

**KIMLY LIMITED**  
(Incorporated in Singapore)  
(Registration No. 201613903R)  
(the "**Company**")

**MINUTES OF ANNUAL GENERAL MEETING**

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**PLACE** : The Grassroots' Club, 190 Ang Mo Kio Avenue 8, Singapore 568046

**DATE** : Thursday, 23 January 2025

**TIME** : 3.00 p.m.

**PRESENT** : As per the attendance list maintained by the Company

**IN ATTENDANCE** : As per the attendance list maintained by the Company

**NON-EXECUTIVE  
INDEPENDENT  
CHAIRMAN** : Mr Lau Chin Huat

**CHAIRMAN OF  
THE MEETING** : Ms Wong Kok Yoong

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*Unless otherwise defined herein or the context otherwise requires, all capitalised terms used herein shall bear the same meanings ascribed to them in the Company's announcement dated 8 January 2025 and the Company's Annual Report 2024.*

**1. INTRODUCTION & QUORUM**

As a quorum was present, the Chairman of the Meeting declared the Meeting open and introduced the Board of Directors ("**Board**") of the Company present at the Annual General Meeting ("**AGM**" or "**Meeting**").

Prior to the commencement of the Meeting, a presentation was given by the Chairman of the Meeting on the business update of the Group, a copy of which is annexed to these minutes as Appendix I.

**2. NOTICE OF MEETING**

The Chairman of the Meeting highlighted that printed copies of the Notice of the Meeting and the relevant proxy forms have been sent to members, and the electronic copies of the Notice of the Meeting, proxy forms and the accompanying Appendix to Annual Report relating to (1) the proposed renewal of the share buyback mandate; and (2) the proposed renewal of the shareholders' general mandate for interested person transactions (the "**Appendix**") had been made available on the Company's corporate website and Singapore Exchange Securities Trading Limited ("**SGX-ST**")'s website.

The Notice of the Meeting was taken as read.

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**3. VOTING BY WAY OF A POLL**

It was noted that the Chairman of the Meeting had been appointed as proxy by some shareholders and would be voting in accordance with their instructions. All resolutions at the Meeting would be voted by way of poll which also complied with the requirement of the Listing Manual – Section B: Rules of Catalist of Singapore Exchange Securities Trading Limited (the "**Catalist Rules**") for all listed companies to conduct voting by poll for all general meetings, as well as to accord due respect to the full voting rights of shareholders.

Boardroom Corporate & Advisory Services Pte. Ltd. and Reliance 3P Advisory Pte Ltd had been appointed as the Polling Agent and the Scrutineer respectively.

Polling was to be conducted electronically using a wireless handheld device. Shareholders attending in person or a validly appointed proxy for this Meeting were issued with a wireless handheld device and a green sticker. Observers, if any, had been assigned a red sticker. As a rule, observers would not be permitted to participate or vote at meeting and, were therefore, not permitted to ask questions or propose any motions that came before the Meeting.

The Chairman requested a representative of Reliance 3P Advisory to go through the poll voting procedures.

**4. QUESTIONS AND ANSWERS SESSIONS**

It was noted that the Company has responded to the substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM submitted by shareholders ahead of the AGM by publishing the responses to such questions on the Company's corporate website and on SGX-ST via SGXNET on 17 January 2025 (i.e. at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms) ("**Response to Questions from Shareholders**"). A copy of the Response to Questions from Shareholders is attached to these minutes as Appendix II.

After addressing questions from the shareholders at the Meeting which were substantial and relevant to the resolutions to be tabled for approval at the AGM, the Chairman then proceeded with the agenda of the Meeting ("**Summary of Q&A at the AGM**"). The Summary of Q&A at the AGM is attached to these minutes as Appendix III.

As there were no further questions from the shareholders, the Chairman of the Meeting proceeded with the agenda of the Meeting.

**ORDINARY BUSINESS**

**5. DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 – RESOLUTION 1**

The Chairman informed the Meeting that the first item on the agenda was to receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 September 2024 ("**FY2024**") together with the Auditor's Report thereon.

The motion for Ordinary Resolution 1 was proposed by the Chairman of the Meeting.

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The Chairman of the Meeting proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 1 and announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	737,749,766	99.99
No. of shares against:	73,100	0.01

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 1 duly carried and IT WAS RESOLVED:

"THAT the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 September 2024 together with the Auditor's Report thereon, be hereby received and adopted."

**6. TAX EXEMPT ONE-TIER FINAL DIVIDEND – RESOLUTION 2**

The next item was to approve the payment of a Tax Exempt One-Tier final dividend of 1.00 Singapore cent per ordinary share for the financial year ended 30 September 2024.

The motion for Ordinary Resolution 2 was proposed by the Chairman of the Meeting.

The Chairman of the Meeting proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 2 and announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	737,781,766	99.99
No. of shares against:	63,100	0.01

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 2 duly carried and IT WAS RESOLVED:

"THAT a Tax-Exempt One-Tier final dividend of 1.00 Singapore cent per ordinary share for the financial year ended 30 September 2024, as recommended by the Directors, be hereby approved."

