

FOR IMMEDIATE RELEASE

Newly-listed Kimly posts healthy profit before tax of S\$14.1 million in 1H FY2017

- Excluding one-off listing expenses and convertible loans related expenses, profit before tax would have been S\$14.1 million[#], posing a strong 6% growth YOY comparisons
- Interim dividend of 0.28 cents per share declared

Financial Highlights for the second quarter and half year ended 31 March 2017

S\$ million	2Q FY2017	2Q FY2016	+ / (-) %	1H FY2017	1H FY2016	+ / (-) %
Revenue	47.4	42.1	12.4	94.3	82.4	14.4
Gross Profit	9.9	9.1	8.9	20.4	18.4	11.2
Listing Expenses	(1.0)	-	n.m.	(1.0)	-	n.m.
Profit Before Tax	5.2	6.4	(18.7)	12.9	13.3	(3.3)
Profit Before Tax (excluding one-off items [#])	6.4	6.4	-	14.1	13.3	5.7
Profit Attributable to Owners of the Company [^]	4.5	6.1	(25.3)	11.2	12.6	(11.1)
Profit Attributable to Owners of the Company [^] (excluding one-off items [#])	5.7	6.1	(5.7)	12.4	12.6	(1.8)

n.m. – not meaningful

[^] assuming the Restructuring Exercise has been completed on 1 October 2015, there would be no profit attributable to non-controlling interest and hence the profit attributable to owners of the Company for 2Q FY2016 and 1H FY2016 would have been S\$6.1 million and S\$12.6 million respectively

[#] one-off items refer to listing expenses of S\$1.0 million and convertible loans related expenses of S\$0.2 million

SINGAPORE, 9 May 2017 – Kimly Limited (“金味有限公司”) (“Kimly”, or “Company” and together with its subsidiaries, “Group”), the largest traditional coffee shop operator in Singapore, today reported its maiden set of results following its recent listing on the Catalist Board of the Singapore Exchange Securities Trading Limited in March 2017.

For the second quarter ended 31 March 2017 (“2Q FY2017”), the Group’s revenue climbed 12.4% to S\$47.4 million compared to S\$42.1 million for the corresponding period last year (“2Q FY2016”). The increase in revenue was mainly attributable to contribution from the sales of cooked food, beverages and tobacco products of S\$2.9 million, and increase in rental income and income from provision of cleaning and utilities services of S\$2.1 million.

In tandem with the increase in revenue, selling and distribution expenses rose 19.7% to S\$0.7 million due to higher packaging materials and other expendables. As the Group continues to ramp up its operations as part of its expansion plans, administrative expenses for 2Q FY2017 jumped 54.2% to S\$4.3 million on increased employee benefits expense, incentive bonus and higher depreciation expense. Consequently, the Group reported a 25.3% decline in net attributable profit to S\$4.5 million (including one-off listing expenses of S\$1.0 million and convertible loans related expenses of S\$0.2 million). Excluding such one-off expenses, the Group would have reported a 5.7% decline in net attributable profit to S\$5.7 million.

With the net listing proceeds, the Group's cash and bank balances has increased to S\$73.6 million as at 31 March 2017, compared to S\$29.4 million as at 30 September 2016. The Group does not have any borrowings as at 31 March 2017.

Interim Dividend

In view of the Group's healthy operating cash flow and to reward shareholders for their support, the Company has declared a tax exempt (one-tier) interim cash dividend of 0.28 cents per share, which constitutes approximately 28.8% of the Group's net profit for the half year ended 31 March 2017.

Future Plans and Outlook

The Group is making good progress in realising its growth plans set out at IPO, which will further bolster its business operations and position it as the leading food operator in Singapore.

The construction of a four-storey annex of approximately 1,591 square metres, at the Group's corporate headquarters located at 13 Woodlands Link, is expected to be completed in the fourth quarter of the financial year ending 30 September 2017.

Mr Vincent Chia (谢书强), Executive Director of Kimly, elaborated, *"Construction of the new extension is on track and we will installing new equipment and machinery as well as new software for our Central Kitchen to increase operational efficiencies. Going forward, we will continue to focus on executing our other growth plans which include implementing cashless payment systems at our food outlets, extending our online food ordering and delivery system, as well as expanding the network of our food stalls and refurbishing existing food outlets."*

With a clear growth strategy, Kimly is ready to capitalise on opportunities to grow and expand its business. It will also continue to manage its costs and manpower to increase productivity and efficiency.

Barring any unforeseen circumstances, the Group expects to remain profitable for FY2017.

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About Kimly Limited

Kimly Limited (“金味有限公司”) is the largest traditional coffee shop operator in Singapore with 26 years of operational history. The Kimly Group operates and manages an extensive network of 64 food outlets and 121 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 Kimly Group operates and manages 56 coffee shops and three industrial canteens under the Kimly and third party brands, while the other five 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, catering to a broad and varied customer base.

In tandem with the growing demand for online food ordering and delivery services due to changing consumer trends, Kimly Group’s Dim Sum products are available for online ordering through Deliveroo. It is also developing a mobile application to allow pre-ordering of takeaways, as well as a unique QR code embedded in tables in their food outlets for customers to browse and place orders through their mobile devices without having to queue.

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”).

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.

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