



Kimly Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 201613903R)

Unaudited Condensed Interim Financial Statements For the Half Year Ended 31 March 2024

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This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms. Ng Shi Qing, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

Kimly Limited
Unaudited Condensed Interim Financial Statements
For the half year ended 31 March 2024

A. Condensed Interim Statement of Comprehensive Income

	Note	Group		Increase/ (Decrease) %
		Unaudited 1H FY2024 S\$'000	Unaudited 1H FY2023 S\$'000	
Revenue	3	158,474	155,482	1.9
Cost of sales		(114,353)	(112,983)	1.2
Gross profit		44,121	42,499	3.8
Other items of income				
Finance income		931	601	55.0
Other operating income		1,028	4,690	(78.1)
Other items of expense				
Selling and distribution expenses		(8,774)	(8,431)	4.1
Administrative expenses		(14,190)	(13,703)	3.6
Finance costs		(1,865)	(1,714)	8.8
Other operating expenses		(827)	(791)	4.5
Share of profit of an associate and joint ventures		404	409	(1.3)
Profit before tax	5	20,828	23,560	(11.6)
Income tax expense	6	(1,843)	(3,774)	(51.2)
Profit for the period, representing total comprehensive income for the period		18,985	19,786	(4.0)
Profit attributable to:				
Owners of the Company		17,532	18,668	(6.1)
Non-controlling interests		1,453	1,118	30.0
Earnings per share				
- Basic	14	1.41	1.50	
- Diluted	14	1.41	1.50	

Note:

(1) 1H denotes financial period from 1 October to 31 March

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B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		31.3.2024	30.9.2023	31.3.2024	30.9.2023
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	7	72,928	73,007	-	-
Investment properties	8	6,583	6,653	-	-
Intangible assets and goodwill	9	59,442	60,229	-	-
Right-of-use assets	10	80,417	72,612	-	-
Investment in subsidiaries		-	-	239,297	239,297
Investment in an associate and joint ventures		12,346	12,585	-	-
Deferred tax assets		233	233	-	-
Other receivables		4,751	3,469	-	-
		<u>236,700</u>	<u>228,788</u>	<u>239,297</u>	<u>239,297</u>
Current assets					
Trade and other receivables		11,790	12,086	101,598	106,081
Inventories		2,918	3,392	-	-
Prepayments		588	502	27	33
Cash and cash equivalents		89,424	89,062	34,894	32,183
		<u>104,720</u>	<u>105,042</u>	<u>136,519</u>	<u>138,297</u>
Total assets		<u>341,420</u>	<u>333,830</u>	<u>375,816</u>	<u>377,594</u>
Current liabilities					
Trade and other payables		29,292	27,554	47,450	35,531
Other liabilities		12,545	16,100	510	626
Interest-bearing loans and borrowings	11	792	786	-	-
Lease liabilities	10	30,882	35,527	-	-
Provision for restoration costs		372	573	-	-
Provision for taxation		7,315	9,238	242	245
		<u>81,198</u>	<u>89,778</u>	<u>48,202</u>	<u>36,402</u>
Net current assets		<u>23,522</u>	<u>15,264</u>	<u>88,317</u>	<u>101,895</u>
Non-current liabilities					
Interest-bearing loans and borrowings	11	16,509	16,906	-	-
Lease liabilities	10	53,359	41,129	-	-
Deferred tax liabilities		1,764	1,813	-	-
Other payables		1,193	1,114	-	-
Provision for restoration costs		892	510	-	-
		<u>73,717</u>	<u>61,472</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>154,915</u>	<u>151,250</u>	<u>48,202</u>	<u>36,402</u>
Net assets		<u>186,505</u>	<u>182,580</u>	<u>327,614</u>	<u>341,192</u>
Equity					
Share capital	12	316,145	316,145	316,145	316,145
Treasury shares	12	(2,469)	(2,520)	(2,469)	(2,520)
Share based compensation reserve	12	140	140	140	140
Other reserves		(120,123)	(120,123)	-	-
Premium paid on acquisition of non-controlling interests		(113,030)	(113,030)	-	-
Retained earnings		99,491	95,870	13,798	27,427
Equity attributable to owners of the Company		<u>180,154</u>	<u>176,482</u>	<u>327,614</u>	<u>341,192</u>
Non-controlling interests		6,351	6,098	-	-
Total equity		<u>186,505</u>	<u>182,580</u>	<u>327,614</u>	<u>341,192</u>
Total equity and liabilities		<u>341,420</u>	<u>333,830</u>	<u>375,816</u>	<u>377,594</u>

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C. Condensed Interim Statement of Cash Flows

	Group	
	Unaudited 1H FY2024 S\$'000	Unaudited 1H FY2023 S\$'000
Operating activities		
Profit before tax	20,828	23,560
<u>Adjustments for:</u>		
Amortisation of intangible assets	787	789
Depreciation of property, plant and equipment	3,120	2,965
Depreciation of investment properties	70	71
Depreciation of right-of-use assets	19,280	18,553
Gain on derecognition of right-of-use assets and lease liabilities	-	(389)
Gain on disposal of property, plant and equipment	-	(154)
Gain on disposal of Confectionary Business	-	(2,515)
Interest expense on lease liabilities	1,538	1,543
Interest expense on loans and borrowings	327	171
Interest income from short-term deposits	(931)	(601)
Reversal of impairment loss on property, plant and equipment	-	(185)
Share-based payment expenses (Kimly Performance Share Plan)	480	343
Share of profit of an associate and joint ventures	(404)	(409)
Write-off of property, plant and equipment	40	187
Total adjustments	24,307	20,369
Operating cash flows before changes in working capital	45,135	43,929
<u>Change in working capital</u>		
(Increase)/decrease in trade and other receivables	(1,059)	27
Decrease in inventories	474	362
(Increase)/decrease in prepayments	(86)	288
Increase/(decrease) in trade and other payables	2,072	(4,133)
Decrease in other liabilities	(3,556)	(3,692)
Total changes in working capital	(2,155)	(7,148)
Cash flows from operations	42,980	36,781
Interest income from short-term deposits received	1,003	419
Income taxes paid	(3,815)	(3,780)
Net cash generated from operating activities	40,168	33,419
Investing activities		
Dividend income received from associate and joint ventures	643	544
Proceeds from disposal of Confectionary Business	-	2,800
Proceeds from disposal of property, plant and equipment	-	178
Purchase of property, plant and equipment (Note A)	(3,154)	(1,698)
Purchase of intangible assets	-	(6)
Net cash (used in)/generated from investing activities	(2,511)	1,818

