



**YKGI LIMITED AND
ITS SUBSIDIARY CORPORATIONS**
(Registration. No. 202227645Z)
(Incorporated in Singapore)

**UNAUDITED CONDENSED INTERIM
FINANCIAL STATEMENTS**

**For the six months and full financial year
ended 31 December 2024**

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A. Condensed interim consolidated statements of comprehensive income

	Note	The Group			The Group		
		6 months ended		Change %	12 months ended		Change %
		31-Dec-24 (Unaudited) S\$'000	31-Dec-23 (Unaudited) S\$'000		31-Dec-24 (Unaudited) S\$'000	31-Dec-23 (Audited) S\$'000	
Revenue	E4	33,907	32,313	4.9	65,805	61,949	6.2
Other Income		454	91	398.9	1,254	979	28.1
Expenses:							
- Purchases and related costs		(8,590)	(8,219)	4.5	(15,933)	(15,801)	0.8
- Change of inventories		529	225	135.1	169	154	9.7
- Employee benefits		(8,529)	(8,187)	4.2	(17,301)	(16,411)	5.4
- Depreciation of property, plant and equipment		(5,047)	(4,914)	2.7	(9,497)	(9,506)	(0.1)
- Other expenses		(9,153)	(8,927)	2.5	(17,525)	(17,934)	(2.3)
- Finance costs		(723)	(711)	1.7	(1,404)	(1,284)	9.3
Total expenses		(31,513)	(30,733)	2.5	(61,491)	(60,782)	1.2
Profit before income tax		2,848	1,671	70.4	5,568	2,146	159.5
Income tax expense	E7	(538)	(622)	(13.5)	(822)	(672)	22.3
Net profit for the financial period/year¹		2,310	1,049	120.2	4,746	1,474	222.0
Other comprehensive income							
Foreign exchange differences on translation of foreign operations		*	-	-	*	-	-
Other comprehensive income for the financial period/year, net of tax		*	-	-	*	-	-
Total comprehensive income for the financial period/year		2,310	1,049	120.2	4,746	1,474	222.0
Net profit and total comprehensive income attributable to:							
Equity holders of the Company		2,314	993	133.0	4,779	1,368	249.3
Non-controlling interests		(4)	56	(107.1)	(33)	106	(131.1)
		2,310	1,049	120.2	4,746	1,474	222.0
Earnings per share ("EPS") for net profit attributable to equity holders of the Company:							
Basic and diluted (in cents)		0.54	0.25	134.8	1.12	0.33	239.4

N.M defines as Not Meaningful

* Amount less than S\$1,000

Note :

¹ The net profit for the financial year ended 31 December 2023 represented net profit from operations after deducting one-off IPO and related expenses (E6) of S\$1,243,000 which were incurred for the Company's listing on the Catalist, the sponsor-supervised listing platform of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 6 February 2023.

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		As at		As at	
		31-Dec-24 (Unaudited) S\$'000	31-Dec-23 (Audited) S\$'000	31-Dec-24 (Unaudited) S\$'000	31-Dec-23 (Audited) S\$'000
ASSETS					
Current assets					
Cash and bank balances		21,293	17,202	5,862	5,487
Trade and other receivables	E10	4,286	4,813	8,746	8,684
Inventories		1,021	899	-	-
		<u>26,600</u>	<u>22,914</u>	<u>14,608</u>	<u>14,171</u>
Non-current assets					
Investment in subsidiary corporations		-	-	2,731	2,761
Property, plant and equipment	E11	27,340	24,249	-	-
Intangible assets		108	132	-	-
Deferred tax assets		302	223	-	-
		<u>27,750</u>	<u>24,604</u>	<u>2,731</u>	<u>2,761</u>
Total Assets		<u>54,350</u>	<u>47,518</u>	<u>17,339</u>	<u>16,932</u>
LIABILITIES					
Current liabilities					
Trade and other payables	E12	6,366	5,496	130	147
Borrowings	E13	2,232	2,498	-	-
Lease liabilities	E13	7,588	5,956	-	-
Current income tax liabilities		1,249	610	3	-
		<u>17,435</u>	<u>14,560</u>	<u>133</u>	<u>147</u>
Non-current liabilities					
Lease liabilities	E13	15,761	14,428	-	-
Deferred tax liabilities		48	47	-	-
Provisions		1,625	1,114	-	-
		<u>17,434</u>	<u>15,589</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>34,869</u>	<u>30,149</u>	<u>133</u>	<u>147</u>
Net assets		<u>19,481</u>	<u>17,369</u>	<u>17,206</u>	<u>16,785</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	E14	15,505	15,505	15,505	15,505
Translation reserve		*	-	-	-
Retained profits		4,045	1,899	1,701	1,280
		<u>19,550</u>	<u>17,404</u>	<u>17,206</u>	<u>16,785</u>
Non-controlling interests		(69)	(35)	-	-
Total equity		<u>19,481</u>	<u>17,369</u>	<u>17,206</u>	<u>16,785</u>

