



Kimly Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 201613903R)

Unaudited Condensed Interim Financial Statements For the Half Year Ended 31 March 2023

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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.

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Kimly Limited
Unaudited Condensed Interim Financial Statements
For the half year ended 31 March 2023

A. Condensed Interim Statement of Comprehensive Income

	Note	Group	
		1H FY2023 S\$'000	1H FY2022 S\$'000
Revenue	3	155,482	156,871
Cost of sales		(112,983)	(109,108)
Gross profit		42,499	47,763
Other items of income			
Finance income		601	42
Other operating income		4,690	1,855
Other items of expense			
Selling and distribution expenses		(8,431)	(10,468)
Administrative expenses		(13,703)	(12,508)
Finance costs		(1,714)	(2,070)
Other operating expenses		(791)	(1,124)
Share of profit of an associate and joint ventures		409	314
Profit before tax	5	23,560	23,804
Income tax expense	6	(3,774)	(3,697)
Profit for the period, representing total comprehensive income for the period		19,786	20,107
Profit attributable to:			
Owners of the Company		18,668	18,537
Non-controlling interests		1,118	1,570
		19,786	20,107
Earnings per share			
- Basic	14	1.50	1.49
- Diluted	14	1.50	1.49

Note:

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

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B. Condensed Interim Statements of Financial Position

		Group		Company	
	Note	31.3.2023	30.9.2022	31.3.2023	30.9.2022
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	7	73,638	73,397	-	-
Investment properties	8	6,725	6,796	-	-
Intangible assets and goodwill	9	61,017	61,800	-	-
Right-of-use assets	10	85,316	101,982	-	-
Investment in subsidiaries		-	-	239,297	239,297
Investment in an associate and joint ventures		12,903	13,038	-	-
Deferred tax assets		212	212	-	-
Other receivables		5,868	5,985	-	-
		245,679	263,210	239,297	239,297
Current assets					
Trade and other receivables		10,169	9,640	104,704	102,814
Inventories		3,521	3,916	-	-
Prepayments		633	921	9	39
Cash and cash equivalents		76,590	77,622	31,612	34,825
		90,913	92,099	136,325	137,678
Assets held for sale		-	1,947	-	-
		90,913	94,046	136,325	137,678
Total assets		336,592	357,256	375,622	376,975
Current liabilities					
Trade and other payables		30,148	32,674	52,013	38,970
Other liabilities		11,288	14,960	467	583
Interest-bearing loans and borrowings	11	1,072	1,138	-	-
Lease liabilities	10	35,438	37,237	-	-
Provision for restoration costs		279	149	-	-
Provision for taxation		8,528	8,444	23	20
		86,753	94,602	52,503	39,573
Liabilities directly associated with assets held for sale		-	1,499	-	-
		86,753	96,101	52,503	39,573
Net current assets/(liabilities)		4,160	(2,055)	83,822	98,105
Non-current liabilities					
Interest-bearing loans and borrowings	11	21,595	22,107	-	-
Lease liabilities	10	53,287	68,187	-	-
Deferred tax liabilities		1,896	1,987	2	2
Other payables		1,080	1,021	-	-
Provision for restoration costs		814	1,076	-	-
		78,672	94,378	2	2
Total liabilities		165,425	190,479	52,505	39,575
Net assets		171,167	166,777	323,117	337,400
Equity					
Share capital	12	316,145	316,145	316,145	316,145
Treasury shares	12	(2,278)	(1,818)	(2,278)	(1,818)
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		85,022	80,290	9,110	22,933
Equity attributable to owners of the Company		165,876	161,604	323,117	337,400
Non-controlling interests		5,291	5,173	-	-
Total equity		171,167	166,777	323,117	337,400
Total equity and liabilities		336,592	357,256	375,622	376,975

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C. Condensed Interim Statement of Cash Flows

