



Kimly Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 201613903R)

Unaudited Consolidated Financial Statements For the Full Year Ended 30 September 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.

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A. Consolidated Statement of Comprehensive Income

	Note	Group		Increase/ (decrease)
		Unaudited	Audited	
		FY2024 S\$'000	FY2023 S\$'000	%
Revenue	3	319,380	313,852	1.8%
Cost of sales		(228,812)	(224,965)	1.7%
Gross profit		90,568	88,887	1.9%
Other items of income				
Other operating income		2,925	6,629	-55.9%
Finance income		1,825	1,606	13.6%
Other items of expense				
Selling and distribution expenses		(18,139)	(17,037)	6.5%
Administrative expenses		(30,280)	(27,981)	8.2%
Finance costs		(4,385)	(3,755)	16.8%
Other operating expenses		(1,629)	(1,872)	-13.0%
Share of profit of an associate and joint ventures		758	695	9.1%
Profit before tax	5	41,643	47,172	-11.7%
Income tax expense	6	(5,495)	(7,898)	-30.4%
Profit for the year, representing total comprehensive income for the year		36,148	39,274	-8.0%
Profit attributable to:				
Owners of the Company		33,120	36,474	-9.2%
Non-controlling interests		3,028	2,800	8.1%
		36,148	39,274	-8.0%
Earnings per share (cents per share)				
- Basic	14	2.67	2.94	-9.2%
- Diluted	14	2.66	2.93	-9.2%

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B. Consolidated Statements of Financial Position

Note	Group		Company		
	Unaudited	Audited	Unaudited	Audited	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023	
	S\$'000	S\$'000	S\$'000	S\$'000	
ASSETS					
Non-current assets					
Property, plant and equipment	7	72,780	73,007	-	-
Investment properties	8	6,510	6,653	-	-
Intangible assets and goodwill	9	58,660	60,229	-	-
Right-of-use assets	10 (a)	130,985	72,612	-	-
Investment in subsidiaries		-	-	239,297	239,297
Investment in an associate and joint ventures		12,057	12,585	-	-
Deferred tax assets		147	233	-	-
Other receivables		5,329	3,469	-	-
		<u>286,468</u>	<u>228,788</u>	<u>239,297</u>	<u>239,297</u>
Current assets					
Trade and other receivables		10,098	12,086	96,583	106,081
Inventories		2,791	3,392	-	-
Prepayments		2,667	502	30	33
Cash and cash equivalents		98,492	89,062	33,680	32,183
		<u>114,048</u>	<u>105,042</u>	<u>130,293</u>	<u>138,297</u>
Total assets		<u>400,516</u>	<u>333,830</u>	<u>369,590</u>	<u>377,594</u>
Current liabilities					
Trade and other payables		27,775	27,554	25,953	35,531
Other liabilities		17,625	16,100	654	626
Interest-bearing loans and borrowings	11	5,253	786	-	-
Obligations under finance lease		15	-	-	-
Lease liabilities	10 (b)	36,579	35,527	-	-
Provision for restoration costs		280	573	-	-
Provision for taxation		8,837	9,238	252	245
		<u>96,364</u>	<u>89,778</u>	<u>26,859</u>	<u>36,402</u>
Net current assets		<u>17,684</u>	<u>15,264</u>	<u>103,434</u>	<u>101,895</u>
Non-current liabilities					
Interest-bearing loans and borrowings	11	11,653	16,906	-	-
Obligations under finance lease		53	-	-	-
Lease liabilities	10 (b)	98,621	41,129	-	-
Deferred tax liabilities		1,544	1,813	-	-
Other payables		1,128	1,114	-	-
Provision for restoration costs		1,084	510	-	-
		<u>114,083</u>	<u>61,472</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>210,447</u>	<u>151,250</u>	<u>26,859</u>	<u>36,402</u>
Net assets		<u>190,069</u>	<u>182,580</u>	<u>342,731</u>	<u>341,192</u>
Equity					
Share capital	12 (a)	316,145	316,145	316,145	316,145
Treasury shares	12 (b)	(2,532)	(2,520)	(2,532)	(2,520)
Share based compensation reserve	12 (c)	140	140	140	140
Other reserves		(120,123)	(120,123)	-	-
Premium paid on acquisition of non-controlling interests		(113,030)	(113,030)	-	-
Retained earnings		102,658	95,870	28,978	27,427
Equity attributable to owners of the Company		<u>183,258</u>	<u>176,482</u>	<u>342,731</u>	<u>341,192</u>
Non-controlling interests		6,811	6,098	-	-
Total equity		<u>190,069</u>	<u>182,580</u>	<u>342,731</u>	<u>341,192</u>
Total equity and liabilities		<u>400,516</u>	<u>333,830</u>	<u>369,590</u>	<u>377,594</u>

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C. Consolidated Statement of Cash Flows