* Amount less than S\$1,000

C. Condensed interim statements of changes of equity

		<u>Attributable to equity holders of</u> <u>the Company</u>					
	Note	Share capital S\$'000	Foreign exchange translation reserves S\$'000	Retained profits S\$'000	Total S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
<u>The Group</u>							
2024 (Unaudited)							
Balance as at 1 January 2024		15,505	-	1,899	17,404	(35)	17,369
Total comprehensive income for the financial year		-	*	4,779	4,779	(33)	4,746
Incorporation of subsidiary corporation		-	-	-	-	1	1
Acquisition of non-controlling interests of subsidiary corporation		-	-	2	2	(2)	*
Dividends declared	E8	-	-	(2,635)	(2,635)	-	(2,635)
Balance as at 31 December 2024		15,505	*	4,045	19,550	(69)	19,481
<u>The Group</u>							
2023 (Audited)							
Balance as at 1 January 2023		2,159	-	2,644	4,803	241	5,044
Total comprehensive income for the financial year		-	-	1,368	1,368	106	1,474
Incorporation of subsidiary corporations		-	-	-	-	3	3
Issuance of new ordinary shares		14,000	-	-	14,000	-	14,000
Share issuance expenses		(654)	-	-	(654)	-	(654)
Acquisition of non-controlling interests of subsidiary corporations		-	-	55	55	(385)	(330)
Dividends declared	E8	-	-	(2,168)	(2,168)	-	(2,168)
Balance as at 31 December 2023		15,505	-	1,899	17,404	(35)	17,369

* Amount less than S\$1,000

C. Condensed interim statements of changes of equity (Cont'd)

	Note	Share capital S\$'000	Retained profits S\$'000	Total equity S\$'000
<u>The Company</u>				
2024 (Unaudited)				
Balance as at 1 January 2024		15,505	1,280	16,785
Total comprehensive income for the financial year		-	3,056	3,056
Dividends declared	E8	-	(2,635)	(2,635)
Balance as at 31 December 2024		15,505	1,701	17,206
2023 (Audited)				
Balance as at 1 January 2023		2,159	2,387	4,546
Issue of new shares		14,000	-	14,000
Share issue expenses		(654)	-	(654)
Total comprehensive income for the financial year		-	1,061	1,061
Dividends declared	E8	-	(2,168)	(2,168)
Balance as at 31 December 2023		15,505	1,280	16,785

D. Condensed interim consolidated statement of cash flows

		The Group	
		12 months ended	
Note		31-Dec-24 (Unaudited) S\$'000	31-Dec-23 (Audited) S\$'000
Cash flows from operating activities			
	Profit before income tax	4,746	1,474
	Adjustment for:-		
	- Amortisation of intangible assets	24	24
	- Depreciation of property, plant and equipment	9,497	9,506
	- Gain on termination of leases	-	(5)
	- Loss on disposal of property, plant and equipment	22	18
	- Interest income	(116)	(87)
	- Interest expense	1,404	1,284
	- Income tax expense	822	672
	- Unrealised exchange gain, nets	(1)	-
		<u>16,398</u>	<u>12,886</u>
	Change in working capital:		
	- Inventories	(122)	(154)
	- Trade and other receivables	527	1,568
	- Trade and other payables	870	(352)
	- Provision	82	(131)
		<u>17,755</u>	<u>13,817</u>
	Cash generated from operations	<u>17,755</u>	<u>13,817</u>
	Income tax paid	(261)	(916)
	Net cash generated from operating activities	<u>17,494</u>	<u>12,901</u>
Cash flows from investing activities			
	Interest received	116	87
	Proceeds from disposal of property, plant and equipment	287	68
	Additions to property, plant and equipment	(2,715)	(2,292)
	Acquisition of non-controlling interests	*	(330)
	Net cash used in investing activities	<u>(2,312)</u>	<u>(2,467)</u>
Cash flows from financing activities			
	Proceeds from issuance of shares	-	14,000
	Share issuance costs	-	(654)
	Proceeds from issuance of ordinary shares to non-controlling interests	1	3
	Dividends paid to equity holders of the Company	(2,635)	(2,168)
	Proceeds from borrowings	-	388
	Repayments of borrowings	(266)	(1,555)
	Principal repayment of lease liabilities	(6,788)	(6,621)
	Interest paid	(1,404)	(1,284)
	Net cash (used in)/generated from financing activities	<u>(11,092)</u>	<u>2,109</u>
	Net increase in cash and bank balances	4,090	12,543
	Cash and bank balances		
	Beginning of the financial year	17,202	4,659
	Effects of currency translation on cash and cash equivalents	1	-
	End of the financial year	<u>21,293</u>	<u>17,202</u>

* Amount less than S\$1,000

D. Condensed interim consolidated statement of cash flows (Cont'd)

Reconciliation of liabilities arising from financing activities

	Non-cash changes							31 December 2024
	1 January 2024	Proceeds from borrowings	Principal and interest payment	Interest expense	Additions	Lease Modification	Lease Termination	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Bank borrowings	2,498	-	(390)	124	-	-	-	2,232
Lease liabilities	20,384	-	(8,068)	1,280	6,722	3,031	-	23,349

	Non-cash changes							31 December 2023
	1 January 2023	Proceeds from borrowings	Principal and interest payment	Interest expense	Additions	Lease Modification	Lease Termination	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Bank borrowings	3,665	388	(1,722)	167	-	-	-	2,498
Lease liabilities	13,266	-	(7,738)	1,117	7,054	6,814	(129)	20,384

E. Notes to the condensed interim consolidated financial statements

1. General Information

1.1 The Company

The Company was incorporated in Singapore on 8 August 2022 as an exempt private company limited by shares under the name of “YKGI Pte. Ltd.”. On 23 December 2022, the Company was converted into a public company limited by shares. In connection with such conversion, the Company changed its name to “YKGI Limited”. The address of its registered office is at 36 Robinson Road, #20-01 City House, Singapore 068877.