	Group	
	1H FY2023	1H FY2022
	S\$'000	S\$'000
Operating activities		
Profit before tax	23,560	23,804
<u>Adjustments for:</u>		
Amortisation of intangible assets	789	1,106
Depreciation of property, plant and equipment	2,965	2,782
Depreciation of investment properties	71	71
Depreciation of right-of-use assets	18,553	19,196
Gain on derecognition of right-of-use assets and lease liabilities	(389)	-
Gain on disposal of property, plant and equipment	(154)	(46)
Gain on disposal of Confectionary Business	(2,515)	-
Interest expense on lease liabilities	1,543	1,885
Interest expense on loans and borrowings	171	186
Interest income from short-term deposits	(601)	(42)
Reversal of impairment loss on property, plant and equipment	(185)	-
Share-based payment expenses (Kimly Performance Share Plan)	343	183
Share of profit of an associate and joint ventures	(409)	(314)
Write-off of property, plant and equipment	187	11
Total adjustments	20,369	25,018
Operating cash flows before changes in working capital	43,929	48,822
<u>Change in working capital</u>		
Decrease in trade and other receivables	27	4,085
Decrease/(increase) in inventories	362	(708)
Decrease/(increase) in prepayments	288	(326)
Decrease in trade and other payables	(4,133)	(6,672)
Decrease in other liabilities	(3,692)	(1,815)
Total changes in working capital	(7,148)	(5,436)
Cash flows from operations	36,781	43,386
Interest income from short-term deposits received	419	46
Income taxes paid	(3,780)	(3,011)
Net cash generated from operating activities	33,420	40,421
Investing activities		
Dividend income received from associate and joint ventures	544	482
Net cash outflow on acquisition of subsidiaries	-	(28,608)
Proceeds from disposal of Confectionery Business	2,800	-
Proceeds from disposal of property, plant and equipment	178	60
Purchase of property, plant and equipment (Note A)	(1,698)	(2,516)
Purchase of intangible assets	(6)	(2)
Net cash generated from/(used in) investing activities	1,818	(30,584)

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

	Group	
	1H FY2023	1H FY2022
	S\$'000	S\$'000
Financing activities		
Capital contribution from a non-controlling interest	-	8
Dividend paid to equity holders of the parents	(13,936)	(17,891)
Dividend paid to non-controlling interests	(1,000)	-
Interest expense from loans and borrowings paid	(171)	(186)
Interest expense from lease liabilities paid	(1,543)	(1,885)
Purchase of treasury shares	(803)	-
Repayment of lease liabilities	(18,239)	(19,110)
Repayment of loans and borrowings	(578)	(595)
Net cash used in financing activities	(36,270)	(39,659)
Net decrease in cash and cash equivalents	(1,032)	(29,822)
Cash and cash equivalents at the beginning of financial period	77,622	94,989
Cash and cash equivalents at the end of financial period	76,590	65,167
A. Property, plant and equipment		
Current period additions to property, plant and equipment	3,232	1,926
Less: non-cash movement		
(Decrease)/increase in other payables	(1,465)	590
Reduction of restoration costs	(69)	-
Net cash outflow for purchase of property, plant and equipment	1,698	2,516

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D. Condensed Interim Statements of Changes in Equity

		Attributable to owners of the Company								
		Other reserves								
Note	Share capital (Note 12) S\$'000	Treasury shares (Note 12) S\$'000	Deemed contribution from shareholders of subsidiary under common control 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 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
At 1 October 2021	297,451	(2,187)	(120,591)	468	(113,030)	140	71,124	133,375	221	133,596
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	-	18,537	18,537	1,570	20,107
<u>Contributions by and distributions to owners</u>										
Issuance of ordinary shares of acquisition of subsidiaries	18,694	-	-	-	-	-	-	18,694	-	18,694
Capital contribution from non-controlling interest	-	-	-	-	-	-	-	-	8	8
Dividends on ordinary shares	-	-	-	-	-	-	(17,891)	(17,891)	-	(17,891)
Share-based payment expenses (Kimly Performance Share Plan)	-	-	-	-	-	183	-	183	-	183
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	-	183	-	-	-	(183)	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	3,907	3,907
Balance as at 31 March 2022	316,145	(2,004)	(120,591)	468	(113,030)	140	71,770	152,898	5,706	158,604

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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 2022		316,145	(1,818)	22,933	140	337,400
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
At 1 October 2021						
Profit for the period, representing total comprehensive income for the period		-	-	12,553	-	12,553
<u>Contributions by and distributions to owners</u>						
Issuance of ordinary shares		18,694	-	-	-	18,694
Dividends on ordinary shares	13	-	-	(17,891)	-	(17,891)
Share-based payment expenses (Kimly Performance Share Plan)		-	-	-	183	183
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan		-	183	-	(183)	-
Balance as at 31 March 2022		316,145	(2,004)	12,688	140	326,969

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 FY2023 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 2022. 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 confectionery shops 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 kiosk, Tonkichi restaurants, Kanaaji Japanese Tonkatsu stall and Rive Gauche shops (up to Dec 2022). 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.