	Note	Group	
		Unaudited FY2024 S\$' 000	Audited FY2023 S\$' 000
Operating activities			
Profit before tax		41,643	47,172
<u>Adjustments for:</u>			
Amortisation of intangible assets	9	1,571	1,578
Depreciation of investment properties	8	143	143
Depreciation of property, plant and equipment	7	6,636	6,010
Depreciation of right-of-use assets	10 (a)	39,615	37,655
Gain on derecognition of right-of-use assets and lease liabilities		(1)	(115)
Gain on disposal of property, plant and equipment		(42)	(154)
Gain on disposal of Confectionary Business		-	(2,514)
Impairment loss on right-of-use assets	10 (a)	-	285
Interest expense on lease liabilities	10 (b)	3,738	3,272
Interest expense on loans and borrowings		646	483
Interest expense on obligations under finance lease		1	-
Interest income arising from the discount implicit in non-current receivables		-	(206)
Interest income from short-term deposits		(1,825)	(1,400)
Reversal of impairment loss on property, plant and equipment	7	-	(185)
Share of profit of an associate and joint ventures		(758)	(695)
Share-based payment expenses (Kimly Performance Share Plan)		691	547
Write-off of property, plant and equipment		58	2
Total adjustments		50,473	44,706
Operating cash flows before changes in working capital		92,116	91,878
<u>Change in working capital</u>			
Decrease in trade and other receivables		48	750
Decrease in inventories		601	491
(Increase)/decrease in prepayment		(2,165)	419
Decrease in trade and other payables		(267)	(208)
Increase in other liabilities		1,525	1,120
Total changes in working capital		(258)	2,572
Cash flows from operations		91,858	94,450
Interest income from short-term deposits received		1,906	1,185
Income taxes paid		(6,079)	(7,299)
Net cash generated from operating activities		87,685	88,336
Investing activities			
Dividend income received from associate and joint ventures		1,285	1,148
Repayment of Earn-out Consideration and purchase consideration adjustment		-	(5,494)
Proceeds from disposal of Confectionary Business		-	2,800
Proceeds from disposal of property, plant and equipment		124	178
Purchase of property, plant and equipment (Note A)		(5,692)	(4,972)
Purchase of intangible assets	9	(2)	(7)
Net cash used in investing activities		(4,285)	(6,347)

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C. Consolidated Statement of Cash Flows (cont'd)

	Note	Group	
		Unaudited FY2024 S\$' 000	Audited FY2023 S\$' 000
Financing activities			
Dividend paid on ordinary shares	13	(26,332)	(20,894)
Dividend paid to non-controlling interests		(2,315)	(1,875)
Interest expense from lease liabilities paid		(3,738)	(3,272)
Interest expense from loans and borrowings paid		(646)	(483)
Interest expense from obligations under finance leases paid		(1)	-
Purchase of treasury shares	12 (b)	(703)	(1,249)
Repayment of obligations under finance lease		(6)	-
Repayment of lease liabilities		(39,443)	(37,223)
Repayment of loans and borrowings		(786)	(5,553)
Net cash used in financing activities		(73,970)	(70,549)
Net increase in cash and cash equivalents		9,430	11,440
Cash and cash equivalents at the beginning of financial year		89,062	77,622
Cash and cash equivalents at the end of financial year		98,492	89,062
<u>A. Property, plant and equipment</u>			
Current year additions to property, plant and equipment	7	6,549	5,461
Less: non-cash movement			
(Provision for)/reversal of restoration costs, net		(281)	142
Increase in other payables		(502)	(631)
Obligation under finance lease		(74)	-
Net cash outflow for purchase of property, plant and equipment		5,692	4,972

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D. Consolidated Statements of Changes in Equity

Group	Attributable to owners of the Company									
	Share capital	Treasury shares	Other reserves		Premium paid on acquisition of non-controlling interests	Share based compensation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Note	(Note 12 (a)) S\$'000	(Note 12 (b)) S\$'000	Merger reserve S\$'000	Deemed contribution from shareholders of subsidiary under common control S\$'000	S\$'000	(Note 12 (c)) S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
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 year, representing total comprehensive income for the year	-	-	-	-	-	-	33,120	33,120	3,028	36,148
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares	13	-	-	-	-	-	(26,332)	(26,332)	(2,315)	(28,647)
Purchase of treasury shares	12(b)	-	(703)	-	-	-	-	(703)	-	(703)
Share-based payment expenses (Kimly Performance Share Plan)	12(b)	-	-	-	-	691	-	691	-	691
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan		-	691	-	-	(691)	-	-	-	-
Total contributions by and distributions to owners		-	(12)	-	-	-	(26,332)	(26,344)	(2,315)	(28,659)
Balance as at 30 September 2024	316,145	(2,532)	(120,591)	468	(113,030)	140	102,658	183,258	6,811	190,069

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

Group	Attributable to owners of the Company									
	Share capital	Treasury shares	Other reserves		Premium paid on acquisition of non-controlling interests	Share based compensation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Note	(Note 12 (a)) S\$'000	(Note 12 (b)) S\$'000	Merger reserve S\$'000	Deemed contribution from shareholders of subsidiary under common control S\$'000	S\$'000	(Note 12 (c)) S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
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 year, representing total comprehensive income for the year	-	-	-	-	-	-	36,474	36,474	2,800	39,274
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares	-	-	-	-	-	-	(20,894)	(20,894)	(1,875)	(22,769)
Purchase of treasury shares	-	(1,249)	-	-	-	-	-	(1,249)	-	(1,249)
Share-based payment expenses (Kimly Performance Share Plan)	-	-	-	-	-	547	-	547	-	547
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	-	547	-	-	-	(547)	-	-	-	-
Total contributions by and distributions to owners	-	(702)	-	-	-	-	(20,894)	(21,596)	(1,875)	(23,471)
Balance as at 30 September 2023	316,145	(2,520)	(120,591)	468	(113,030)	140	95,870	176,482	6,098	182,580