The Company was successfully listed on the Catalist, the sponsor-supervised listing platform of the Singapore Securities Trading Limited (“SGX-ST”) on 6 February 2023.

The principal activity of the Company is that of an investment holding. The principal activities of the subsidiary corporations are those of (i) F&B operations, (ii) food court management and (iii) franchising and sub-franchising.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Committee of Accounting and Corporate Regulatory Authority.

The condensed interim financial statements do not include all the information required for a complete set of financial statements and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2023. 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 interim financial statements for the six months ended 30 June 2024.

The accounting policies adopted are consistent with those adopted in the Group’s audited financial statements for the financial year ended 31 December 2023 which were prepared in accordance with SFRS(I)s, as the adoption of new and amended standards did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial periods.

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

The condensed interim consolidated financial statements have been prepared on a going concern basis, since management has verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group’s ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the financial period.

E. Notes to the condensed interim consolidated financial statements (*Cont'd*)

2.1 New and amended standards adopted by the Group

On 1 January 2024, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial period. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial periods.

2.2 Summary of significant accounting policies

The unaudited interim condensed combined financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies in the Group's audited financial statements for the financial year ended 31 December 2023.

The accounting policies applied in these unaudited interim condensed consolidated financial statements are the same as those applied in the Group's audited financial statements for the financial year ended 31 December 2023.

2.3 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

- Impairment of property, plant and equipment (including right-of-use assets)

The Group reviews its property, plant and equipment (including right-of-use assets) for indications of impairment at each reporting period. In analysing potential impairments identified, the Group uses projections of future cash flows from the assets based on management's assignment of a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Management has assessed that there is no indication that the Group's property, plant and equipment and right-of-use assets may be impaired.

- Determining the lease term of contracts with renewal options – The Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

E. Notes to the condensed interim consolidated financial statements (Cont'd)

4. Segment and revenue information

The Board of Directors is the Group's chief operating body for making decisions. Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions, allocate resources and assess performance.

The Board of Directors considers the business from a business segment perspective as the Group operates in Singapore only. For management purposes, the Group is organised into business units based on their products and services and the Group has four reportable segments as follows:

(i) Food Court Business

The Group manages food courts located across Singapore under the My Kampung and Fine Food brands. Under this business segment, the Group leases the food courts and in turn sub-leases stalls to individual food court tenants ("Food Court Tenants"). The food court management services provided by the Group include the upkeep of vacant stalls and allocation of such stalls to Food Court Tenants, application for and renewal of licences, collection of takings from the daily sales of Food Court Tenants, collection of management and cleaning fees from Food Court Tenants, managing arrears, addressing complaints from Food Court Tenants and customers and the cleaning, maintenance and repair of the food courts.

(ii) F&B Operations Business

The F&B operations primarily involved in the operations of food outlets and hawker stalls under the flagship brand, Yew Kee Duck Rice and a diverse portfolio of other non-halal and halal brands such as XO Minced Meat Noodles, My Kampung Chicken Rice, PastaGo and Victoria Bakery. The operations of the Group's food outlets and hawker stalls are supported by the central kitchen which procures, processes and prepares key ingredients and products for supply to the food outlets operating under the Group's brands and certain third-party food outlets.

(iii) Franchising and Sub-franchising (Franchise Business)

The Group's business segment of franchising and sub-franchising is in relation to operations of outlets under the "CHICHA San Chen" brand in Singapore for a term of ten years from 14 January 2019 pursuant to a master franchise agreement entered into between the Company's subsidiary corporation, Yew Kee Two Pte. Ltd. and Fang Yuan F&B International Co., Ltd on 14 January 2019 as well as in Macau for a term of 8 years from 26 April 2024 pursuant to a master franchise agreement entered between the Company's subsidiary corporation, Yew Kee Group International (Macau) Limited and Fang Yuan F&B International Co., Ltd on 26 April 2024 ("Master Franchise Agreements").

The Master Franchise Agreements are renewable by negotiation between the parties thereto based on criteria prescribed therein. In consideration of the franchise and licence granted by the franchisor, the Group had paid a one-off initial franchise fee in full which was capitalised as an intangible asset, and the Group is required to pay a monthly royalty fee based on a percentage of our actual net sales before tax of the stores operated under such franchise and licence in a given month. In accordance with the terms of the Master Franchise Agreements, the Group may enter into sub-franchise agreements with third parties pursuant to which such parties will pay the Group a sub-franchise fee in consideration for the right to operate a CHICHA San Chen tea shop in Singapore and Macau. The Group has not entered into any sub-franchise agreements with third parties for the current and prior financial periods.

(iv) Other segment

Other segment includes investment holding and the Group level corporate service and treasury functions. These are not included within the reportable operating segment. The results of these operations are included in the "other segment" column.

