venture. Accordingly, the JVA will be conditional on, *inter alia*, shareholders' approval being obtained.

Shareholders are advised to exercise caution in dealing with the securities of the Company as there is no certainty or assurance that the Proposed Diversification and/or the Proposed Joint Venture will materialise. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

Further announcements in relation to the Proposed Diversification and the Proposed Joint Venture will be made as and when appropriate.

By Order of the Board

Lim Wee Li
Executive Chairman and Chief Executive Officer
2 November 2012

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd. for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Canaccord Genuity Singapore Pte. Ltd. has not independently verified the contents of this announcement.*

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.

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