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C. Condensed Interim Statement of Cash Flows (cont'd)

	Group	
	Unaudited	Unaudited
	1H FY2024	1H FY2023
	S\$'000	S\$'000
Financing activities		
Dividends paid on ordinary shares	(13,911)	(13,936)
Dividends paid to non-controlling interests	(1,200)	(1,000)
Interest expense from loans and borrowings paid	(327)	(171)
Interest expense from lease liabilities paid	(1,538)	(1,543)
Purchase of treasury shares	(429)	(803)
Repayment of lease liabilities	(19,500)	(18,239)
Repayment of loans and borrowings	(390)	(578)
Net cash used in financing activities	<u>(37,295)</u>	<u>(36,270)</u>
Net increase/(decrease) in cash and cash equivalents	362	(1,032)
Cash and cash equivalents at the beginning of financial period	<u>89,062</u>	<u>77,622</u>
Cash and cash equivalents at the end of financial period	<u><u>89,424</u></u>	<u><u>76,590</u></u>
<u>A. Property, plant and equipment</u>		
Current period additions to property, plant and equipment	3,081	3,232
Less: non-cash movement		
Increase/(decrease) in other payables	255	(1,465)
Reduction of restoration costs	(182)	(69)
Net cash outflow for purchase of property, plant and equipment	<u><u>3,154</u></u>	<u><u>1,698</u></u>

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D. Condensed Interim Statements of Changes in Equity

Note	Attributable to owners of the Company									
	Share capital (Note 12) S\$'000	Treasury shares (Note 12) S\$'000	Merger reserve S\$'000	Deemed contribution from shareholders of subsidiary under common control S\$'000	Premium paid on acquisition of non-controlling interests S\$'000	Share based compensation reserve (Note 12) S\$'000	Retained earnings S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group										
At 1 October 2023	316,145	(2,520)	(120,591)	468	(113,030)	140	95,870	176,482	6,098	182,580
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	-	17,532	17,532	1,453	18,985
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares	-	-	-	-	-	-	(13,911)	(13,911)	(1,200)	(15,111)
Purchase of treasury shares	-	(429)	-	-	-	-	-	(429)	-	(429)
Share-based payment expenses (Kimly Performance Share Plan)	-	-	-	-	-	480	-	480	-	480
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	-	480	-	-	-	(480)	-	-	-	-
Balance as at 31 March 2024	316,145	(2,469)	(120,591)	468	(113,030)	140	99,491	180,154	6,351	186,505
At 1 October 2022	316,145	(1,818)	(120,591)	468	(113,030)	140	80,290	161,604	5,173	166,777
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	-	18,668	18,668	1,118	19,786
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares	-	-	-	-	-	-	(13,936)	(13,936)	(1,000)	(14,936)
Purchase of treasury shares	-	(803)	-	-	-	-	-	(803)	-	(803)
Share-based payment expenses (Kimly Performance Share Plan)	-	-	-	-	-	343	-	343	-	343
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	-	343	-	-	-	(343)	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	316,145	(2,278)	(120,591)	468	(113,030)	140	85,022	165,876	5,291	171,167

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D. Condensed Interim Statements of Changes in Equity (cont'd)

	Note	Share capital (Note 12) S\$'000	Treasury shares (Note 12) S\$'000	Retained earnings S\$'000	Share based compensation reserve (Note 12) S\$'000	Total equity S\$'000
Company						
At 1 October 2023						
Profit for the period, representing total comprehensive income for the period		-	-	282	-	282
<u>Contributions by and distributions to owners</u>						
Dividends on ordinary shares	13	-	-	(13,911)	-	(13,911)
Purchase of treasury shares		-	(429)	-	-	(429)
Share-based payment expenses (Kimly Performance Share Plan)		-	-	-	480	480
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan		-	480	-	(480)	-
Balance as at 31 March 2024		316,145	(2,469)	13,798	140	327,614
At 1 October 2022						
Profit for the period, representing total comprehensive income for the period		-	-	113	-	113
<u>Contributions by and distributions to owners</u>						
Dividends on ordinary shares	13	-	-	(13,936)	-	(13,936)
Purchase of treasury shares		-	(803)	-	-	(803)
Share-based payment expenses (Kimly Performance Share Plan)		-	-	-	343	343
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan		-	343	-	(343)	-
Balance as at 31 March 2023		316,145	(2,278)	9,110	140	323,117

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E. Notes to the Condensed Interim Financial Statements

1. Corporate information

Kimly Limited (the "Company") was incorporated on 23 May 2016 under the Companies Act and domiciled in Singapore. On 3 February 2017, the Company was converted into a public company limited by shares and changed its name from Kimly Pte. Ltd. to Kimly Limited. The Company was listed on the Catalist of Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 March 2017.

The registered office and principal place of business of the Company is located at 13 Woodlands Link, Singapore 738725.

The financial information contained in this announcement has neither been audited nor reviewed by the auditors.

The principal activities of the Company are those of investment holding and provision of management services.

The principal activities of the Group consist of the business of investment holding, provision of management services, letting and operating of coffee shops, operating of restaurants, manufacturing, processing and sale of food products and provision of cleaning services.

2. Basis of preparation

The 1H FY2024 condensed consolidated interim financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore.

The accounting policies and methods of computation applied in these condensed consolidated interim financial statements are consistent with those of the latest audited annual financial statements. However, the typical notes and information included in the latest audited annual financial statements are not included in these interim financial statements except for the selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position of the Group since the latest audited annual financial statements.