E. Notes to the condensed interim consolidated financial statements (Cont'd)

4. Segment and revenue information (Cont'd)

4.1 Reportable segments

The following table below presents the revenue and profit information for the Group's operating segments for the six months ended 31 December 2024 ("2HY2024") and 31 December 2023 ("2HY2023") respectively:

	Food Court Business	F&B Operations Business	Franchise Business	Other segment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2HY2024					
Revenue	5,549	16,182	12,176	-	33,907
Other income	35	349	70	-	454
Segment profit/(loss)	1,779	948	2,376	(1,532)	3,571
Finance costs	(22)	(357)	(269)	(75)	(723)
Profit/(loss) before income tax	1,757	591	2,107	(1,607)	2,848
Income tax expense					(538)
Net profit					2,310
Depreciation of property, plant and equipment	712	2,036	2,127	172	5,047
Segment assets	10,625	25,708	15,992	2,025	54,350
Addition to: - Property, plant and equipment (excluded ROU assets)	-	831	693	-	1,524
Segment liabilities	6,821	13,047	11,333	3,668	34,869
	Food Court Business	F&B Operations Business	Franchise Business	Other segment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2HY2023					
Revenue	4,614	16,629	11,070	-	32,313
Other Income	42	38	11	-	91
Segment profit/(loss)	472	1,507	1,931	(1,528)	2,382
Finance costs	(167)	(258)	(286)	-	(711)
Profit/(loss) before income tax	305	1,249	1,645	(1,528)	1,671
Income tax expense					(622)
Net profit					1,049
Depreciation of property, plant and equipment	1,079	1,469	2,278	88	4,914
Segment assets	2,585	28,073	14,668	2,192	47,518
Addition to: - Property, plant and equipment (excluded ROU assets)	1,143	82	154	-	1,379
Segment liabilities	1,558	15,156	10,040	3,395	30,149

E. Notes to the condensed interim consolidated financial statements (Cont'd)

4. Segment and revenue information (Cont'd)

4.1 Reportable segments (Cont'd)

The following table below presents the revenue and profit information for the Group's operating segments for the full financial years ended 31 December 2024 ("FY2024") and 31 December 2023 ("FY2023") respectively:

	Food Court Business	F&B Operations Business	Franchise Business	Other segment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FY2024					
Revenue	10,311	31,953	23,541	-	65,805
Other Income	120	1,027	107	-	1,254
Segment profit/(loss)	2,335	3,260	4,290	(2,913)	6,972
Finance costs	(209)	(544)	(493)	(158)	(1,404)
Profit/(loss) before income tax	2,126	2,716	3,796	(3,072)	5,568
Income tax expense					(822)
Net profit					4,746
Depreciation of property, plant and equipment	1,745	3,367	4,046	339	9,497
Segment assets	10,625	25,708	15,992	2,025	54,350
Addition to: - Property, plant and equipment (excluded ROU assets)	851	727	757	-	2,335
Segment liabilities	6,821	13,047	11,333	3,668	34,869
	Food Court Business	F&B Operations Business	Franchise Business	Other segment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FY2023					
Revenue	8,513	31,962	21,474	-	61,949
Other Income	103	805	71	-	979
Segment profit	769	3,876	2,877	(4,092)	3,430
Finance costs	(294)	(432)	(462)	(96)	(1,284)
Profit/(loss) before income tax	475	3,444	2,415	(4,188)	2,146
Income tax expense					(672)
Net profit					1,474
Depreciation of property, plant and equipment	1,885	2,683	4,719	219	9,506
Segment assets	2,585	28,073	14,668	2,192	47,518
Addition to: - Property, plant and equipment (excluded ROU assets)	1,143	571	295	-	2,009
Segment liabilities	1,558	15,156	10,040	3,395	30,149

E. Notes to the condensed interim consolidated financial statements (Cont'd)

4. Segment and revenue information (Cont'd)

4.2 Disaggregation of revenue

	The Group		The Group	
	2HY2024	2HY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue from contracts with customers				
(i) Sales of food and beverage - point in time				
- F&B operations business	16,182	16,629	31,953	31,962
- Franchise business	12,176	11,070	23,541	21,474
- Food court business	2,047	1,973	3,920	3,553
	<u>30,405</u>	<u>29,672</u>	<u>59,414</u>	<u>56,989</u>
(ii) Management service - over time				
- Food court business	1,384	972	2,573	1,989
	<u>31,789</u>	<u>30,644</u>	<u>61,987</u>	<u>58,978</u>
Rental income	2,118	1,669	3,818	2,971
	<u>33,907</u>	<u>32,313</u>	<u>65,805</u>	<u>61,949</u>

4.3 A Breakdown of sales

	The Group		
	FY2024	FY2023	Increase / (Decrease)
	S\$'000	S\$'000	%
Sales reported for the first half year	31,898	29,636	7.6
Operating profit after tax before deducting non-controlling interest reported for first half year	2,436	425	471.8
Sales reported for second half year	33,907	32,313	4.9
Operating profit after tax before deducting non-controlling interest reported for second half year	2,310	1,049	120.2

E. Notes to the condensed interim consolidated financial statements (Cont'd)

5. Financial assets and financial liabilities

The following information set out below is an overview of the financial assets and financial liabilities as at 31 December 2024 and 2023 respectively.

