

Kimly achieves S\$5.3 million net profit in 1Q FY2019 on S\$52.6 million revenue

- S\$91.1 million in cash and cash equivalents and no borrowings as at 31 December 2018

S\$'million	1Q FY2019	1Q FY2018	+ / (-) %
Revenue	52.6	50.1	5.0
Gross Profit	10.6	10.2	4.4
Profit Before Tax	6.0	6.8	(10.8)
Profit Attributable to Shareholders	5.3	5.7	(8.2)

SINGAPORE, 12 February 2019 – Kimly Limited (“**金味有限公司**”) (“**Kimly**” or the “**Company**” and together with its subsidiaries, the “**Group**”) reported today a 5.0% rise in revenue and a net profit of S\$5.3 million for the first quarter of its current financial year.

Revenue for the three months ended 31 December 2018 (“**1Q FY2019**”) came in at S\$52.6 million, up from S\$50.1 million a year earlier (“**1Q FY2018**”), driven by contribution of revenue from *Tonkichi*, a Japanese restaurant chain, and *Rive Gauche*, a Japanese-French confectioner.

Kimly acquired the two food brands in July 2018 as part of ongoing efforts to expand its product offerings and reach a wider consumer segment. It owns three *Tonkichi* outlets and 10 *Rive Gauche* stores, the most recent of the latter opened in December last year.

With the rise in overall revenue, gross profit in 1Q FY2019 increased to S\$10.6 million from \$10.2 million in 1Q FY2018. This was offset, by higher selling, distribution and administrative expenses, resulting in a slight drop in net attributable profit to S\$5.3 million in 1Q FY2019 from S\$5.7 million in 1Q FY2018.

Net cash from operations rose to S\$20.9 million in 1Q FY2019 from S\$7.8 million a year earlier as the Group received S\$12.0 million from the rescission of its acquisition of Asian Story Corporation Pte Ltd. As at 31 December 2018, it had S\$91.1 million in cash and cash equivalents and no borrowings.

The Group is fully committed to carrying out the various growth initiatives set out in its corporate and business update released on 18 December 2018. These include expanding its portfolio of coffee shops and product offerings, streamlining outlet operations, and further optimising its central kitchen.

As part of efforts to cater to the public's preference for healthier dining options, the Group is developing its own brand of iced Kopi and iced Teh for sale at all its coffee shops. This is expected to be completed by March 2019.

Having successfully pioneered its first innovative coffee shop, located at Bukit Batok, Kimly expects to introduce similar features in a number of other outlets this year. The Bukit Batok outlet is equipped with an automatic conveyor belt tray return system, self-service cashless payment kiosks, and a point-of-sale system that is integrated with enterprise resource planning software to provide real-time information on sales, inventory and customer dining patterns.

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About Kimly Limited

Kimly Limited (“金味有限公司”) is one of the largest traditional coffee shop operators in Singapore with more than 25 years of experience. The Group operates and manages an extensive network of 67 food outlets and 129 food stalls across the heartlands of Singapore. It also operates a Central Kitchen that supplies sauces, marinades and semi-finished food products to its food stalls, which enables it to have better control over its business processes and generate cost savings.

For its Outlet Management Division, the Group operates and manages 60 coffee shops and four industrial canteens under the Kimly and third party brands and three food courts, located mainly in tertiary institutions, are managed and operated under the “foodclique” brand. Its Food Retail Division comprises Mixed Vegetable Rice, Teochew Porridge, Dim Sum, Seafood “Zi Char” food stalls and a Live Seafood Restaurant. The Group recently acquired a chain of Japanese restaurants, *Tonkichi*, and a confectionery business, *Rive Gauche*.

In tandem with the growing demand for online food ordering and delivery services due to changing consumer trends, Kimly Group started to offer its Dim Sum and Seafood “Zi Char” products for online ordering through Deliveroo, Food Panda, GrabFood and Honestbee.

Issued for and on behalf of Kimly Limited

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Kimly Limited (the “Company”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 20 March 2017. The initial public offering of the Company (the “IPO”) was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor” or “PPCF”).

This press release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release. This press release has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this press release including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this press release. The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).