The condensed interim financial statements are presented in Singapore dollars ("SGD" or "\$") and all values in the tables are rounded to the nearest thousand ("S'000") except when otherwise indicated.

2.1 New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 October 2023. The adoption of these new and revised standards did not have any material effect on the financial performance or position of the Group.

2.2 Use of estimates and judgements

The preparation of the Group's condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in the future periods.

E. Notes to the Condensed Interim Financial Statements (cont'd)

3. Segment and revenue information

For management purpose, the Group is organised into three operating business segments, namely:

(a) Outlet management

Outlet management segment is involved in the leasing of food outlet premises to tenants as the master leaseholder, sale of food, beverages and tobacco products, provision of cleaning and utilities services.

(b) Outlet investment business

Outlet investment business segment is involved in investment in properties (freehold or leasehold) in order to benefit from rental income and/or capital growth.

(c) Food retail

Food retail segment is primarily involved in retailing of food directly to consumers through the stalls, restaurants and confectionary shops (up to 15 December 2022) operated by the Group such as Mixed Vegetable Rice stalls, Rice Garden stalls, Dim Sum stalls, Seafood “Zi Char” stalls, Teochew Porridge stalls, Western food stalls, Tenderbest restaurants, food kiosks and Tonkichi restaurants. Food retail segment is also engaged in manufacturing, processing and sale of food products to customers.

(d) Others

Others segment includes the provision of management, finance, human resource services, treasury, information technology and administrative services.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the condensed interim financial statements.

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E. Notes to the Condensed Interim Financial Statements (cont'd)

3. Segment and revenue information (cont'd)

Reportable segments

	Outlet Management S\$'000	Food Retail S\$'000	Outlet Investment Business S\$'000	Others* S\$'000	Adjustments and eliminations S\$'000	Group S\$'000
1H FY2024						
Revenue						
Revenue from external customer	62,800	92,027	3,647	-	-	158,474
Inter-segment revenue	11,286	28,950	492	3,946	(44,674)	-
Total revenue	<u>74,086</u>	<u>120,977</u>	<u>4,139</u>	<u>3,946</u>	<u>(44,674)</u>	<u>158,474</u>
Results:						
Amortisation of intangible assets	(273)	(514)	-	-	-	(787)
Depreciation of investment properties	-	-	(70)	-	-	(70)
Depreciation of property, plant and equipment	(1,423)	(894)	(545)	(258)	-	(3,120)
Depreciation of right-of-use assets	(15,142)	(4,042)	(33)	(63)	-	(19,280)
Employee benefits expense	(16,664)	(27,969)	(695)	(2,945)	-	(48,273)
Finance costs						
- Lease liabilities	(1,180)	(335)	(2)	(21)	-	(1,538)
- Loans and borrowings	-	-	(327)	-	-	(327)
Government grants	401	75	21	3	-	500
Interest income from short-term deposits	96	175	8	652	-	931
Rental expense on short-term leases and low value assets	(827)	(869)	(32)	(2)	-	(1,730)
Share-based payment expenses (Kimly Performance Share Plan)	(44)	(183)	-	(253)	-	(480)
Share of profit of an associate and joint ventures	376	-	28	-	-	404
Write-off of property, plant and and equipment	-	(40)	-	-	-	(40)
Segment profit/(loss)	<u>7,976</u>	<u>15,701</u>	<u>584</u>	<u>(3,433)</u>	<u>-</u>	<u>20,828</u>

E. Notes to the Condensed Interim Financial Statements (cont'd)

3. Segment and revenue information (cont'd)

1H FY2023	Outlet		Outlet		Adjustments	Group
	Management	Food Retail	Investment	Others*	and	
Revenue	S\$'000	S\$'000	Business	S\$'000	eliminations	S\$'000
			S\$'000		S\$'000	
Revenue from external customer	60,668	91,209	3,605	-	-	155,482
Inter-segment revenue	10,580	27,092	485	3,642	(41,799)	-
Total revenue	<u>71,248</u>	<u>118,301</u>	<u>4,090</u>	<u>3,642</u>	<u>(41,799)</u>	<u>155,482</u>
Results:						
Amortisation of intangible assets	(275)	(514)	-	-	-	(789)
Depreciation of investment properties	-	-	(71)	-	-	(71)
Depreciation of property, plant and equipment	(1,176)	(880)	(656)	(253)	-	(2,965)
Depreciation of right-of-use assets	(15,552)	(2,925)	(18)	(58)	-	(18,553)
Employee benefits expense	(15,146)	(27,140)	(680)	(2,730)	-	(45,696)
Finance costs						
- Lease liabilities	(1,371)	(150)	(1)	(21)	-	(1,543)
- Loans and borrowings	(2)	-	(169)	-	-	(171)
Gain on derecognition of right-of-use assets and lease liabilities	347	42	-	-	-	389
Gain on disposal of property, plant and equipment	154	-	-	-	-	154
Gain on disposal of Confectionary Business	-	2,515	-	-	-	2,515
Government grants	409	188	30	56	-	684
Interest income from short-term deposits	43	80	4	474	-	601
Rental expense on short-term leases and low value assets	(641)	(1,456)	(49)	(2)	-	(2,148)
Reversal of impairment loss on property, plant and equipment	-	185	-	-	-	185
Share-based payment expenses (Kimly Performance Share Plan)	(343)	-	-	-	-	(343)
Share of profit of an associate and joint ventures	357	-	52	-	-	409
Write-off of property, plant and equipment	-	(187)	-	-	-	(187)
Segment profit/(loss)	<u>8,071</u>	<u>18,288</u>	<u>662</u>	<u>(3,461)</u>	<u>-</u>	<u>23,560</u>

	Segment Assets		Segment Liabilities	
	31.3.2024	30.9.2023	31.3.2024	30.9.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Outlet Management	109,278	108,979	(93,012)	(85,074)
Food Retail	111,271	107,054	(37,359)	(35,303)
Outlet Investment Business	74,744	75,209	(13,781)	(19,880)
Others*	46,127	42,588	(10,763)	(10,993)
Total	<u>341,420</u>	<u>333,830</u>	<u>(154,915)</u>	<u>(151,250)</u>

* Others includes provision of management, finance, human resources, treasury, information technology and administrative services.