	The Group		The Company	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial assets at amortised cost</u>				
- Cash and bank balances	21,293	17,202	5,862	5,487
- Trade and other receivables	3,392	3,867	8,746	8,674
	<u>24,685</u>	<u>21,069</u>	<u>14,608</u>	<u>14,161</u>
<u>Financial liabilities at amortised cost</u>				
- Trade and other payables	5,828	5,145	130	147
- Borrowings	2,232	2,498	-	-
- Lease liabilities	23,349	20,384	-	-
	<u>25,581</u>	<u>28,027</u>	<u>130</u>	<u>147</u>

6. Profit before income tax

6.1 Significant items

	The Group		The Group	
	6 months ended		12 months ended	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Income</u>				
Government grants	363	293	814	595
Rental concession income	-	22	-	36
Interest income	87	82	116	87
<u>Expenses</u>				
Purchase and related costs	8,590	8,219	15,933	15,801
Employee benefits	8,529	8,187	17,301	16,411
Depreciation of property, plant and equipment	5,047	4,915	9,497	9,506
Cleaning fees	893	772	1,761	1,495
Franchise and royalty fees	272	215	517	446
Foreign worker levies	336	457	677	863
IPO and related expenses	-	-	-	1,243
License fees	580	558	1,086	1,116
Loss on disposal of property, plant and equipment	22	19	22	18
Rental expenses-short-term leases and variable rental	1,167	877	2,404	1,997
Repair and maintenance	442	782	1,191	1,510
Transaction and service charges	1,962	1,838	3,773	3,470
Utilities	851	1,118	2,151	2,163

E. Notes to the condensed interim consolidated financial statements (Cont'd)

6. Profit before income tax (Cont'd)

6.2 Related party transactions

Key management personal compensation, representing remuneration of the directors and key management of the Company.

	The Group		The Group	
	6 months ended		12 months ended	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	S\$'000	S\$'000	S\$'000	S\$'000
Salaries and wages	1,205	1,173	2,141	2,108
Employer's contribution to defined contribution plan	71	83	144	149
Other short-term benefits	98	70	227	95
	<u>1,374</u>	<u>1,326</u>	<u>2,512</u>	<u>2,352</u>

Included in other short-term benefits is lease payment of S\$227,000 (2023: S\$95,000) relating to motor vehicles provided by the Group to the key management personnel.

7. Income tax

The Group calculates the income tax expense for the financial period 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 consolidated statement of comprehensive income are:

	The Group		The Group	
	6 months ended		12 months ended	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Tax expenses attributable to profit is made up of:</u>				
Current income tax – profit for the period	724	448	1,118	498
Deferred income tax	(12)	(71)	(78)	(71)
	<u>712</u>	<u>377</u>	<u>1,040</u>	<u>427</u>
(Over)/under provision of current income tax in prior financial years	(174)	245	(218)	245
	<u>538</u>	<u>622</u>	<u>822</u>	<u>672</u>

E. Notes to the condensed interim consolidated financial statements (Cont'd)

8. Dividends

	The Group	
	31-Dec-24	31-Dec-23
	S\$'000	S\$'000
Final one tier exempt dividends declared in respect of the previous financial year of 0.26 cents per share (2023: 0.51cents per share)	1,105	2,168
Interim one tier exempt dividends declared in respect of the current financial year 0.36cents per share (2023: NIL)	1,530	-
	2,635	2,168

9. Net asset value

	The Group		The Company	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	S\$	S\$	S\$	S\$
Net assets per ordinary share (cents)	4.58	4.09	4.05	3.95

Net assets per ordinary share is calculated based on the number of issued 425,000,000 shares (excluding treasury shares) as at 31 December 2024 and 2023.

10. Trade and other receivables

	The Group		The Company	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables				
- Non-related parties	309	281	-	-
Non-trade receivables				
- Subsidiary corporations	-	-	6,945	6,074
- Non-related parties	-	23	-	-
	-	23	6,945	6,074
Refundable security deposits	3,083	3,563	-	-
Prepayments	894	946	1	10
Dividends receivables from subsidiary corporation	-	-	1,800	2,600
	4,286	4,813	8,746	8,684

Included in the prepayments as at 31 December 2024 were advance payment to a supplier for the purchase raw materials of S\$595,000 (2023: S\$399,000).

Non-trade receivables from subsidiary corporations are unsecured, interest free and repayable on demand.

E. Notes to the condensed interim consolidated financial statements (Cont'd)

11. Property, plant and equipment (“PPE”)

During the financial year ended 31 December 2024, the Group acquired PPE amounted to S\$12,897,000 (2023: S\$16,528,000) and disposed of assets amounted to S\$309,000 (2023: S\$86,000).

The reconciliation of purchase of PPE and proceeds from disposal of PPE are presented below:

	The Group	
	12 months ended	
	31-Dec-24	31-Dec-23
	S\$'000	S\$'000
<u>Purchase of PPE</u>		
Total additions in the financial year	12,897	16,528
Less: Acquired under lease liabilities	(9,753)	(13,868)
Less: Movement in reinstatement cost	(429)	(368)
Net cash outflows	<u>2,715</u>	<u>2,292</u>
<u>Proceed from disposal of PPE</u>		
Total net book value of disposal in the financial year	309	86
Less: Loss on disposal of PPE	(22)	(16)
Net cash inflows	<u>287</u>	<u>68</u>

12. Trade and other payables

	The Group		The Company	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables				
- Non-related parties	1,630	1,148	-	-
Non-trade payables				
- Subsidiary corporations	-	-	6	33
- Related parties	50	-	-	-
- Non-related parties	1,820	1,119	50	46
	<u>1,870</u>	<u>1,119</u>	<u>56</u>	<u>79</u>
Goods and services tax payable	538	351	-	-
Accrued expenses	2,015	2,597	74	68
Deposit from tenants	313	281	-	-
	<u>6,366</u>	<u>5,496</u>	<u>130</u>	<u>147</u>

The non-trade payables to related parties and subsidiary corporations are unsecured, interest-free and payable on demand.