**7. RE-ELECTION OF DIRECTORS – RESOLUTIONS 3 AND 4**

The Meeting noted that Mr Wee Tian Chwee Jeffrey ("**Mr Wee**") and Ms Wong Kok Yoong ("**Ms Wong**"), the Directors who were retiring pursuant to Regulation 112 of the Company's Constitution, had signified their consents to continue in office.

**7.1 RE-ELECTION OF MR WEE TIAN CHWEE JEFFREY – RESOLUTION 3**

Ordinary Resolution 3 was to re-elect Mr Wee as a Director of the Company.

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It was noted that Mr Wee, upon re-election, would remain as the Independent Director of the Company, Chairman of the Audit Committee and a member of the Remuneration Committee of the Company. Mr Wee would be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

The motion for Ordinary Resolution 3 was proposed by the Chairman of the Meeting.

The Chairman of the Meeting proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 3 and announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	734,278,166	99.94
No. of shares against:	473,600	0.06

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 3 duly carried and IT WAS RESOLVED:

"THAT Mr Wee Tian Chwee Jeffrey be re-elected as a Director of the Company."

**7.2 RE-ELECTION OF MS WONG KOK YOONG – RESOLUTION 4**

As Ordinary Resolution 4 dealt with the re-election of Ms Wong as a Director of the Company, Mr Lim Teck Chai, Danny took over the chair of the Meeting on the matter of her re-election.

It was noted that Ms Wong, upon re-election, would remain as Executive Director of the Company and a member of the Nominating Committee of the Company.

The motion for Ordinary Resolution 4 was proposed by Mr Lim Teck Chai, Danny.

Mr Lim Teck Chai, Danny proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 4 and announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	735,749,011	99.71
No. of shares against:	2,107,855	0.29

Based on the results of the poll, Mr Lim Teck Chai, Danny declared Ordinary Resolution 4 duly carried and IT WAS RESOLVED:

"THAT Ms Wong Kok Yoong be re-elected as a Director of the Company."

The Chair was returned to Ms Wong to resume conduct of the Meeting.

**8. DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 30 SEPTEMBER 2025 – RESOLUTION 5**

The Board had recommended the payment of Directors' fees of up to S\$200,000.00 for the financial year ending 30 September 2025.

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The motion for Ordinary Resolution 5 was proposed by the Chairman of the Meeting.

The Chairman of the Meeting proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 5 and announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	734,227,269	99.53
No. of shares against:	3,436,300	0.47

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 5 duly carried and IT WAS RESOLVED:

"THAT the Directors' fees of up to S\$200,000 for the financial year ending 30 September 2025 be approved."

**9. RE-APPOINTMENT OF MESSRS ERNST & YOUNG LLP AS AUDITORS – RESOLUTION 6**

The Meeting noted that the next item on the agenda was to approve the re-appointment of Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. Messrs Ernst & Young LLP had expressed their willingness to continue in office.

The motion for Ordinary Resolution 6 was proposed by the Chairman of the Meeting.

The Chairman of the Meeting proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 6 and announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	737,581,066	99.97
No. of shares against:	239,700	0.03

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 6 duly carried and IT WAS RESOLVED:

"THAT Messrs Ernst & Young LLP be re-appointed Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Directors."

**10. ANY OTHER BUSINESS**

As no notice of any other items of routine business were received by the Secretaries, the Chairman of the Meeting proceeded to deal with the items of Special Business of the Meeting.

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**SPECIAL BUSINESS**

**11. SHARE ISSUE MANDATE – RESOLUTION 7**

Ordinary Resolution 7 was to seek shareholders' approval to empower the Directors of the Company to issue shares in the capital of the Company and/or Instruments (as defined in the Notice of AGM) pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Catalyst Rules.

The Meeting noted that the full text of the resolution was set out under item 7 in the Notice of AGM on pages 144 and 145 of the Annual Report.

The motion for Ordinary Resolution 7 as set out in item 7 of the Notice of this Meeting was proposed by the Chairman of the Meeting.

The Chairman of the Meeting proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 7 and announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	732,015,514	99.21
No. of shares against:	5,794,052	0.79

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 7 duly carried and IT WAS RESOLVED:

"THAT authority be hereby given to the Directors of the Company ("**Directors**") pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Companies Act**") and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst (the "**Rules of Catalyst**") and notwithstanding the provisions of the Constitution of the Company, to:

- (a) (i) issue shares in the capital of the Company ("**Shares**"), whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, the "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares; and/or
- (iii) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue shares in pursuance of additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or other capitalisation issues, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

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- (b) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this resolution is in force,