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

		Share capital	Treasury shares	Share based compensation reserve	Retained earnings	Total equity
	Note	(Note 12 (a)) S\$'000	(Note 12 (b)) S\$'000	(Note 12 (c)) S\$'000	S\$'000	S\$'000
Company						
At 1 October 2023		316,145	(2,520)	140	27,427	341,192
Profit for the year, representing total comprehensive income for the year		-	-	-	27,883	27,883
<u>Contributions by and distributions to owners</u>						
Dividends on ordinary shares	13	-	-	-	(26,332)	(26,332)
Purchase of treasury shares	12 (b)	-	(703)	-	-	(703)
Share-based payment expenses (Kimly Performance Share Plan)	12 (b)	-	-	691	-	691
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan		-	691	(691)	-	-
Total contributions by and distributions to owners		-	(12)	-	(26,332)	(26,344)
Balance as at 30 September 2024		316,145	(2,532)	140	28,978	342,731
At 1 October 2022		316,145	(1,818)	140	22,933	337,400
Profit for the year, representing total comprehensive income for the year		-	-	-	25,388	25,388
<u>Contributions by and distributions to owners</u>						
Dividends on ordinary shares	13	-	-	-	(20,894)	(20,894)
Issuance of ordinary shares	12(a)	-	(1,249)	-	-	(1,249)
Share-based payment expenses (Kimly Performance Share Plan)	12 (b)	-	-	547	-	547
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan		-	547	(547)	-	-
Total contributions by and distributions to owners		-	(702)	-	(20,894)	(21,596)
Balance as at 30 September 2023		316,145	(2,520)	140	27,427	341,192

E. Notes to the Consolidated 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

These financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 September 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The consolidated 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 consolidated 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 Consolidated Financial Statements

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 kiosks 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, Tonkichi restaurants and Kanaaji Japanese Tonkatsu stall. 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 consolidated financial statements.

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

3. Segment and revenue information (cont'd)

Reportable segments

FY2024	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	S\$'000	
Revenue from external customer	127,114	184,988	7,278	-	-	319,380
Inter-segment revenue	35,196	75,697	1,946	55,362	(168,201)	-
Total revenue	<u>162,310</u>	<u>260,685</u>	<u>9,224</u>	<u>55,362</u>	<u>(168,201)</u>	<u>319,380</u>
Results:						
Amortisation of intangible assets	(543)	(1,028)	-	-	-	(1,571)
Depreciation of investment properties	-	-	(143)	-	-	(143)
Depreciation of property, plant and equipment	(2,953)	(1,941)	(1,242)	(500)	-	(6,636)
Depreciation of right-of-use assets	(31,339)	(8,083)	(72)	(121)	-	(39,615)
Employee benefits expense	(34,455)	(55,681)	(1,461)	(5,707)	-	(97,304)
Finance costs						
- Lease liabilities	(2,936)	(756)	(5)	(41)	-	(3,738)
- Loans and borrowings	-	-	(646)	-	-	(646)
- Obligations under finance lease	(1)	-	-	-	-	(1)
Gain on derecognition of right-of-use assets and lease liabilities	1	-	-	-	-	1
Gain on disposal of property, plant and equipment	-	29	-	13	-	42
Government grants	908	222	43	76	-	1,249
Interest income from short-term deposits	186	361	19	1,259	-	1,825
Rental expense on short-term leases and low value assets	(1,360)	(1,927)	(59)	(5)	-	(3,351)
Share-based payment expenses (Kimly Performance Share Plan)	(171)	(234)	-	(286)	-	(691)
Share of profit of an associate and joint ventures	703	-	55	-	-	758
Write-off of property, plant and equipment	-	(58)	-	-	-	(58)
Segment profit/(loss)	<u>14,116</u>	<u>32,558</u>	<u>958</u>	<u>(5,989)</u>	<u>-</u>	<u>41,643</u>

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

3. Segment and revenue information (cont'd)

FY2023	Outlet		Outlet		Adjustments	Group
	Management	Food Retail	Investment	Others*	and eliminations	
Revenue	S\$'000	S\$'000	Business S\$'000	S\$'000	S\$'000	S\$'000
Revenue from external customer	122,766	183,832	7,254	-	-	313,852
Inter-segment revenue	21,359	64,549	969	53,127	(140,004)	-
Total revenue	144,125	248,381	8,223	53,127	(140,004)	313,852
Results:						
Amortisation of intangible assets	(550)	(1,028)	-	-	-	(1,578)
Depreciation of investment properties	-	-	(143)	-	-	(143)
Depreciation of property, plant and equipment	(2,470)	(1,734)	(1,297)	(509)	-	(6,010)
Depreciation of right-of-use assets	(30,477)	(7,017)	(50)	(111)	-	(37,655)
Employee benefits expenses	(30,227)	(54,390)	(1,372)	(6,051)	-	(92,040)
Finance costs						
- Lease liabilities	(2,835)	(393)	(3)	(41)	-	(3,272)
- Loans and borrowings	-	-	(483)	-	-	(483)
Gain on derecognition of right-of-use assets and lease liabilities	111	4	-	-	-	115
Gain on disposal of property, plant and equipment	154	-	-	-	-	154
Gain on disposal of Confectionary Business	-	2,514	-	-	-	2,514
Government grants	1,621	432	84	19	-	2,156
Impairment loss on right-of-use assets	(285)	-	-	-	-	(285)
Interest income from short-term deposits	125	220	10	1,045	-	1,400
Rental expense on short-term leases and low value assets	(1,492)	(1,842)	(81)	(4)	-	(3,419)
Reversal of impairment loss on property, plant and equipment	-	185	-	-	-	185
Share-based payment expenses (Kimly Performance Share Plan)	(188)	(146)	-	(213)	-	(547)
Share of profit of an associate and joint ventures	604	-	91	-	-	695
Write-off of property, plant and equipment	-	(2)	-	-	-	(2)
Segment profit/(loss)	17,569	35,526	1,206	(7,129)	-	47,172