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E. Notes to the Condensed Interim Financial Statements (cont'd)

3. Segment and revenue information (cont'd)

Disaggregation of Revenue

	1H FY2024	1H FY2023
	S\$'000	S\$'000
Types of goods or services:		
Sale of food, beverages and tobacco products	131,513	130,484
Fixed rental income from lease of premises to tenants	15,422	15,018
Contingent rental income from lease of premises to tenants	253	128
Provision of cleaning and utilities services	10,718	9,262
Outlet management fee	568	590
	<u>158,474</u>	<u>155,482</u>
Timing of transfer of goods or services:		
At a point in time	131,513	130,484
Over time	26,961	24,998
	<u>158,474</u>	<u>155,482</u>

4. Financial assets and financial liabilities at amortised cost

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 March 2024 and 30 September 2023:

	Group		Company	
	31.3.2024	30.9.2023	31.3.2024	30.9.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets:				
Trade and other receivables	16,541	15,555	101,598	106,081
Cash and short-term deposits	89,424	89,062	34,894	32,183
	<u>105,965</u>	<u>104,617</u>	<u>136,492</u>	<u>138,264</u>
Financial liabilities:				
Trade and other payables	27,078	25,184	47,450	35,531
Accrued operating expenses	12,431	16,016	510	626
Interest-bearing loans and borrowings	17,301	17,692	-	-
	<u>56,810</u>	<u>58,892</u>	<u>47,960</u>	<u>36,157</u>

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E. Notes to the Condensed Interim Financial Statements (cont'd)

5. Profit before tax

5.1 Significant items

The following expense/(income) items have been included in arriving at profit before tax:

	Note	Group	
		1H FY2024 S\$'000	1H FY2023 S\$'000
Amortisation of intangible assets		787	789
Depreciation of property, plant and equipment		3,120	2,965
Depreciation of investment properties		70	71
Depreciation of right-of-use assets		19,280	18,553
Directors' fees		100	100
Employee benefits expense	(1)	48,273	45,696
Finance costs			
- Lease liabilities		1,538	1,543
- Loans and borrowings		327	171
Gain on disposal of property, plant and equipment		-	(154)
Gain on derecognition of right-of-use assets and lease liabilities		-	(389)
Gain on disposal of Confectionary Business		-	(2,515)
Government grants		(500)	(684)
Interest income from short-term deposits		(931)	(601)
Rental expense on short-term leases and low value assets, net of rental relief received	(2)	1,730	2,148
Reversal of impairment loss on property, plant and equipment		-	(185)
Share-based payment expenses (Kimly Performance Share Plan)		480	343
Write-off of property, plant and equipment		40	187

Notes:

- (1) Employee benefits expense in 1H FY2024 was after offset of the government grants received from Progressive Wage Credit Scheme of S\$0.5 million (1H FY2023: S\$Nil).
- (2) The Group applied the recognition exemption for short-term leases and leases for low value assets in accordance with SFRS(I) 16 Leases. The amount was after offset of rental relief from landlords of S\$0.1 million in 1H FY2024 (1H FY2023: S\$0.1 million).

5.2 Related party transactions

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial period:

	Group	
	1H FY2024 S\$'000	1H FY2023 S\$'000
Rental paid to corporations related to a substantial shareholder	4,905	4,708
Rental paid to an associate	630	612
Rental paid to joint venture companies	202	176

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E. Notes to the Condensed Interim Financial Statements (cont'd)

5. Profit before tax (cont'd)

5.2 Related party transactions (cont'd)

(b) Commitments with related parties

The Group has entered into commercial leases with related parties in respect of retail outlet premises and all the leases do not contain an escalation clause. Lease terms do not contain restrictions on the Group's activities concerning dividends, additional debt or further leasing.

	Group	
	1H FY2024	1H FY2023
	S\$'000	S\$'000
<i>Lease commitment with corporations related to a substantial* shareholder</i>		
Not later than one year	5,331	9,611
Later than one year but not later than five years	1,333	6,664
	<u>6,664</u>	<u>16,275</u>
<i>Lease commitment with joint ventures*</i>		
Not later than one year	172	280
Later than one year but not later than five years	3	7
	<u>175</u>	<u>287</u>
<i>Lease commitment with an associate*</i>		
Not later than one year	1,260	1,251
Later than one year but not later than five years	2,730	3,990
	<u>3,990</u>	<u>5,241</u>

* These leases have been capitalised as right-of-use assets in accordance with SRF5(I) 16 Leases.

6. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim statement of profit or loss are:

	Group	
	1H FY2024	1H FY2023
	S\$'000	S\$'000
<i>Current income tax</i>		
- Current income taxation	3,477	3,864
- Over provision in respect of previous years	(1,585)	-
	<u>1,892</u>	<u>3,864</u>
<i>Deferred income tax</i>		
- Amortisation and reversal of temporary differences	(49)	(90)
Income tax expense recognised in profit or loss	<u>1,843</u>	<u>3,774</u>

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E. Notes to the Condensed Interim Financial Statements (cont'd)

7. Property, plant and equipment

	Group	
	31.3.2024	30.9.2023
	S\$'000	S\$'000
Cost		
At 1 October 2023 / 1 October 2022	102,146	98,422
Additions	3,081	5,461
Disposals	(113)	(377)
Written-off	(358)	(1,360)
At 31 March 2024 / 30 September 2023	<u>104,756</u>	<u>102,146</u>
Accumulated depreciation and impairment		
At 1 October 2023 / 1 October 2022	29,139	25,025
Depreciation charge for the period/year	3,120	6,010
Reversal of impairment loss	-	(185)
Disposals	(113)	(353)
Written-off	(318)	(1,358)
At 31 March 2024 / 30 September 2023	<u>31,828</u>	<u>29,139</u>
Net carrying amount		
At 31 March 2024 / 30 September 2023	<u><u>72,928</u></u>	<u><u>73,007</u></u>