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

3. Segment and revenue information (cont'd)

Reportable segments

	Outlet Management	Food Retail	Outlet Investment Business	Others*	Adjustments and eliminations	Group
1H FY2023	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue						
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	71,248	118,301	4,090	3,642	(41,799)	155,482
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	381	110	29	15	-	535
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)	8,071	18,288	662	(3,461)	-	23,560

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

3. Segment and revenue information (cont'd)

1H FY2022	Outlet Management S\$'000	Food Retail S\$'000	Outlet Investment Business S\$'000	Others* S\$'000	Adjustments and eliminations S\$'000	Group S\$'000
Revenue						
Revenue from external customer	56,873	96,709	3,289	-	-	156,871
Inter-segment revenue	9,695	26,518	397	629	(37,239)	-
Total revenue	66,568	123,227	3,687	629	(37,239)	156,871
Results:						
Amortisation of intangible assets	(275)	(802)	-	(29)	-	(1,106)
Depreciation of investment properties	-	-	(71)	-	-	(71)
Depreciation of property, plant and equipment	(1,015)	(895)	(632)	(240)	-	(2,782)
Depreciation of right-of-use assets	(16,408)	(2,728)	(19)	(41)	-	(19,196)
Employee benefits expense	(13,715)	(26,931)	(640)	(2,421)	-	(43,707)
Finance costs						
- Lease liabilities	(1,734)	(129)	-	(22)	-	(1,885)
- Loans and borrowings	-	-	(186)	-	-	(186)
Gain on disposal of property, plant and equipment	-	3	-	43	-	46
Government grants	285	118	18	24	-	445
Interest income from short-term deposits	-	-	-	42	-	42
Rental expense on short-term leases and low value assets	2,369	(1,152)	(42)	(1)	-	1,174
Share-based payment expenses (Kimly Performance Share Plan)	(183)	-	-	-	-	(183)
Share of profit of an associate and joint ventures	251	-	63	-	-	314
Write-off of property, plant and equipment	-	(11)	-	-	-	(11)
Segment profit/(loss)	6,737	19,737	514	(3,184)	-	23,804

	Segment Assets		Segment Liabilities	
	31.3.2023	30.9.2022	31.3.2023	30.9.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Outlet Management	116,228	130,769	(96,890)	(114,069)
Food Retail	101,689	105,214	(34,636)	(35,898)
Outlet Investment Business	75,761	76,178	(23,653)	(25,274)
Others*	42,914	45,095	(10,246)	(15,238)
Total	336,592	357,256	(165,425)	(190,479)

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

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

3. Segment and revenue information (cont'd)

Disaggregation of Revenue

	1H FY2023 S\$'000	1H FY2022 S\$'000
Types of goods or services:		
Sale of food, beverages and tobacco products	130,484	134,926
Fixed rental income from lease of premises to tenants	15,018	13,047
Contingent rental income from lease of premises to tenants	128	48
Provision of cleaning and utilities services	9,262	7,803
Outlet management fee	590	1,047
	<u>155,482</u>	<u>156,871</u>
Timing of transfer of goods or services:		
At a point in time	130,484	134,926
Over time	24,998	21,945
	<u>155,482</u>	<u>156,871</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 2023 and 30 September 2022:

	Group		Company	
	31.3.2023	30.9.2022	31.3.2023	30.9.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets:				
Trade and other receivables	16,037	15,625	104,704	102,814
Cash and short-term deposits	76,590	77,622	31,612	34,825
	<u>92,627</u>	<u>93,247</u>	<u>136,316</u>	<u>137,639</u>
Financial liabilities:				
Trade and other payables	28,056	30,750	52,013	38,970
Accrued operating expenses	11,173	14,701	467	583
Interest-bearing loans and borrowings	22,667	23,245	-	-
	<u>61,896</u>	<u>68,696</u>	<u>52,480</u>	<u>39,553</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 FY2023 S\$'000	1H FY2022 S\$'000
Amortisation of intangible assets		789	1,106
Depreciation of property, plant and equipment		2,965	2,782
Depreciation of investment properties		71	71
Depreciation of right-of-use assets		18,553	19,196
Directors' fees		100	100
Employee benefits expense	(1)	45,696	43,707
Finance costs			
- Lease liabilities		1,543	1,885
- Loans and borrowings		171	186
Gain on disposal of property, plant and equipment		(154)	(46)
Gain on derecognition of right-of-use assets and lease liabilities		(389)	-
Gain on disposal of Confectionary Business		(2,515)	-
Government grants		(535)	(445)
Interest income from short-term deposits		(601)	(42)
Rental expense on short-term leases and low value assets, net of rental relief received	(2)	2,148	(1,174)
Reversal of impairment loss on property, plant and equipment		(185)	-
Share-based payment expenses (Kimly Performance Share Plan)		343	183
Write-off of property, plant and equipment		187	11

Notes:

- (1) Employee benefits expense in 1H FY2022 was after offset of the government grants received from Jobs Support Scheme of S\$1.4 million.
- (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 FY2023 (1H FY2022: S\$4.3 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 FY2023 S\$'000	1H FY2022 S\$'000
Rental paid to corporations related to a substantial shareholder	4,708	4,297
Rental paid to an associate	612	612
Rental paid to joint venture companies	176	91

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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 FY2023	1H FY2022
	S\$'000	S\$'000
<i>Lease commitment with corporations related to a substantial shareholder</i>		
Not later than one year	9,611	8,561
Later than one year but not later than five years	6,664	12,842
	<u>16,275</u>	<u>21,403</u>
<i>Lease commitment with joint ventures</i>		
Not later than one year	280	163
Later than one year but not later than five years	7	7
	<u>287</u>	<u>170</u>
<i>Lease commitment with an associate</i>		
Not later than one year	1,251	1,224
Later than one year but not later than five years	3,990	5,241
	<u>5,241</u>	<u>6,465</u>

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 FY2023	1H FY2022
	S\$'000	S\$'000
<i>Current income tax</i>		
- Current income taxation, representing total income tax expense recognised in profit or loss	3,864	3,833
	<u>3,864</u>	<u>3,833</u>
<i>Deferred income tax</i>		
- Amortisation and reversal of temporary differences	(90)	(136)
Income tax expense recognised in profit or loss	<u>3,774</u>	<u>3,697</u>

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

7. Property, plant and equipment

	Group	
	31.3.2023	30.9.2022
	S\$'000	S\$'000
Cost		
At 1 October 2022 / 1 October 2021	98,422	94,369
Additions	3,232	3,998
Acquisition of subsidiaries	-	2,644
Disposals	(377)	(1,438)
Written off	(1,049)	(698)
Reclassified as assets held for sale	-	(453)
At 31 March 2023 / 30 September 2022	100,228	98,422
Accumulated depreciation and impairment		
At 1 October 2022 / 1 October 2021	25,025	21,408
Depreciation charge for the period/year	2,965	6,012
Reversal of impairment loss	(185)	-
Disposals	(353)	(1,418)
Written off	(862)	(685)
Reclassified as assets held for sale	-	(292)
At 31 March 2023 / 30 September 2022	26,590	25,025
Net carrying amount		
At 31 March 2023 / 30 September 2022	73,638	73,397

8. Investment properties

	Group	
	31.3.2023	30.9.2022
	S\$'000	S\$'000
Cost		
At 1 October 2022 / 1 October 2021, and 31 March 2023 / 30 September 2022	7,130	7,130
Accumulated depreciation		
At 1 October 2022 / 1 October 2021	334	191
Depreciation charge for the period/year	71	143
At 31 March 2023 / 30 September 2022	405	334
Net carrying amount		
At 31 March 2023 / 30 September 2022	6,725	6,796

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 2021	1,626	50	15,140	72	763	17,651
Additions	-	-	-	-	14	14
Acquisition of subsidiaries	48,436	1,428	-	8,805	-	58,669
Reclassified as assets held for sale	-	-	-	-	6	6
At 30 September 2022 and 1 October 2022	50,062	1,478	15,140	8,877	783	76,340
Additions	-	-	-	-	6	6
Disposals	-	-	-	-	(10)	(10)
Written off	-	-	-	-	(11)	(11)
At 31 March 2023	50,062	1,478	15,140	8,877	768	76,325
Accumulated amortisation and impairment						
At 1 October 2021	705	50	11,410	72	663	12,900
Charge for the year	-	143	535	880	76	1,634
Reclassified as assets held for sale	-	-	-	-	6	6
At 30 September 2022 and 1 October 2022	705	193	11,945	952	745	14,540
Charge for the period	-	72	268	440	9	789
Disposals	-	-	-	-	(10)	(10)
Written off	-	-	-	-	(11)	(11)
At 31 March 2023	705	265	12,213	1,392	733	15,308
Net carrying amount						
At 31 March 2023	49,357	1,213	2,927	7,485	35	61,017
At 30 September 2022	49,357	1,285	3,195	7,925	38	61,800

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 2023.