	Segment Assets		Segment Liabilities	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Outlet Management	157,288	108,979	(139,790)	(85,074)
Food Retail	121,659	107,054	(46,220)	(35,303)
Outlet Investment Business	76,428	75,209	(13,624)	(19,880)
Others*	45,141	42,588	(10,813)	(10,993)
Total	400,516	333,830	(210,447)	(151,250)

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

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

3. Segment and revenue information (cont'd)

Disaggregation of Revenue

	FY2024	FY2023
	S\$'000	S\$'000
Types of goods or services:		
Sale of food, beverages and tobacco products	264,154	263,274
Fixed rental income from lease of premises to tenants	31,092	29,938
Contingent rental income from lease of premises to tenants	408	284
Provision of cleaning and utilities services	22,548	19,185
Outlet management fee	1,178	1,171
	<u>319,380</u>	<u>313,852</u>
Timing of transfer of goods or services:		
At a point in time	264,154	263,274
Over time	55,226	50,578
	<u>319,380</u>	<u>313,852</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 30 September 2024 and 30 September 2023:

	Group		Company	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets:				
Trade and other receivables	15,427	15,555	96,576	106,076
Cash and short-term deposits	98,492	89,062	33,680	32,183
	<u>113,919</u>	<u>104,617</u>	<u>130,256</u>	<u>138,259</u>
Financial liabilities:				
Trade and other payables	25,224	25,184	25,953	35,531
Accrued operating expenses	17,554	16,016	654	626
Interest-bearing loans and borrowings	16,906	17,692	-	-
	<u>59,684</u>	<u>58,892</u>	<u>26,607</u>	<u>36,157</u>

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E. Notes to the Consolidated 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	
		FY2024 S\$'000	FY2023 S\$'000
Amortisation of intangible assets		1,571	1,578
Depreciation of investment properties		143	143
Depreciation of property, plant and equipment		6,636	6,010
Depreciation of right-of-use assets		39,615	37,655
Directors' fees		200	200
Employee benefits expense	(1)	97,304	92,040
Finance costs			
- Lease liabilities		3,738	3,272
- Loans and borrowings		646	483
- Obligations under finance lease		1	-
Gain on derecognition of right-of-use assets and lease liabilities		(1)	(115)
Gain on disposal of property, plant and equipment		(42)	(154)
Gain on disposal of Confectionary Business		-	(2,514)
Government grants		(1,249)	(2,156)
Impairment loss on right-of-use assets		-	285
Interest income arising from discount implicit in non-current receivables		-	(206)
Interest income from short-term deposits		(1,825)	(1,400)
Rental expense on short-term leases and low value assets, net of rental relief received	(2)	3,351	3,419
Reversal of impairment loss on property, plant and equipment		-	(185)
Share-based payment expenses (Kimly Performance Share Plan)		691	547
Write-off of property, plant and equipment		58	2

Notes:

- (1) Employee benefits expense was after offset of the government grants received under the Progressive Wage Credit Scheme of S\$2.1 million in FY2024 (FY2023: S\$1.7 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 FY2024 (FY2023: S\$0.2 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 year:

	Group	
	FY2024 S\$'000	FY2023 S\$'000
Rental paid to corporations related to a substantial shareholder	9,879	9,531
Rental paid to an associate	1,260	1,233
Rental paid to joint venture companies	442	386

E. Notes to the Consolidated 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	
	FY2024	FY2023
	S\$'000	S\$'000
<i>Lease commitment with corporations related to a substantial shareholder*</i>		
Not later than one year	10,716	9,611
Later than one year but not later than five years	35,188	1,832
	<u>45,904</u>	<u>11,443</u>
<i>Lease commitment with joint ventures</i>		
Not later than one year	370	76
Later than one year but not later than five years	8	-
	<u>378</u>	<u>76</u>
<i>Lease commitment with an associate*</i>		
Not later than one year	1,260	1,260
Later than one year but not later than five years	2,100	3,360
	<u>3,360</u>	<u>4,620</u>

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

6. Income tax expense

The Group calculates the 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 consolidated statement of profit or loss are:

	Group	
	FY2024	FY2023
	S\$'000	S\$'000
<i>Current income tax</i>		
- Current income taxation, representing total income tax expense recognised in profit or loss	7,259	7,764
- (Over)/under provision in respect of previous years	(1,553)	329
	<u>5,706</u>	<u>8,093</u>
<i>Deferred income tax</i>		
- Amortisation and reversal of temporary differences	(211)	(195)
Income tax expense recognised in profit or loss	<u>5,495</u>	<u>7,898</u>