8. Investment properties

	Group	
	31.3.2024	30.9.2023
	S\$'000	S\$'000
Cost		
At 1 October 2023 / 1 October 2022, and 31 March 2024 / 30 September 2023	<u>7,130</u>	<u>7,130</u>
Accumulated depreciation		
At 1 October 2023 / 1 October 2022, Depreciation charge for the period/year	477	334
At 31 March 2024 / 30 September 2023	<u>547</u>	<u>477</u>
Net carrying amount		
At 31 March 2024 / 30 September 2023	<u><u>6,583</u></u>	<u><u>6,653</u></u>

E. Notes to the Condensed Interim Financial Statements (cont'd)

9. Intangible assets and goodwill

	Group					
	Goodwill S\$'000	Customer contracts S\$'000	Lease assignment fees S\$'000	Trademarks S\$'000	Computer software S\$'000	Total S\$'000
Cost						
At 1 October 2022	50,062	1,478	15,140	8,877	771	76,328
Additions	-	-	-	-	7	7
Written-off	-	-	-	-	(21)	(21)
At 30 September 2023 and 1 October 2023	50,062	1,478	15,140	8,877	757	76,314
Written-off	-	-	-	-	(1)	(1)
At 31 March 2024	50,062	1,478	15,140	8,877	756	76,313
Accumulated amortisation and impairment						
At 1 October 2022	705	193	11,945	952	733	14,528
Charge for the year	-	143	535	881	19	1,578
Written-off	-	-	-	-	(21)	(21)
At 30 September 2023 and 1 October 2023	705	336	12,480	1,833	731	16,085
Charge for the period	-	71	268	440	8	787
Written-off	-	-	-	-	(1)	(1)
At 31 March 2024	705	407	12,748	2,273	738	16,871
Net carrying amount						
At 31 March 2024	49,357	1,071	2,392	6,604	18	59,442
At 30 September 2023	49,357	1,142	2,660	7,044	26	60,229

Impairment testing of goodwill and trademarks

There were no significant events and conditions that indicated impairment in respect of intangible assets and goodwill existed as at 31 March 2024.

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E. Notes to the Condensed Interim Financial Statements (cont'd)

10. Leases

(a) Carrying amount of right-of-use assets

	Group	
	31.3.2024	30.9.2023
	S\$'000	S\$'000
Cost		
At 1 October 2023 / 1 October 2022	199,642	202,802
Additions	8,957	6,687
Modifications	18,145	12,044
Derecognition	(2,988)	(21,891)
At 31 March 2024 / 30 September 2023	<u>223,756</u>	<u>199,642</u>
Accumulated depreciation		
At 1 October 2023 / 1 October 2022	127,030	100,820
Depreciation charge for the period/year	19,280	37,655
Derecognition	(2,971)	(11,730)
Impairment loss	-	285
At 31 March 2024 / 30 September 2023	<u>143,339</u>	<u>127,030</u>
Net carrying amount		
At 31 March 2024 / 30 September 2023	<u>80,417</u>	<u>72,612</u>

(b) Lease liabilities

	Group	
	31.3.2024	30.9.2023
	S\$'000	S\$'000
At 1 October 2023 / 1 October 2022	76,656	105,424
Additions	8,957	6,687
Modifications	18,145	12,044
Accretion of interests	1,538	3,272
Lease payments	(21,038)	(40,495)
Derecognition	(17)	(10,276)
At 31 March 2024 / 30 September 2023	<u>84,241</u>	<u>76,656</u>
Current	30,882	35,527
Non-current	53,359	41,129
	<u>84,241</u>	<u>76,656</u>

Kimly Limited
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E. Notes to the Condensed Interim Financial Statements (cont'd)

11. Interest-bearing loans and borrowings

	Group	
	31.3.2024	30.9.2023
	S\$'000	S\$'000
Interest-bearing loans and borrowings (secured)		
Current	792	786
Non-current	16,509	16,906
	<u>17,301</u>	<u>17,692</u>

As at 31 March 2024 and 30 September 2023, the bank loans are secured by corporate guarantees issued by the Company to its subsidiaries, mortgage of certain properties and assignment of rental proceeds in respect of the properties.

12. Share capital, treasury shares and share-based compensation reserve

(a) Share capital

	Group and Company			
	31.3.2024		30.9.2023	
	No. of shares		No. of shares	
	'000	S\$'000	'000	S\$'000
Issued and fully paid ordinary shares:				
At 1 October 2023 / 1 October 2022 and 31 March 2024 / 30 September 2023	1,250,003	316,145	1,250,003	316,145

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

(b) Treasury shares

	Group and Company			
	31.3.2024		30.9.2023	
	No. of shares		No. of shares	
	'000	S\$'000	'000	S\$'000
At 1 October 2023 / 1 October 2022	8,617	2,520	6,849	1,818
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	(1,669)	(480)	(2,004)	(547)
Purchase of treasury shares	1,380	429	3,772	1,249
At 31 March 2024 / 30 September 2023	<u>8,328</u>	<u>2,469</u>	<u>8,617</u>	<u>2,520</u>

Treasury shares relate to ordinary shares of the Company that is held by the Company.

During 1H FY2024, the Company bought back 1,380,300 shares by way of market acquisition and all shares acquired are held as treasury shares. Following the purchase, the Company has 8,328,111 treasury shares, representing 0.67% of the total number of shares outstanding as at 31 March 2024 (30 September 2023: 8,617,212, 0.69%). Save for as disclosed, the Company did not have any treasury shares, subsidiary holdings or other convertible instruments as at 31 March 2024 and 30 September 2023.

Kimly Limited
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E. Notes to the Condensed Interim Financial Statements (cont'd)

12. Share capital, treasury shares and share-based compensation reserve (cont'd)

(c) Share-based compensation reserve

Share-based compensation reserve represents the fully-paid share awards granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of share awards, and reduced by forfeited or vesting of the share awards.