Kimly Limited
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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	
	31.3.2023	30.9.2022
	S\$'000	S\$'000
Cost		
At 1 October 2022 / 1 October 2021	202,802	187,976
Acquisition of subsidiaries	-	5,835
Additions	3,009	10,675
Modifications	6,878	17,317
Derecognition	(15,756)	(16,921)
Reclassified as assets held for sale	-	(2,080)
At 31 March 2023 / 30 September 2022	<u>196,933</u>	<u>202,802</u>
Accumulated depreciation		
At 1 October 2022 / 1 October 2021	100,820	68,233
Depreciation charge for the period/year	18,553	40,567
Derecognition	(7,756)	(7,358)
Reclassified as assets held for sale	-	(622)
At 31 March 2023 / 30 September 2022	<u>111,617</u>	<u>100,820</u>
Net carrying amount		
At 31 March 2023 / 30 September 2022	<u>85,316</u>	<u>101,982</u>

(b) Lease liabilities

	Group	
	31.3.2023	30.9.2022
	S\$'000	S\$'000
At 1 October 2022 / 1 October 2021	105,424	122,681
Acquisition of subsidiaries	-	5,927
Additions	3,009	10,675
Modifications	6,878	17,317
Accretion of interests	1,543	3,644
Lease payments	(19,782)	(43,382)
Derecognition	(8,347)	(9,939)
Liabilities directly associated with the assets held for sale	-	(1,499)
At 31 March 2023 / 30 September 2022	<u>88,725</u>	<u>105,424</u>
Current	<u>35,438</u>	<u>37,237</u>
Non-current	<u>53,287</u>	<u>68,187</u>
	<u>88,725</u>	<u>105,424</u>

Kimly Limited
Unaudited Condensed Interim Financial Statements
For the half year ended 31 March 2023

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

11. Interest-bearing loans and borrowings

	Group	
	31.3.2023	30.9.2022
	S\$'000	S\$'000
Interest-bearing loans and borrowings (secured)		
Current	1,072	1,138
Non-current	21,595	22,107
	<u>22,667</u>	<u>23,245</u>

As at 31 March 2023 and 30 September 2022, 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			
	31.3.2023		30.9.2022	
	No. of shares		No. of shares	
	'000	S\$'000	'000	S\$'000
Issued and fully paid ordinary shares:				
At 1 October 2022 / 1 October 2021	1,250,003	316,145	1,198,787	297,451
Issuance of ordinary shares	-	-	51,216	18,694
At 31 March 2023 / 30 September 2022	<u>1,250,003</u>	<u>316,145</u>	<u>1,250,003</u>	<u>316,145</u>

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			
	31.3.2023		30.9.2022	
	No. of shares		No. of shares	
	'000	S\$'000	'000	S\$'000
At 1 October 2022 / 1 October 2021	6,849	1,818	8,234	2,187
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	(1,282)	(343)	(1,385)	(369)
Purchase of treasury shares	2,396	803	-	-
At 31 March 2023 / 30 September 2022	<u>7,963</u>	<u>2,278</u>	<u>6,849</u>	<u>1,818</u>

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

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

Declared and paid during the financial period:

Dividends on ordinary shares:

- Final exempt (one-tier) dividend for 2022: 1.12 (2021: 0.84) cents per share
- Special exempt (one-tier) dividend for 2022: Nil (2021: 0.6) cents per share

Group and Company
1H FY2023 1H FY2022
S\$'000 S\$'000

13,936	10,437
-	7,454
<u>13,936</u>	<u>17,891</u>

14. Earnings per ordinary shares

Group
1H FY2023 1H FY2022

Profit for the year attributable to owners of the Company (S\$'000)

18,668 18,537

Weighted average number of ordinary shares for basic earnings per share computation ('000)

1,243,064 1,240,621

Effect of dilution:

Share awards granted under the Kimly Performance Share Plan ('000)

2,128 708

Weighted average number of ordinary shares for basic earnings per share computation ('000)

1,245,192 1,241,329

Basic earnings per shares (cents)

1.50 1.49

Diluted earnings per shares (cents)

1.50 1.49

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

15. Net asset value

	Group		Company	
	31.3.2023	30.9.2022	31.3.2023	30.9.2022
Net asset value ("NAV") (S\$'000)	165,876	161,604	323,117	337,400
Number of ordinary shares in issue ('000)	1,242,040	1,243,154	1,242,040	1,243,154
NAV per ordinary share (cents)	13.36	13.00	26.02	27.14

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			
	31.3.2023	30.9.2022		
	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	6,725	7,000	6,796	7,000
Liabilities				
Interest-bearing loans and borrowings	22,667	22,667	23,245	23,608

Determination of fair value

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 Catalyst Rules

1. Review of performance of the Group

The condensed interim statement of financial position of Kimly Limited and its subsidiaries as at 31 March 2023 and the related condensed interim statement of comprehensive income, condensed interim statement 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 FY2023 compared to 1H FY2022

Revenue

Revenue decreased by S\$1.4 million or 0.9% from S\$156.9 million in 1H FY2022 to S\$155.5 million in 1H FY2023. This was mainly due to:

- (a) revenue contribution from the Food Retail Division decreased by S\$5.5 million from S\$96.7 million in 1H FY2022 to S\$91.2 million in 1H FY2023. This was mainly due to (i) decrease in revenue contribution from existing food stalls/outlets of S\$4.2 million, mainly due to the decrease in delivery sales as demand for food delivery had started to taper to a new normal since the lifting of Covid-19 measures from April 2022; (ii) decrease in revenue of S\$4.4 million from the closure of Tenderfresh Group's five (5) restaurants and two (2) stalls during FY2022 which resulted from the post acquisition outlet/stall repositioning to rationalise manpower resources by redeploying the same pool of employees from these underperforming restaurants/stalls to newly-opened food stalls; (iii) completion of disposal of the Confectionery Business in December 2022 which resulted in a decrease in revenue contribution of S\$1.3 million; and (iv) the decrease in revenue of S\$2.0 million from closure of underperforming Kimly's food stalls, seven (7) stalls during FY2022 and four (4) stalls in 1H FY2023. The decrease in revenue was offset by the increase in revenue contribution of S\$6.4 million from 15 food stalls opened during FY2022, six (6) new food stalls and a restaurant opened during 1H FY2023.
- (b) revenue from the Outlet Management Division and Outlet Investment Business Division increased by S\$3.8 million and S\$0.3 million respectively. The increase was due mainly to (i) revenue contribution from three (3) coffeeshops opened during FY2022 and two (2) coffeeshops opened in 1H FY2023 of S\$3.5 million; (ii) increase in rental income of S\$1.8 million due mainly to the absence of rental rebates given to tenants (1H FY2022: S\$2.2 million); (iii) increase in sale of beverages and tobacco products from the existing coffeeshops of S\$1.7 million, mainly attributed by the relaxation of Covid-19 measures which restricted dine-in to 2 pax until 21 November 2021 as well as the eventual lifting of dine-in restriction on 26 April 2022; and (iv) increase in revenue from the provision of cleaning and utilities services of S\$1.7 million. The increase was offset by the decrease in revenue contribution of S\$4.6 million following the termination of management agreements of four (4) coffeeshops in 1H FY2023 and five (5) coffeeshops in 2H FY2022.

Cost of sales

Cost of sales, which comprised mainly beverages, tobacco products and food ingredients, employee benefits expense (Central Kitchen and food outlet staff), depreciation of right-of-use assets pertaining to leases of coffeeshops, restaurants and confectionery shops, rental expense on short term leases and low value assets, utilities and cleaning charges, increased by S\$3.9 million, to S\$113.0 million in 1H FY2023. Cost of sales as a percentage of revenue has increased by 3.1%, from 69.6% in 1H FY2022 to 72.7% in 1H FY2023.

The increase in cost of sales was mainly due to (i) higher rental expense S\$3.3 million mainly due to decrease in rental relief from landlords of S\$4.2 million; (ii) higher employee benefit expenses of S\$1.6 million due to rising wages and absence of government grant received of S\$1.2 million; and (iii) higher cleaning fee expenses of S\$0.5 million. The increase was offset by (i) decrease in depreciation of right-of-use assets of S\$0.8 million; and (ii) decrease in food ingredient expenses of S\$0.8 million in line with lower sales of food.

Gross profit

Overall gross profit decreased by S\$5.3 million or 11.0% from S\$47.8 million in 1H FY2022 to S\$42.5 million in 1H FY2023. Gross profit margin decreased by 3.1 percentage point, from 30.4% in 1H FY2022 to 27.3% in 1H FY2023.

Other operating income

The increase of S\$2.8 million, from S\$1.9 million in 1H FY2022 to S\$4.7 million in 1H FY2023 was due mainly to (i) gain on disposal of the Confectionery Business and property, plant and equipment of S\$2.5 million; and (iii) gain on derecognition of right-of-use assets and lease liabilities in relation to the termination management agreements of four (4) coffeeshops under a Third Party Brand in 1H FY2023 of S\$0.4 million.

Selling and distribution expenses

Selling and distribution expenses decreased by S\$2.0 million from S\$10.5 million in 1H FY2022 to S\$8.4 million in 1H FY2023. The decrease was mainly due to decrease in online food delivery fees and packaging materials expenses in line with the decrease in food delivery sales.

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Unaudited Condensed Interim Financial Statements
For the half year ended 31 March 2023
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\$1.2 million from S\$12.5 million in 1H FY2022 to S\$13.7 million in 1H FY2023. The increase was due to (i) higher payroll expenses of S\$0.4 million partly due to the absence of government grant received for wages support; (ii) higher depreciation of property, plant and equipment and right-of-use assets of S\$0.2 million and S\$0.2 million respectively; and (iii) increase in property tax expense of S\$0.2 million.