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

7. Property, plant and equipment

	Group	
	30.9.2024	30.9.2023
	S\$'000	S\$'000
Cost		
At 1 October 2023 / 1 October 2022	102,146	98,422
Additions	6,549	5,461
Disposals	(121)	(377)
Written off	(638)	(1,360)
At 30 September 2024 / 30 September 2023	<u>107,936</u>	<u>102,146</u>
Accumulated depreciation and impairment		
At 1 October 2023 / 1 October 2022	29,139	25,025
Depreciation charge for the year	6,636	6,010
Reversal of impairment loss	-	(185)
Disposals	(39)	(353)
Written off	(580)	(1,358)
At 30 September 2024 / 30 September 2023	<u>35,156</u>	<u>29,139</u>
Net carrying amount		
At 30 September 2024 / 30 September 2023	<u><u>72,780</u></u>	<u><u>73,007</u></u>

8. Investment properties

	Group	
	30.9.2024	30.9.2023
	S\$'000	S\$'000
Cost		
At 1 October 2023 / 1 October 2022, and 30 September 2024 / 30 September 2023	<u>7,130</u>	<u>7,130</u>
Accumulated depreciation		
At 1 October 2023 / 1 October 2022	477	334
Depreciation charge for the year	143	143
At 30 September 2024 / 30 September 2023	<u>620</u>	<u>477</u>
Net carrying amount		
At 30 September 2024 / 30 September 2023	<u><u>6,510</u></u>	<u><u>6,653</u></u>

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

9. Intangible assets and goodwill

	Group					
	Goodwill	Customer	Lease	Trademarks	Computer	Total
	S\$'000	contracts	assignment	S\$'000	software	S\$'000
	S\$'000	S\$'000	fees	S\$'000	S\$'000	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
Additions	-	-	-	-	2	2
Written off	-	-	-	-	(1)	(1)
At 30 September 2024	50,062	1,478	15,140	8,877	758	76,315
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 year	-	143	535	881	12	1,571
Written off	-	-	-	-	(1)	(1)
At 30 September 2024	705	479	13,015	2,714	742	17,655
Net carrying amount						
At 30 September 2024	49,357	999	2,125	6,163	16	58,660
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 30 September 2024.

Kimly Limited
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 For the full year ended 30 September 2024

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

10. Leases

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

	Group	
	30.9.2024 S\$'000	30.9.2023 S\$'000
Cost		
At 1 October 2023 / 1 October 2022	199,642	202,802
Additions	20,611	6,687
Modifications	77,491	12,044
Derecognition	(6,720)	(21,891)
At 30 September 2024 / 30 September 2023	<u>291,024</u>	<u>199,642</u>
Accumulated depreciation and impairment		
At 1 October 2023 / 1 October 2022	127,030	100,820
Depreciation charge for the year	39,615	37,655
Derecognition	(6,606)	(11,730)
Impairment loss recognised	-	285
At 30 September 2024 / 30 September 2023	<u>160,039</u>	<u>127,030</u>
Net carrying amount		
At 30 September 2024 / 30 September 2023	<u>130,985</u>	<u>72,612</u>

(b) Lease liabilities

	Group	
	30.9.2024 S\$'000	30.9.2023 S\$'000
At 1 October 2023 / 1 October 2022	76,656	105,424
Additions	20,611	6,687
Modifications	77,491	12,044
Accretion of interests	3,738	3,272
Lease payments	(43,181)	(40,495)
Derecognition	(115)	(10,276)
At 30 September 2024 / 30 September 2023	<u>135,200</u>	<u>76,656</u>
Current	36,579	35,527
Non-current	98,621	41,129
	<u>135,200</u>	<u>76,656</u>

Kimly Limited
Unaudited Consolidated Financial Statements
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E. Notes to the Consolidated Financial Statements (cont'd)

11. Interest-bearing loans and borrowings

	Group	
	30.9.2024	30.9.2023
	S\$'000	S\$'000
Interest-bearing loans and borrowings (secured)		
Current	5,253	786
Non-current	11,653	16,906
	<u>16,906</u>	<u>17,692</u>

As at 30 September 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			
	FY2024		FY2023	
	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 30 September 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			
	FY2024		FY2023	
	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	(2,401)	(691)	(2,004)	(547)
Purchase of treasury shares	2,259	703	3,772	1,249
At 30 September 2024 / 30 September 2023	<u>8,475</u>	<u>2,532</u>	<u>8,617</u>	<u>2,520</u>

During FY2024, the Company bought back 2,259,000 shares by way of market acquisition and all shares acquired are held as treasury shares. Following the purchase, the Company has 8,475,581 treasury shares, representing 0.68% of the total number of shares outstanding as at 30 September 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 30 September 2024 and 30 September 2023.

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	
	FY2024	FY2023
	S\$'000	S\$'000
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for 2023: 1.12 (2022: 1.12) cents per share	13,911	13,936
- Interim exempt (one-tier) dividend for 2024: 1.00 (2023: 0.56) cents per share	12,421	6,958
	26,332	20,894

14. Earnings per ordinary shares

	Group	
	FY2024	FY2023
Profit for the year attributable to owners of the Company (S\$'000)	33,120	36,474
Weighted average number of ordinary shares for basic earnings per share computation ('000)	1,241,382	1,242,563
Effect of dilution:		
Share awards granted under the Kimly Performance Share Plan ('000)	1,982	1,412
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	1,243,364	1,243,975
Basic earnings per shares (cents)	2.67	2.94
Diluted earnings per shares (cents)	2.66	2.93

15. Net asset value

	Group		Company	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
Net asset value (" NAV ") (S\$'000)	183,258	176,482	342,731	341,192
Number of ordinary shares in issue ('000)	1,241,528	1,241,386	1,241,528	1,241,386
NAV per ordinary share (cents)	14.76	14.22	27.61	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.