13. Dividends

	Group and Company	
	1H FY2024	1H FY2023
	S\$'000	S\$'000
<i>Declared and paid during the financial period:</i>		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for 2023: 1.12 (2022: 1.12)		
cents per share	13,911	13,936

14. Earnings per ordinary share

	Group	
	1H FY2024	1H FY2023
Profit for the period attributable to owners of the Company (S\$'000)	17,532	18,668
Weighted average number of ordinary shares for basic earnings per share computation ('000)	1,241,068	1,243,064
Effect of dilution:		
Share awards granted under the Kimly Performance Share Plan ('000)	2,200	2,128
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	1,243,267	1,245,192
Basic earnings per share (cents)	1.41	1.50
Diluted earnings per share (cents)	1.41	1.50

Kimly Limited
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E. Notes to the Condensed Interim Financial Statements (cont'd)

15. Net asset value

	Group		Company	
	31.3.2024	30.9.2023	31.3.2024	30.9.2023
Net asset value ("NAV") (S\$'000)	180,154	176,482	327,614	341,192
Number of ordinary shares in issue ('000)	1,241,675	1,241,386	1,241,675	1,241,386
NAV per ordinary share (cents)	14.51	14.22	26.38	27.48

16. Fair value of assets and liabilities

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety at the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

At the end of the reporting period, the Group does not have any financial instruments carried at fair value.

(a) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Cash and cash equivalents, trade and other receivables and trade and other payables

The carrying amounts of the financial assets and liabilities are reasonable approximation of fair values, due to their short-term nature. The Group does not anticipate the carrying amounts at the end of the reporting period would be significantly different from the value that would eventually be received or settled.

(b) Assets and liabilities not measured at fair value, for which fair value is disclosed

	Group			
	31.3.2024		30.9.2023	
	Carrying amount S\$'000	Fair value measurement using significant unobservable inputs (Level 3) S\$'000	Carrying amount S\$'000	Fair value measurement using significant unobservable inputs (Level 3) S\$'000
Assets				
Investment properties	6,583	6,700	6,653	6,700
Liabilities				
Interest-bearing loans and borrowings	17,301	17,463	17,692	18,168

Determination of fair value

On an annual basis, management estimates the fair value of the investment properties based on inputs provided by a financial institution. Management corroborated the fair values by obtaining the valuation from an independent valuer on a sample basis for properties owned by the Group. The independent valuer used the direct comparison method as well as the income approach using inputs such as location, tenure, age, size, design, layout, exposure to shoppers' traffic condition and standard of finished.

The fair values of the Group's interest-bearing loans and borrowings are determined by using the discounted cash flows method using discount rate that reflects the Group's borrowing rate as at the end of the reporting period.

F. Other Information required by Appendix 7C of the Catalist Rules

1. Review of performance of the Group

The condensed interim statements of financial position of Kimly Limited and its subsidiaries as at 31 March 2024 and the related condensed interim statement of comprehensive income, condensed interim statements of changes in equity and condensed interim statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed.

Condensed Interim Statement of Comprehensive Income

1H FY2024 compared to 1H FY2023

Revenue

Revenue increased by S\$3.0 million or 1.9% from S\$155.5 million in 1H FY2023 to S\$158.5 million in 1H FY2024. This was mainly due to:

- (a) revenue from the Outlet Management Division and Outlet Investment Business Division increased by S\$2.2 million. The increase was mainly due to (i) revenue contribution of S\$2.6 million from the opening of three (3) coffeeshops during FY2023 and two (2) coffeeshops during 1H FY2024; (ii) increase in revenue from the provision of cleaning services of S\$0.9 million as a result of securing new cleaning contracts; and (iii) increase in revenue from the provision of utilities services of S\$0.1 million.

The increase was offset by (i) decrease in contribution of S\$1.5 million following (a) the termination of management agreements of four (4) coffeeshops and the closure of a coffeeshop in FY2023; and (b) closure of an additional coffeeshop in 1H FY2024.

- (b) revenue contribution from the Food Retail Division increased by S\$0.8 million from S\$91.2 million in 1H FY2023 to S\$92.0 million in 1H FY2024. This was mainly due to revenue contribution of S\$5.8 million by 13 food stalls, one (1) restaurant and one (1) kiosk that opened during FY2023, the opening of three (3) food stalls and two (2) restaurants in 1H FY2024 which continue to enhance the revenue growth. The increase in revenue was offset by (i) decrease in revenue contribution from existing food stalls/outlets of S\$2.9 million; (ii) decrease in revenue contribution of S\$1.2 million resulting from the closure of six (6) underperforming food stalls during FY2023, and additional three (3) food stalls during 1H FY2024; (iii) S\$0.9 million from the disposal of Confectionary Business in December 2022.

Cost of sales

Cost of sales, which comprised mainly beverages, tobacco products and food ingredients, employee benefits expense (Central Kitchen, coffeeshop and food outlet staff), depreciation of right-of-use assets pertaining to leases of coffeeshops, restaurants and confectionary shops, rental expense on short term leases and low value assets, utilities and cleaning charges, increased by S\$1.4 million, to S\$114.4 million in 1H FY2024. Cost of sales as a percentage of revenue has decreased by 0.5%, from 72.7% in 1H FY2023 to 72.2% in 1H FY2024.

The increase in cost of sales was mainly due to (i) higher employee benefit expenses of S\$2.0 million due mainly to salary adjustment across the board; and (ii) higher utilities charges and cleaning fee expenses of S\$0.8 million and S\$0.2 million respectively. The increase was offset by decrease in food ingredient expenses of S\$1.7 million due to change in sales mix.

Gross profit

Overall gross profit increased by S\$1.6 million or 3.8% from S\$42.5 million in 1H FY2023 to S\$44.1 million in 1H FY2024. Gross profit margin increased by 0.5 percentage point, from 27.3% in 1H FY2023 to 27.8% in 1H FY2024.