Finance costs

Finance costs pertains to interest expense from loans and borrowings and interest expense from unwinding of lease liabilities. The decrease of S\$0.4 million in finance costs was mainly due to the derecognition of lease liabilities following the termination management agreements of four (4) coffeeshops in 1H FY2023 and five (5) coffeeshops in 2H FY2022.

Other operating expenses

Other operating expenses decreased by S\$0.3 million, from S\$1.1 million in 1H FY2022 to S\$0.8 million in 1H FY2023. The decrease was due mainly to lower amortisation of customer relationships and trademarks arising from the acquisition of 75% stake in Tenderfresh Group following the finalisation of the fair values of the acquired intangible assets. Amortisation expense in 1H FY2022 was based on the provisional fair value of the identifiable intangible assets.

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 FY2022: 5) joint venture companies.

Income tax expense

Income tax expense increased by S\$0.1 million from S\$3.7 million in 1H FY2022 to S\$3.8 million in 1H FY2023. Effective tax rate increased slightly from 15.5% in 1H FY2022 to 16.0% in 1H FY2023 in the absence of non-taxable government grants.

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 2023 and 30 September 2022.

Non-current assets

The Group's non-current assets decreased by S\$17.5 million from S\$263.2 million as at 30 September 2022 to S\$245.7 million as at 31 March 2023 mainly due to (i) depreciation of right-of-use assets of S\$18.6 million; (ii) derecognition of right-of-use assets of S\$8.0 million in relation to coffeeshop leases following the termination of management agreements of four (4) coffeeshops under a Third Party Brand in 1H FY2023; (iii) depreciation of property, plant and equipment of S\$3.0 million; and (iv) amortisation of intangible assets of S\$0.8 million.

The decrease was offset by (i) the recognition of right-of-use assets of S\$9.9 million arising from the Group's new and renewed leases; (ii) renovations and additions of equipment for existing and new coffeeshops and food stalls of S\$3.2 million.

Other receivables (non-current) comprised (i) the refundable deposits relating to rental deposits placed with lessors for the leases of coffee shops, restaurants and confectionery shops which are due to expire in more than one year and recoverable upon termination or expiration of the leases, amounting to S\$6.2 million (30 September 2022: S\$5.9 million); and (ii) the non-current portion of staff loans amounting to S\$0.1 million (30 September 2022: S\$43,000).

As at 31 March 2023, total refundable deposits placed with lessors (non-current and current) amounted to S\$6.7 million (30 September 2022: S\$6.9 million).

Current assets

The Group's current assets decreased by S\$3.1 million from S\$94.0 million as of 30 September 2022 to S\$90.9 million as at 31 March 2023. The decrease was due mainly to (i) decrease in assets held for sale of S\$1.9 million following the completion of the disposal of the Confectionery Business on 15 December 2022; and (ii) decrease in cash and cash equivalents by S\$1.0 million.

The decrease in cash and cash equivalents of S\$1.0 million was mainly due to (i) dividend paid to equity holders of the parents and non-controlling interests of S\$13.9 million and S\$1.0 million; (ii) repayment of lease liabilities and its related interest expense of S\$19.8 million; (iii) repayment of loans and borrowings and its related interest expense of S\$0.8 million; (iv) purchase of treasury shares of S\$0.8 million; and (v) purchase of property, plant and equipment of S\$1.7 million. The decrease was offset by (i) cash generated from operating activities of S\$33.4 million; (ii) proceeds from disposal of Confectionary Business and property, plant and equipment of S\$2.8 million and S\$0.2 million respectively; and (iii) dividend income received from associate and joint ventures of S\$0.5 million.

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\$9.4 million from S\$96.1 million as at 30 September 2022 to S\$86.7 million as at 31 March 2023. The decrease was mainly due to (i) decrease in trade payables, other payables and accrued operating expenses by S\$6.2 million. The decrease was due mainly to the payment of Contingent Liability relating to Earn-out consideration and adjustment in accordance with Acquisition Agreement relating to the net assets of Tenderfresh Group on acquisition date not included in the purchase consideration of S\$5.5 million; (ii) decrease in lease liabilities (current) of S\$1.8 million; and (iii) decrease in liabilities directly associated with assets held for sale of S\$1.5 million following the completion of the disposal of the Confectionary Business. The decrease was offset by the increase in provision of restoration costs (current) of S\$0.1 million.

Non-current liabilities

The Group's non-current liabilities decreased by S\$15.7 million from S\$94.4 million as at 30 September 2022 to S\$78.7 million as at 31 March 2023. The decrease was mainly due to (i) decrease in the lease liabilities (non-current) of S\$15.0 million; (ii) decrease in interest-bearing loans and borrowings of S\$0.5 million due to repayment made during 1H FY2023; and (iii) decrease in provision for restoration costs of S\$0.3 million.