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

16. Fair value of assets and liabilities (cont'd)

Fair value hierarchy (cont'd)

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			
	30.9.2024		30.9.2023	
	Carrying amount	Fair value measurement using significant unobservable inputs (Level 3)	Carrying amount	Fair value measurement using significant unobservable inputs (Level 3)
	S\$'000	S\$'000	S\$'000	S\$'000
Assets				
Investment properties	6,510	6,700	6,653	6,700
Liabilities				
Interest-bearing loans and borrowings	16,906	16,906	17,692	18,168

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.

17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of unaudited consolidated financial statements.

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

1. Review of performance of the Group

Consolidated Statement of Comprehensive Income

FY2024 compared to FY2023

Revenue

Revenue increased by S\$5.5 million or 1.8% from S\$313.9 million in FY2023 to S\$319.4 million in FY2024. This was mainly due to:

- (a) Revenue contribution from the Food Retail Division increased by S\$1.2 million from S\$183.8 million in FY2023 to S\$185.0 million in FY2024. This was primarily driven by (i) revenue contribution of S\$11.6 million from 13 food stalls, one (1) restaurant and one (1) kiosk opened during FY2023; (ii) the opening of eleven (11) food stalls and two (2) restaurants in FY2024. The increase in revenue was partially offset by (i) decrease in revenue contribution from existing food stalls of S\$5.9 million; (ii) decrease in revenue contribution of S\$3.6 million due to the closure of six (6) underperforming food stalls during FY2023, along with seven (7) additional food stalls and a restaurant in FY2024; and (iii) S\$0.9 million from the absence of revenue due to the completion of disposal of Confectionary Business in December 2022.
- (b) Revenue from the Outlet Management Division and Outlet Investment Business Division increased by S\$4.3 million and S\$24,000 respectively. The increase was mainly due to (i) revenue contribution of S\$5.9 million from three (3) coffeeshops opened during FY2023, as well as one (1) coffeeshop, one (1) food court and one (1) industrial canteen opened during FY2024; and (ii) a S\$2.0 million increase in revenue from provision of cleaning services resulting from new cleaning contracts secured.

The increase was offset by (i) decrease of S\$3.0 million from the termination of management agreements for four (4) coffeeshops and the closure of a coffeeshop in FY2023; along with the closure of an additional coffeeshop and an industrial canteen in FY2024; and (ii) a reduction of S\$0.5 million in revenue contribution from existing coffeeshops.

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 kiosks, rental expense on short term leases and low value assets, utilities and cleaning charges, increased by S\$3.8 million, to S\$228.8 million in FY2024. Cost of sales as a percentage of revenue has marginally decreased by 0.1 percentage point, from 71.7% in FY2023 to 71.6% in FY2024.

The increase in the cost of sales was mainly due to (i) a S\$5.3 million rise in employee benefits expenses driven mainly by salary adjustment across the board and increase in headcount; (ii) increase in utilities costs of S\$1.4 million due to higher electricity charges; (iii) increase in depreciation of right-of-use assets of S\$1.2 million; and (iv) higher cleaning expense of S\$0.3 million. The increase was partially offset by the reduction in food ingredient expense of S\$4.3 million due to change in sales mix.

Overall gross profit increased by S\$1.7 million or 1.9% from S\$88.9 million in FY2023 to S\$90.6 million in FY2024. Gross profit margin increased by 0.1 percentage point, from 28.3% in FY2023 to 28.4% in FY2024.

Finance income

Finance income increased by S\$0.2 million due mainly to increase in interest income.

Other operating income

Other operating income decreased from S\$6.6 million in FY2023 to S\$2.9 million in FY2024. The decrease was mainly due to absence of (i) gain on disposal of the Confectionary Business of S\$2.5 million; (ii) reversal of impairment loss on property, plant and equipment of S\$0.2 million; and (iii) lower government grants received of S\$0.9 million.

Selling and distribution expenses

Selling and distribution expenses increased by S\$1.1 million from S\$17.0 million in FY2023 to S\$18.1 million in FY2024. The increase was mainly due to higher online food delivery fees and packaging material expenses incurred, in line with the increase in food delivery sales.

Administrative expenses

Administrative expenses increased by S\$2.3 million from S\$28.0 million in FY2023 to S\$30.3 million in FY2024. The increase was mainly due to (i) higher depreciation of property, plant and equipment and right-of-use assets of S\$0.6 million and S\$0.5 million respectively; (ii) increase in employee benefit expenses of S\$0.8 million attributed to the increase in headcount and salary adjustment across the board; and (iii) higher professional fees and insurance expense of S\$0.2 million.

Finance costs

Finance costs pertains to interest expense from loans and borrowings, obligations under finance lease and the unwinding of lease liabilities. The increase of S\$0.6 million in finance cost was mainly due to S\$0.5 million increase in interest expense from the unwinding of lease liabilities and an additional S\$0.2 million increase in interest from loans and borrowings, attributed to higher average interest rate in FY2024 compared to FY2023.

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

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

Consolidated Statement of Comprehensive Income (cont'd)

Other operating expenses

Other operating expenses decreased from S\$1.9 million in FY2023 to S\$1.6 million in FY2024, due mainly to absence of impairment loss previously recognised on the right-of-use assets of an underperforming food outlet.