E. Notes to the condensed interim consolidated financial statements (Cont'd)

13. Loans and borrowings consist of bank loans and lease liabilities

	The Group	
	31-Dec-24	31-Dec-23
	S\$'000	S\$'000
<u>Secured bank loan</u>		
Amount repayable in one year or less, or on demand	2,232	2,498
Amount repayable after one year	-	-
	<u>2,232</u>	<u>2,498</u>

Details of any collaterals:

As at the end of the financial year, the Group's secured bank term loans of S\$2,232,000 (2023: S\$2,498,000) are secured by the mortgage over a leasehold property of the Group and deed of guarantee and indemnity for all monies from the Company.

	The Group	
	31-Dec-24	31-Dec-23
	S\$'000	S\$'000
<u>Secured lease liabilities</u>		
Amount repayable in one year or less, or on demand	149	217
Amount repayable after one year	234	316
	<u>383</u>	<u>533</u>

Unsecured lease liabilities

Amount repayable in one year or less, or on demand	7,439	5,739
Amount repayable after one year	15,527	14,112
	<u>22,966</u>	<u>19,851</u>

Details of any collaterals:

As at the end of the financial year, the Group's secured lease liabilities of S\$383,000 (2023: S\$533,000) are secured by the office equipment and motor vehicles of subsidiary corporation.

E. Notes to the condensed interim consolidated financial statements (Cont'd)

14. Share capital

Issued and fully paid	The Group and The Company			
	31-Dec-24		31-Dec-23	
	No. of shares	S\$'000	No. of shares	S\$'000
Beginning of the financial year	425,000,000	15,505	355,000,000	2,159
Issue of new shares	-	-	70,000,000	14,000
Shares issuance expenses	-	-	-	(654)
End of the financial year	425,000,000	15,505	425,000,000	15,505

On 26 January 2023, the Company launched its IPO whereby 82,750,000 Placement Shares comprising 53,750,000 New shares and 29,000,000 Vendor Shares at S\$0.20 each were offered by way of placement. The gross proceeds raised from the placement amounted to S\$16,550,000.

At the same time but separate from the Placement, the Cornerstone Investors entered into the Cornerstone Subscription Agreements and subscribed for 16,250,000 New Shares at \$0.20 each at a total consideration of S\$3,250,000.

Pursuant to the Company's listing on 6 February 2023, IPO expenses net of Grant for Equity market Singapore (GEMS) received amounted to S\$1,659,000 of which S\$654,000 was capitalised against share capital while the remaining amount to S\$1,005,000 was expensed-off and included in other expenses in the consolidated statement of profit or loss and other comprehensive income.

There were no treasury shares and subsidiary holdings as at 31 December 2024 and 2023.

15. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statement as of the reported date.

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

1. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The condensed interim statements of financial position of YKGI Limited and its subsidiary corporations as at 31 December 2024 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months ended 31 December 2024 and certain explanatory notes have not been audited or reviewed.

1A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

a) Updates on the efforts taken to resolve each outstanding audit issue.

b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Revenue

The Group's revenue increased by approximately S\$3.9 million or 6.2% from S\$61.9 million in FY2023 to S\$65.8 million in FY2024. This increase was mainly attributed to:

- (i) Revenue from our F&B Operations remained largely consistent compared to FY2023, reflecting stable performance throughout the year.
- (ii) An increase of S\$1.8 million from our Food Court Business, driven by growing customer base. The rise in foot traffic attributed to greater visitor interest in Nanyang Technological University and the National University of Singapore, as well as a surge in sports, entertainment, and lifestyle events at Singapore Sports Hub, which collectively attracted more patrons to our food courts in these areas; and
- (iii) Our Franchise Business saw an increase in revenue of S\$2.1 million, largely due to the contributions from new outlets that began operation during the year and higher revenue from existing stores, which benefited from enhanced advertising and promotional activities.

Other income

Other income increased by S\$0.3 million or 28.1% from S\$1.0 million in FY2023 to S\$1.3 million in FY2024. This increase was due to higher government grants of S\$0.3 million.

Purchases and related costs

Purchases and related costs increased by S\$0.1 million or 0.8% from S\$15.8 million in FY2023 to S\$15.9 million in FY2024 mainly due to the corresponding sales growth.

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

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (Cont'd)

Changes in inventories

Changes in inventories of S\$0.2 million as of 31 December 2024 compared to 31 December 2023 was due to timing of purchases and consumption of inventories.

Employee benefits

Employee benefits increased by S\$0.9 million or 5.4% from S\$16.4 million in FY2023 to S\$17.3 million in FY2024 mainly because of the higher compensation package offered to employees in FY2024 to retain and attract workers, especially with more local worker hires in the tight labour market.

Depreciation of property, plant and equipment

Depreciation expenses remained largely consistent compared to FY2023.