The decrease in lease liabilities was mainly due to derecognition of lease liabilities and reclassification of lease liabilities which are due within one year to current liabilities. As at 31 March 2023, total lease liabilities (current and non-current) amounted to S\$88.7 million (30 September 2022: S\$105.4 million). The decrease in lease liabilities (current and non-current) was due to the repayment made (including interest expense) during 1H FY2023 of S\$19.8 million; (ii) derecognition of lease liabilities of S\$8.3 million for coffeeshops leases following the termination of management agreements of four (4) coffeeshops under a Third Party Brand in 1H FY2023; offset by the recognition of lease liabilities from the Group's new and renewed leases and interest expenses of S\$9.9 million and S\$1.5 million respectively.

Condensed Interim Statements of Cash Flows

The Group's net cash generated from operating activities in 1H FY2023 of S\$33.4 million mainly resulted from operating cash flows before changes in working capital of S\$43.7 million and interest income from short-term deposits received of S\$0.4 million; and offset by (i) net working capital outflows of S\$7.1 million; and (ii) income taxes paid of S\$3.8 million. The net working capital outflows were due to (i) decrease in trade and other payables of S\$4.1 million; and (ii) decrease in other liabilities of S\$3.7 million; and offset by decrease in (i) inventories and prepayments of S\$0.4 and S\$0.3 million respectively.

The Group's net cash flows generated from investing activities during 1H FY2023 of S\$1.8 million were due to (i) proceeds from disposal of the Confectionary Business of S\$2.8 million, (ii) proceeds from disposal of property, plant and equipment of S\$0.2 million; and (iii) dividend income received from associate and joint ventures of S\$0.5 million; and offset by purchase of property, plant and equipment of S\$1.7 million.

The Group's net cash flows used in financing activities of S\$36.3 million were mainly attributable to (i) repayment of lease liabilities and related interest expense of S\$19.8 million; (ii) dividends paid to equity holders of the parents and non-controlling interests of S\$13.9 million and S\$1.0 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\$0.8 million.

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

The financial results are in line with the forecast statement disclosed in the Company's financial results announcement for the financial year ended 30 September 2022, dated 24 November 2022.

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 continues to face persistent challenges in the operating environment due to the escalation of costs, including food ingredients and labour. The industry also faces a shortage of manpower, which further compounds these difficulties. In addition, with the rising inflation, it will further exacerbate input cost, leading to lower margins. Besides that, the introduction of a progressive wage model for workers in the food services industry adds to the pressure on F&B players, as employees' minimum wages have been raised, and they are set to receive annual pay increases over three years. As a result, F&B players are expected to grapple with numerous challenges in the coming months.

Revenue is expected to taper to a new norm as COVID-19 related community measures have continued to ease, and vaccination differentiated safe management measures were lifted in Singapore from October 2022.

The Group opened its fourth Kedai Kopi outlet at Blk 925 Yishun Central, a new coffeeshop at Blk 3 Lorong Lew Lian and a Tenderfresh Makcik Tuckshop restaurant at Sengkang Riverside Park during 1H FY2023. Moving ahead, the Group will proactively seek out opportunities to secure more food outlet leases in Singapore's heartlands, with the aim of further strengthening our market presence. In addition, the Group will continue to tap on Tenderfresh Group's competitive strengths and brand reputation to fast-track our reach into the promising Halal market.

Barring unforeseen circumstances, the Group expects to continue growing its revenue base and remain profitable for FY2023.

4. Dividend information

4a. Current Financial Period Reported on

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

Despite a challenging economic environment, the Group remains profitable for 1H FY2023. 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 (\$\$0.0056) per ordinary share
Tax rate	Tax-exempt (one-tier)

4c. Date Payable

The interim dividend will be paid on or about 14 July 2023.

4d. Record Date

30 June 2023

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 Extraordinary General Meeting held on 15 January 2023.

There were no interested person transactions entered into that exceeded S\$100,000 for 1H FY2023.

Kimly Limited
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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	(3,047)	1,953
Productivity initiatives/IT	2,000	(2,000)	-
Listing expenses	3,087	(3,087)	-
Total	43,450	(41,497)	1,953

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 Acquisition and Realisation of Shares pursuant to Catalyst Rule 706A

During 1H FY2023, 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. Confirmation by the Board

The Board has confirmed to the best of its knowledge that nothing has come to its attention which may render the unaudited financial results for the half year ended 31 March 2023 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Wong Kok Yoong
Executive Director

11 May 2023