Other operating income

Other operating income decreased by S\$3.7 million, from S\$4.7 million in 1H FY2023 to S\$1.0 million in 1H FY2024. The decrease was due mainly to absence of (i) gain on disposal of the Confectionary Business of S\$2.5 million; (ii) gain on derecognition of right-of-use assets and lease liabilities in relation to the termination management agreements of four (4) coffeeshops in 1H FY2023 of S\$0.4 million; (iii) gain on disposal on property, plant and equipment of S\$0.2 million; and (iv) lower government grants received, sponsorship income from suppliers and insurance claims amounting to S\$0.4 million.

Selling and distribution expenses

Selling and distribution expenses increased by S\$0.3 million from S\$8.4 million in 1H FY2023 to S\$8.8 million in 1H FY2024. The increase was mainly due to increase in online food delivery fees aligned with the increase in food delivery sales.

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F. Other Information required by Appendix 7C of the Catalyst Rules (cont'd)

1. Review of performance of the Group (cont'd)

Condensed Interim Statement of Comprehensive Income (cont'd)

Administrative expenses

Administrative expenses increased by S\$0.5 million from S\$13.7 million in 1H FY2023 to S\$14.2 million in 1H FY2024. The increase was primarily due to higher employee benefits expenses of S\$0.5 million, attributed to increase in headcount and across-the-board salary adjustment.

Finance costs

Finance costs pertain to interest expense from loans and borrowings and interest expense from unwinding of lease liabilities. The increase of S\$0.2 million in finance costs was mainly due to increase in interest rates on loans and borrowings.

Share of profit of an associate and joint ventures

The share of profit of an associate and joint ventures relates to the share of profit from investment in 25% partnership interest in North View Investments LLP and 6 (1H FY2023: 6) joint venture companies.

Income tax expense

Income tax expense decreased by S\$1.9 million from S\$3.8 million in 1H FY2023 to S\$1.8 million in 1H FY2024. Effective tax rate decreased from 16.0% in 1H FY2023 to 8.8% in 1H FY2024, mainly due to corporate income tax rebate of 50% of the tax payable for YA2024 (capped at S\$40,000 per company), as announced in Budget 2024. Further information is available at <https://www.straitstimes.com/singapore/budget-2024-13-billion-package-to-help-companies-deal-with-higher-costs>.

Condensed Interim Statements of Financial Position

The comparative performance for both the assets and liabilities are based on the Group's financial statements as at 31 March 2024 and 30 September 2023.

Non-current assets

The Group's non-current assets increased by S\$7.9 million from S\$228.8 million as at 30 September 2023 to S\$236.7 million as at 31 March 2024 mainly due to (i) the recognition of right-of-use assets of S\$27.1 million arising from the Group's new and renewed leases; (ii) renovations and additions of equipment for new and existing coffeeshops and food stalls of S\$3.1 million; and (iii) increase in refundable deposits placed with landlords (non-current) of S\$1.3 million due to additional deposits placed with landlords of S\$0.5 million during the period ended 31 March 2024 and reclassification of refundable deposits which the leases are due to expire more than one year from other receivables (current assets) amounting to S\$0.8 million.

The increase was offset by (i) depreciation of right-of-use assets of S\$19.3 million; (ii) depreciation of property, plant and equipment of S\$3.1 million; (iii) amortisation of intangible assets of S\$0.8 million; and (iv) decrease in investment in an associate and joint ventures of S\$0.2 million.

Other receivables (non-current) comprised (i) the refundable deposits relating to rental deposits placed with lessors for the leases of coffee shops and restaurants which are due to expire in more than one year and recoverable upon termination or expiration of the leases, amounting to S\$4.7 million (30 September 2023: S\$3.4 million); and (ii) the non-current portion of staff loans amounting to S\$47,000 (30 September 2023: S\$0.1 million).

As at 31 March 2024, total refundable deposits placed with lessors (non-current and current) amounted to S\$7.6 million (30 September 2023: S\$7.1 million).

Current assets

The Group's current assets decreased by S\$0.3 million from S\$105.0 million as at 30 September 2023 to S\$104.7 million as at 31 March 2024. The decrease was mainly due to (i) decrease in inventories of S\$0.5 million; and (ii) decrease in trade and other receivables of S\$0.3 million due mainly to the reclassification of refundable deposits to non-current assets; offset by increase in cash and cash equivalents of S\$0.4 million.

The increase in cash and cash equivalents of S\$0.4 million was mainly due to (i) cash generated from operating activities of S\$40.2 million; and (ii) dividend income received from associate and joint ventures of S\$0.6 million. The increase was offset by (i) dividends paid on ordinary shares and to non-controlling interests of S\$13.9 million and S\$1.2 million respectively; (ii) repayment of lease liabilities and its related interest expense of S\$21.0 million; (iii) repayment of loans and borrowings and its related interest expense of S\$0.7 million; (iv) purchase of property, plant and equipment of S\$3.2 million; and (v) purchase of treasury shares of S\$0.4 million.

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F. Other Information required by Appendix 7C of the Catalist Rules (cont'd)

1. Review of performance of the Group (cont'd)

Condensed Interim Statements of Financial Position (cont'd)

Current liabilities

The Group's current liabilities decreased by S\$8.6 million from S\$89.8 million as at 30 September 2023 to S\$81.2 million as at 31 March 2024. The decrease was due mainly to (i) decrease in lease liabilities (current) of S\$4.6 million; (ii) decrease in other liabilities due mainly to payment of bonus in January 2024 and accrued operating expenses of S\$3.3 million and S\$0.3 million respectively; (iii) decrease in provision for taxation and restoration costs of S\$1.9 million and S\$0.2 million respectively. The decrease was offset by the increase in trade and other payables of S\$1.7 million, in line with the increase in cost of sales.

Non-current liabilities

The Group's non-current liabilities increased by S\$12.2 million from S\$61.5 million as at 30 September 2023 to S\$73.7 million as at 31 March 2024. The increase was mainly due to (i) increase in the lease liabilities (non-current) of S\$12.2 million; and (ii) increase in provision for restoration costs of S\$0.4 million. The increase was offset by the decrease in interest-bearing loans and borrowings of S\$0.4 million due to repayment made during 1H FY2024.