Other expenses

Other expenses decreased by S\$0.4 million or 2.3% from S\$17.9 million FY2023 to S\$17.5 million in FY2024 primarily due to: (i) the absence of one-time IPO expenses of S\$1.2 million incurred in FY2023; (ii) a decrease in foreign worker levies of S\$0.2 million and repair and maintenance of S\$0.3 million; offset by (iii) the increase in lease expenses related to variable rental and short-term leases of S\$0.4 million, cleaning fees of S\$0.3 million, transaction and service charges of S\$0.3 million and other expenses of S\$0.3 million.

Finance costs

Finance costs related to interests on bank borrowings and lease liabilities and the increase of S\$0.1 million or 9.3% from S\$1.3 million in FY2023 to S\$1.4 million in FY2024 was due to the higher interest expenses on lease liabilities for new and renewed outlets.

Profit before income tax

Profit before income tax increased by approximately S\$3.5 million or 159.5% from S\$2.1 million in FY2023 to S\$5.6 million in FY2024 as a result of higher revenue and moderate increase of costs and expenses as elaborated above.

The increase in profit before income tax of Food Court Business segment from S\$0.5 million in FY2023 to S\$2.1 million in FY2024 was mainly due to the increase in revenue resulting from the increase in customers footprint. The decrease in profit before income tax of our F&B Operations Business from S\$3.4 million in FY2023 to S\$2.7 million in FY2024 is primarily attributed to the substantial initial investments required for several new store openings in 2024, along with an unsteady customer base at these new locations, leading to operational losses of these new stores. Furthermore, elevated regular maintenance and renovation expenses at certain outlets in F&B Operations Business further impacted the segment's overall profitability in FY2024.

The increase in profit before income tax of our Franchise Business from S\$2.4 million in FY2023 to S\$3.8 million in FY2024 was due to the incremental revenue from new outlets in operation and higher revenue from existing stores as driven by the advertising and promotional activities, as well as lower depreciation expense due to higher fully depreciable assets at stores in the franchising business.

The loss from other segment decreased by S\$1.1 million was mainly due to the absence of the one-off IPO and related expenses of S\$1.2 million recognised in FY2023.

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

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Non-current assets

As at 31 December 2024, the Group's non-current assets of approximately S\$27.8 million accounted for approximately 51.1% of the Group's total assets. The Group's non-current assets comprise property, plant and equipment and intangible assets.

Property, plant and equipment as at 31 December 2024 amounted to approximately S\$27.3 million or 98.5% of total non-current assets. It comprises mainly cold room and equipment, computers, furniture and fittings, leasehold property, motor vehicles, office equipment, renovation and drinks and food stalls. Property, plant and equipment increased by about S\$3.1 million compared to FY2023, mainly because the Group recognised additional right-of-use assets for new and renewal of leases in FY2024, amounted to approximately S\$9.8 million, partially off-set by the depreciation expenses of S\$7.0 million.

Current assets

As at 31 December 2024, the Group's current assets of S\$26.6 million accounted for approximately 48.2% of the Group's total assets. The Group's current assets consisted of cash and bank balances, trade and other receivables and inventories.

As at 31 December 2024, cash and bank balances amounted to approximately S\$21.3 million or 80.0% of total current assets and the amounts have increased by approximately S\$4.1 million compared to FY2023 which was mainly attributable to net cash generated from operating activities of S\$17.5 million, offset by additions to property, plant and equipment of S\$2.7 million, payment of dividends to the equity holders of the Company of S\$2.6 million, repayment of bank borrowings and lease liabilities of S\$7.0 million and payment of interest expenses of S\$1.4 million.

Trade and other receivables amounted to approximately S\$4.3 million or 16.1% of total current assets, which is mainly made up of refundable deposits related to the deposits placed with landlords for the rental of outlets by our Group.

Non-current liabilities

As at 31 December 2024, the Group's non-current liabilities of S\$18.3 million accounted for approximately 51.3% of the Group's total liabilities. The Group's non-current liabilities consisted of lease liabilities, deferred tax liabilities and provisions.

As at 31 December 2024, the Group's non-current lease liabilities amounted to approximately S\$16.6 million, or 90.9% of total non-current liabilities as at 31 December 2024.

Total non-current and current portion of lease liabilities increased by approximately S\$3.8 million, mainly due to recognition of additional lease liabilities from new and renewal of leases in FY2024 of S\$10.5 million, partially offset by the principal repayment of lease liabilities of S\$6.7 million.

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

2. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)

Current liabilities

As at 31 December 2024, the Group's current liabilities of S\$17.4 million accounted for 48.7% of the Group's total liabilities. The Group's current liabilities consisted of trade and other payables, bank borrowings, lease liabilities and current income tax liabilities.

Trade and other payables amounted to S\$6.4 million or approximately 36.6% of the Group's total current liabilities as at 31 December 2024, made up of trade payables; non-trade payables to non-related parties; accrued expenses and deposits from tenants.

As at 31 December 2024, the Group's current lease liabilities amounted to approximately S\$7.5 million, or 43.4% of total current liabilities as at 31 December 2024.

Statement of cash flows of the Group

In FY2024, the Group recorded net cash generated from operating activities of S\$17.5 million, which was a result of operating profit before reinvestment in working capital of S\$16.4 million, adjusted for working capital inflows of S\$1.4 million and income tax paid of S\$0.3 million. The net cash from working capital of S\$1.4 million was mainly due to a decrease in trade and other receivables of S\$0.6 million; and an increase in trade and other payables of S\$0.8 million.