Share of profit of an associate and joint ventures

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

Income tax expense

Income tax expense decreased by S\$2.4 million from S\$7.9 million in FY2023 to S\$5.5 million in FY2024. Effective tax rate declined from 16.7% in FY2023 to 13.2% in FY2024 due mainly to a one-time corporate income tax rebate of S\$1.6 million on 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>.

Consolidated Statements of Financial Position

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

Non-current assets

The Group's non-current assets increased by S\$57.7 million from S\$228.8 million as at 30 September 2023 to S\$286.5 million as at 30 September 2024 mainly due to (i) the recognition of right-of-use assets of S\$98.1 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\$6.5 million; and (iii) increase in other receivables (non-current) of S\$1.9 million due to reclassification of refundable deposits which the leases are due to expire after one year from other receivables (current).

The increase was partially offset by (i) depreciation of right-of-use assets and investment properties amounting to S\$39.6 million and S\$0.1 million respectively; (ii) depreciation, disposal and write-off of property, plant and equipment of S\$6.6 million, \$0.1 million and S\$0.1 million respectively; (iii) amortisation of intangible assets of S\$1.6 million; (iv) decrease in investment in an associate and joint ventures of S\$0.5 million; and (v) decrease in deferred tax assets of S\$0.1 million.

Other receivables (non-current) comprised (i) the refundable deposits relating to rental deposits placed with lessors for the leases of coffeeshops and restaurants which are due to expire in more than one year and recoverable upon termination or expiration of the leases, amounting to S\$5.3 million (30 September 2023: S\$3.4 million); and (ii) the non-current portion of staff loans amounting to S\$30,000 (30 September 2023: S\$0.1 million).

As at 30 September 2024, total refundable deposits placed with lessors (non-current and current) amounted to S\$7.5 million (30 September 2023: S\$7.1 million). The increase was due to deposits placed for the new coffeeshops and restaurants opened.

Current assets

The Group's current assets increased by S\$9.0 million mainly due to (i) increase in cash and bank balances of S\$9.4 million; and (ii) higher prepayment of S\$2.2 million was mainly due to a deposit and stamp duty of S\$1.6 million relating to the acquisition of a new coffeeshop with the remainder for property, plant and equipment and computer software. The increase was offset by decrease of S\$2.0 million in trade and other receivables mainly due to the reclassification of refundable deposits which the leases are due to expire more than one year to other receivables (non-current) of S\$2.0 million and decrease in inventories of S\$0.6 million.

The increase in cash and cash equivalents of S\$9.4 million was mainly due to (i) cash generated from operating activities of S\$87.7 million and (ii) dividend income from an associate and joint ventures of S\$1.3 million. The increase was offset by (i) dividend paid on ordinary shares of S\$26.3 million and non-controlling interests of S\$2.3 million respectively; (ii) repayment of lease liabilities and its related interest expense of S\$43.2 million; (iii) repayment of loan and borrowings and its related interest expense of S\$1.4 million; (iv) purchase of property, plant and equipment of S\$5.7 million; and (v) purchase of treasury shares of S\$0.7 million.

Current liabilities

The Group's current liabilities increased by S\$6.6 million from S\$89.8 million as at 30 September 2023 to S\$96.4 million as at 30 September 2024. The increase was mainly due to (i) higher interest-bearing loans and borrowings (current) of S\$4.5 million following the reclassification of a non-current bank loan in view of the redemption of the loan in November 2024; (ii) increase in other liabilities of S\$1.5 million mainly from higher payroll-related accruals; (iii) increase in lease liabilities (current) of S\$1.1 million and (iv) increase in trade and other payables of S\$0.2 million. The increase was partially offset by decrease in provision for taxation and provision for restoration costs (current) of S\$0.4 million and S\$0.3 million respectively.

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

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

Consolidated Statements of Financial Position (cont'd)

Non-current liabilities

The Group's non-current liabilities increased by S\$52.6 million from S\$61.5 million as at 30 September 2023 to S\$114.1 million as at 30 September 2024. The increase was mainly due to increase in (i) lease liabilities (non-current) of S\$57.5 million, primarily due to the recognition of lease liabilities from the Group's new and renewed leases; and (ii) provision for restoration costs (non-current) of S\$0.6 million. The increase was offset by decrease in interest-bearing loans and borrowings of S\$5.3 million, mainly due to the reclassification of S\$4.5 million to current liabilities following the redemption of a bank loan in November 2024, and a reduction of S\$0.3 million in deferred tax liabilities.

As at 30 September 2024, total lease liabilities (current and non-current) amounted to S\$135.2 million (30 September 2023: S\$76.7 million). The increase in lease liabilities (current and non-current) of S\$58.5 million was due to the recognition of lease liabilities from the Group's new and renewed leases and interest expense of S\$98.1 million and S\$3.7 million respectively; offset by repayment made (including interest expense) during FY2024 of S\$43.2 million.

Consolidated Statements of Cash Flows

The Group's net cash generated from operating activities in FY2024 of S\$87.7 million mainly resulted from (i) operating cash flows before changes in working capital of S\$92.1 million; and (ii) interest income from short-term deposits of S\$1.9 million; and offset by (i) net working capital outflows of S\$0.3 million and (ii) income taxes paid of S\$6.1 million. The net working capital outflows of S\$0.3 million was due to (i) increase in prepayment of S\$2.2 million; and (ii) decrease in trade and other payables of S\$0.3 million; and offset by (i) increase in other liabilities of S\$1.5 million; and (ii) decrease in inventories of S\$0.6 million.