As at 31 March 2024, total lease liabilities (current and non-current) amounted to S\$84.2 million (30 September 2023: S\$76.7 million). The increase in lease liabilities (current and non-current) was due to the recognition of lease liabilities from the Group's new and renewed leases and interest expenses of S\$27.1 million and S\$1.5 million respectively; offset by repayment made (including interest expense) during 1H FY2024 of S\$21.0 million.

Condensed Interim Statements of Cash Flows

The Group's net cash generated from operating activities in 1H FY2024 of S\$40.2 million mainly resulted from operating cash flows before changes in working capital of S\$45.1 million and interest income from short-term deposits received of S\$1.0 million; and offset by (i) net working capital outflows of S\$2.2 million; and (ii) income taxes paid of S\$3.8 million. The net working capital outflows were due to (i) decrease in other liabilities of S\$3.6 million; (ii) increase in trade and other receivables of S\$1.1 million; and (iii) increase in prepayments of S\$0.1 million; and offset by (i) increase in trade and other payables of S\$2.1 million; and (ii) decrease in inventories of S\$0.5 million.

The Group's net cash flows used in investing activities during 1H FY2024 of S\$2.5 million were due to purchase of property, plant and equipment of S\$3.2 million; offset by dividend income received from associate and joint ventures of S\$0.6 million.

The Group's net cash flows used in financing activities of S\$37.3 million were mainly attributable to (i) repayment of lease liabilities and related interest expense of S\$21.0 million; (ii) dividends paid on ordinary shares and to non-controlling interests of S\$13.9 million and S\$1.2 million respectively; (iii) repayment of loans and borrowings and related interest expense of S\$0.7 million; and (iv) purchase of treasury shares of S\$0.4 million.

2. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable as no specific forecast or a prospect statement has been issued previously.

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F. Other Information required by Appendix 7C of the Catalyst Rules (cont'd)

3. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Food and Beverage (F&B) industry in Singapore grapples with numerous challenges amid a competitive landscape and soaring operational expenses. F&B establishments are expected to struggle with the ongoing manpower shortages, despite offering higher pay to attract and retain talent. Additionally, escalating costs of raw materials and utilities pose a significant hurdle, putting considerable strain on food outlets to offer competitive prices while ensuring sustainable profitability.

The Group has successfully opened its fifth Tenderbest Makkik Tuckshop at Punggol Park in February 2024. It boasts a vast outdoor refreshment area of over 218 sqm and an internal dining space exceeding 205 sqm, making it the Group's largest establishment. Strategically situated amidst mature HDB heartland estates, Punggol Park spans an extensive 16 hectares and offers diverse range of amenities and activities to delight families of all ages.

Looking ahead, the Group will continue to place focus on expanding the business in Halal market by leveraging on the growing demand for Halal-certified food products. In addition, the Group is dedicated to open more food outlets with the aim to further strengthen and solidify its market presence and leadership position in the F&B industry.

Barring unforeseen circumstances, the Group expects to continue growing its revenue base and remain profitable for FY2024.

4. Dividend information

4a. Current Financial Period Reported on

Name of Dividend	Interim
Dividend type	Cash
Dividend per share	1.00 Singapore cent (S\$0.01) per ordinary share
Tax rate	Tax-exempt (one-tier)

Despite a challenging economic environment, the Group remains profitable for 1H FY2024. Therefore, the Group wishes to reward shareholders for their continued loyalty and support by declaring an interim dividend as detailed above.

4b. Corresponding Period of the Immediate Preceding Financial Year

Name of Dividend	Interim
Dividend type	Cash
Dividend per share	0.56 Singapore cents (S\$0.0056) per ordinary share
Tax rate	Tax-exempt (one-tier)

4c. Date Payable

The interim dividend will be paid on or about 15 July 2024.

4d. Books Closure Date

28 June 2024

5. Interested Person Transactions

The Group had obtained a general mandate from shareholders for IPTs disclosed in pages 147 to 153 of the Offer Document. The general mandate for IPT has been renewed at the Annual General Meeting held on 24 January 2024.

There were no interested person transactions entered into that exceeded S\$100,000 for 1H FY2024.

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F. Other Information required by Appendix 7C of the Catalyst Rules (cont'd)

6. Use of IPO proceeds

The Company refers to the gross proceeds amounting to S\$43.5 million raised from the IPO on the Catalyst Board of SGX-ST on 20 March 2017.

As at the date of this announcement, the status on the use of the IPO net proceeds is as follows:

	Allocated S\$'000	Utilised S\$'000	Balance S\$'000
Acquisitions and joint ventures and general business expansion (including establishment of new food outlets)	30,363	(30,363)	-
Refurbishment and renovation of existing food outlets	3,000	(3,000)	-
Headquarters/Central Kitchen upgrading	5,000	(3,495)	1,505
Productivity initiatives/IT	2,000	(2,000)	-
Listing expenses	3,087	(3,087)	-
Total	43,450	(41,945)	1,505

The above utilisations are in accordance with the intended use of IPO net proceeds, as stated in the Company's Offer Document.

7. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalyst Rules

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalyst Rules.

8. Disclosures on Incorporation of Entities, Acquisition and Realisation of Shares pursuant to Catalyst Rule 706A

During 1H FY2024, the Company did not incorporate or acquire any shares resulting in any company becoming a subsidiary and/or associated company or increase its shareholdings in any subsidiary. The Company also did not dispose any shares resulting in a company ceasing to be a subsidiary or associated company or decreasing its shareholding percentage in any subsidiary.

9. Negative Assurance Confirmation Interim Financial Results pursuant to Rule 705(5) of the Catalyst Rules

The Board confirms that to the best of their knowledge, nothing has come to their attention which may render the unaudited condensed interim financial statements of the Company and the Group for the first half ended 31 March 2024 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Wong Kok Yoong
Executive Director

9 May 2024