Net cash used in investing activities amounted to S\$2.3 million was attributable to additions of property, plant and equipment of S\$2.7 million and the interest received of S\$0.1 million and proceeds from disposal of property, plant and equipment of S\$0.3 million.

Net cash flow used in financing activities amounted to S\$11.1 million, which was mainly attributable to repayment of lease liabilities and borrowings, dividends and interest.

As at 31 December 2024, the Group's cash and bank balances were S\$21.3 million.

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

Not applicable

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.

The food and beverage (F&B) industry in Singapore continues to face persistent challenges that have impacted business operations throughout FY2024. Rising costs, including those for food ingredients, rentals, operating expenses, and labor, remain as the key concerns, exerting significant pressure on profitability. Manpower shortages, compounded by the implementation of the Progressive Wage Model mandating incremental wage increases for workers, have further added to the operational strain. Additionally, heightened competition in the Singapore market has intensified the challenging operating environment for the Group.

In response to these challenges, the Group has taken decisive actions to enhance its profitability and market presence. These include the closure of underperforming outlets, the opening of new outlets in strategic locations, and the implementation of cost control measures to reduce operating expenses and improve gross margins. Furthermore, the Group has pursued opportunities to expand its market presence by broadening product offerings, diversifying its brand portfolio, and exploring strategic partnerships and new brand developments.

During FY2024, the Group successfully launched its first Macau CHICHA San Chen outlet in October 2024, marking a significant milestone in its overseas expansion efforts. This expansion aligns with the Group's strategy to grow its footprint beyond Singapore and tap into new revenue streams.

Looking ahead, the Group remains focused on driving sustainable growth and profitability by continuing to refine its operational strategies, optimizing its cost structure, and expanding its market presence. Barring any unforeseen circumstances, the Group expects to maintain profitability for FY2025.

5. If a decision regarding dividend has been made:

- a) Whether an interim (final) ordinary dividend has been declared (recommended): and

Yes

Name of Dividend: Final

Dividend Type: Cash

Amount per share: 0.36 Singapore cents (S\$0.0036) per ordinary share

- b) Any dividend declared for corresponding period of the immediately preceding financial year?

Yes, previous corresponding period:

Name of Dividend: Final

Dividend Type: Cash

Amount per share: 0.26 Singapore cents (S\$0.0026) per ordinary share

- c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Tax exempt

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

5. If a decision regarding dividend has been made: (Cont'd)

d) The date the dividend is payable

19 May 2025 (subject to approval by shareholders at the Annual General Meeting to be held).

e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

8 May 2025 (subject to approval by shareholders at the Annual General Meeting to be held).

6. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

7. If the group has obtained a general mandate from shareholders for Interested Parties Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Not applicable. The Company has not obtained a general mandate from shareholders for Interested Person Transaction ("IPT"). There are no IPTs of S\$100,000 and above during FY2024.

8. 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).

The Company confirmed that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

9. Status of the use of IPO funds raised

The Group raised net proceeds of S\$12.0 million. As of the date of announcement, the net proceeds have been utilised as follows and the balance as follows:

	Allocation of net proceeds	Amount utilised as the date of this announcement	Balance as at the date of this announcement
	S\$'000	S\$'000	S\$'000
Expansion of our business (including opening new outlets in Singapore and overseas, expanding into more market segments, strengthening our supply chain capabilities, expanding our franchising and sub-franchising operations and undertaking strategic acquisitions and joint venture partnerships)	10,000	1,535	8,465
Working capital	2,035	2,035 ⁽¹⁾	-
Total	12,035	3,570	8,465

(1) The breakdown of the utilisation of net proceeds to be used for general working capital purposes are as follows:

Summary of Expenses	S\$'000
Purchases from suppliers	942
Staff Cost	1,093
Total	<u>2,035</u>

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

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

Acquisition of Remaining Shares in Oriental Kopi (Singapore) Pte. Ltd.

Oriental Kopi (Singapore) Pte. Ltd. was incorporated on 15 August 2023 as a joint venture which the Group held 70% interest (“JV”). On 26 January 2024, the JV agreement was terminated and the Group acquired the remaining 30% shares. Following the completion of the shares acquisition, Oriental Kopi (Singapore) Pte. Ltd. become an indirect wholly owned subsidiary of the Group. Please refer to our announcement dated 26 January 2024 for more details.

11. subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wee Lay Teng	58	Wife of our Executive Chairman and Executive Director, Mr Seah Boon Lock; Mother of our CEO and executive director, Mr. Seah Qin Quan	Chief administrative officer and is responsible for, among others, overall administration of our Group, including human resources, operations and marketing matters since November 2022.	No change
Seah Kun Miao	31	Daughter of our Executive Chairman and Executive Director, Mr Seah Boon Lock; Sister of our CEO and executive director, Mr. Seah Qin Quan	Chief marketing officer and is responsible for, among others, overseeing brand management, integrated marketing campaigns, new product launches and business growth channels since November 2022.	No change

BY ORDER OF THE BOARD

On Behalf of YKGI Limited

Seah Boon Lock
Executive Chairman and Executive Director
24 February 2025

Wong Fook Sung
Lead Independent Director

This announcement has been reviewed by the Company's sponsor, RHT Capital 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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