The Group's net cash flows used in investing activities during FY2024 of S\$4.3 million were due to purchase of property, plant and equipment of S\$5.7 million; offset by (i) dividend income received from an associate and joint ventures of S\$1.3 million; and (ii) proceeds from disposal of property, plant and equipment of S\$0.1 million.

The Group's net cash flows used in financing activities during FY2024 of S\$74.0 million were due to (i) repayment of lease liabilities and its related interest of S\$43.2 million; (ii) dividends paid on ordinary shares and non-controlling interests of S\$26.3 million and S\$2.3 million respectively; (iii) repayment of loans and borrowings and its related interest expense of S\$1.4 million; and (iv) purchase of treasury shares of S\$0.7 million.

2. A breakdown of sales and profit after tax before non-controlling interest for the first half and second half year and the percentage changes

	Group		Increase/ (decrease) %
	FY2024	FY2023	
	S\$'000	S\$'000	
Sales reported for first half year	158,474	155,482	1.9
Operating profit after tax before deducting non-controlling interests reported for first half year	18,985	19,786	(4.0)
Sales reported for second half year	160,906	158,370	1.6
Operating profit after tax before deducting non-controlling interests reported for second half year	17,163	19,488	(11.9)

3. 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 half year ended 31 March 2024, dated 9 May 2024.

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

4. 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.

Singapore's food and beverage (F&B) industry is navigating an increasingly challenging business environment marked by economic uncertainties and escalating operational pressures. Rising costs of raw materials, rentals and utilities have significantly inflated operating expenses, compressing the Group's margins. Additionally, the industry faces a tight labour market that heightens manpower constraints, as businesses contend with increasing competition for skilled talents, further driving up labour expenses. With growing competition and changing consumer preferences, F&B operators face a landscape that requires adaptability and resilience.

The Group remains committed to its expansion strategy for food outlets, actively pursuing new opportunities to strengthen its market presence. On 10 May 2024, the Group opened its air-conditioned food court in Lucky Plaza. The food court features a vibrant atmosphere with retro tiles and neon signs, highlighting the rich culinary heritage of Singapore. With 12 unique stalls, the food court offers a diverse array of flavours to delight every palate. Additionally, in June 2024, the Group announced the proposed acquisition of a coffee shop property at Block 204 Serangoon Central. This acquisition aligns with the Group's strategy to operate in strategic locations within mature estates that benefit from high foot traffic, further solidifying its position in the market.

Looking ahead, the Group is dedicated to continuously reinventing and innovating its menu offerings to meet the evolving preferences of customers while maintaining quality standard. Alongside a measured expansion of its food outlet network in Singapore and the Halal market, capitalising on the rising demand for Halal-certified products, the Group seeks to optimise resources to achieve sustainable shareholder returns. The Group will also closely monitor the shifting business landscapes, continuously adapting its strategies to remain competitive.

5. Dividend information

5a. Current Financial Period Reported on

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

In view of the Group's performance in FY2024, the Directors has proposed, subject to shareholders' approval at the annual general meeting to be held on 23 January 2025, a final dividend of 1.00 Singapore cent (S\$0.01) per ordinary share, to be paid on or about 14 February 2025. With the interim dividend of 1.00 Singapore cent per share declared in May 2024, the total dividend payout for FY2024 amounts to 2.00 Singapore cents per share, representing a significant payout ratio of approximately 75.0% of profit attributable to the Company's shareholders.

5b. Corresponding Period of the Immediate Preceding Financial Year

Name of Dividend	Final
Dividend type	Cash
Dividend per share	1.12 Singapore cents (S\$0.0112) per ordinary share
Tax rate	Tax-exempt (one-tier)

5c. Date Payable

The final dividend, if approved at the Company's annual general meeting to be held on 23 January 2025, is expected to be paid on or about 14 February 2025.

5d. Books Closure Date

5 February 2025

6. 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 FY2024.

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

7. Use of IPO proceeds

The Company refers to the gross proceeds amounting to S\$43.5 million raised from the IPO on the Catalist 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	(4,074)	926
Productivity initiatives/IT	2,000	(2,000)	-
Listing expenses	3,087	(3,087)	-
Total	43,450	(42,524)	926

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

8. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Peh Chin Hong	56	Brother of Peh Oon Kee (substantial shareholder)	Outlet supervisor since FY2006	No change
Ng Han Keow	63	Brother of Ng Lay Beng (substantial shareholder)	Operation Manager since FY2001, resigned on 30 June 2019, rejoined on 1 October 2019	No change
Darane Lim	27	Daughter of Lim Hee Liat (substantial shareholder)	Assistant Brand Manager since FY2022	No change

9. 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 Catalist Listing Manual

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 Catalist Listing Manual.

10. Disclosure on Incorporation of Entities, Acquisition and Realisation of Shares pursuant to Catalist Rule 706A

The Company has incorporated the following subsidiaries during FY2024.

S/N	Name of entity	Nature of transactions	Date of announcement
1	Choh Dee (Y110) Food House Pte Ltd	Incorporation of a new subsidiary	Not applicable
2	Choh Dee (S204) Food House Pte Ltd	Incorporation of a new subsidiary	Not applicable

11. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Please refer to Note 13 of "Notes to the Consolidated Financial Statements".

12. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to Section 1 of "Other information required by Catalist Rule Appendix 7C".

BY ORDER OF THE BOARD

Wong Kok Yoong
 Executive Director
 26 November 2024