**PROVIDED THAT:**

- (i) the aggregate number of Shares issued pursuant to this resolution (including Shares issued in pursuance to any Instruments made or granted pursuant to this resolution), does not exceed one hundred per cent. (100%) of the total number of issued Shares excluding subsidiary holdings (as defined in the Rules of Catalist) and treasury Shares (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed fifty per cent. (50%) of the total number of issued Shares excluding subsidiary holdings (as defined in the Rules of Catalist) and treasury Shares (as calculated in accordance with sub-paragraph (ii) below);
- (ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued Shares excluding subsidiary holdings (as defined in the Rules of Catalist) and treasury Shares of the Company shall be calculated based on the total number of issued Shares excluding subsidiary holdings (as defined in the Rules of Catalist) and treasury Shares of the Company at the time of the passing of this resolution, after adjusting for:
  - (a) new shares arising from the conversion or exercise of any convertible securities;
  - (b) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalist;
  - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (iii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Companies Act, the Rules of Catalist (including supplemental measures hereto) for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (iv) (unless revoked or varied by the Company in a general meeting) the authority conferred by this resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."

**12. AUTHORITY TO OFFER AND GRANT OPTIONS AND ALLOT AND ISSUE SHARES UNDER THE KIMLY EMPLOYEE SHARE OPTION SCHEME – RESOLUTION 8**

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Ordinary Resolution 8 was to authorise and empower the Directors of the Company to offer and grant options and allot and issue shares under the Kimly Employee Share Option Scheme.

The Meeting noted that the full text of the resolution was set out under item 8 in the Notice of AGM and on pages 145 and 146 of the Annual Report and that the Executive Directors, Non-Executive Directors, Controlling Shareholders and their Associates (as defined in the IPO Prospectus dated 8 March 2017) and full-time employees, who were eligible to participate in the Kimly Employee Share Option Scheme were to abstain from voting on this resolution.

Mr Lau Chin Huat, the Non-Executive Independent Chairman and a shareholder of the Company proposed the motion as set out in item 8 of the Notice of this Meeting. He proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 8 and announced the results of the poll as follows:

Following the tabulation of votes as verified by the Scrutineer, the Chairman of the Meeting announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	571,156,822	99.03
No. of shares against:	5,602,655	0.97

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 8 duly carried and IT WAS RESOLVED:

"THAT the Directors of the Company be hereby authorised to:

- (a) offer and grant options ("**Options**") in accordance with the provisions of the Kimly Employee Share Option Scheme (the "**Scheme**") and pursuant to Section 161 of the Companies Act:
  - (i) to allot and issue from time to time such number of fully-paid new Shares as may be required to be delivered pursuant to the vesting of the Options under the Scheme; and
  - (ii) (notwithstanding the authority conferred by this resolution may have ceased to be in force) to allot and issue from time to time such number of fully-paid new Shares as may be required to be delivered pursuant to any Options granted by the Directors in accordance with the Scheme awarded while the authority conferred by this resolution was in force, and
- (b) subject to the same being allowed by law, apply any Shares purchased under any share purchase mandate and to deliver such existing Shares (including treasury Shares) towards the satisfaction of Options granted under the Scheme,

PROVIDED THAT the aggregate number of Shares to be issued or transferred pursuant to the Options under the Scheme on any date, when aggregated with the number of Shares over which options or awards are granted under any other share option schemes or share schemes of the Company, shall not exceed fifteen per cent. (15%) of the total number of issued Shares of the Company excluding subsidiary holdings (as defined in the Rules of Catalist) and treasury Shares on the day preceding that date."



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**13. AUTHORITY TO OFFER AND GRANT AWARDS AND ALLOT AND ISSUE SHARES UNDER THE KIMLY PERFORMANCE SHARE PLAN – RESOLUTION 9**

Ordinary Resolution 9 was to authorise and empower the Directors of the Company to offer and grant awards and issue shares under the Kimly Performance Share Plan.

The Meeting noted the full text of the resolution was set out under item 9 in the Notice of AGM and on page 146 of the Annual Report and that the Executive Directors, Non-Executive Directors, Controlling Shareholders and their Associates (as defined in the IPO Prospectus dated 8 March 2017) and full-time employees, who were eligible to participate in the Kimly Performance Share Plan were to abstain from voting on this resolution.

Mr Lau Chin Huat, the Non-Executive Independent Chairman and a shareholder of the Company proposed the motion as set out in item 9 of the Notice of this Meeting. He proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 9 and announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	574,747,922	99.63
No. of shares against:	2,159,455	0.37

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 9 duly carried and IT WAS RESOLVED:

“THAT the Directors of the Company be hereby authorised to:

- (a) offer and grant awards ("**Awards**") in accordance with the provisions of the Kimly Performance Share Plan (the "**Share Plan**") and pursuant to Section 161 of the Companies Act:
  - (i) to allot and issue from time to time such number of fully-paid new Shares as may be required to be delivered pursuant to the vesting of the Awards under the Share Plan; and
  - (ii) (notwithstanding the authority conferred by this resolution may have ceased to be in force) to allot and issue from time to time such number of fully-paid new Shares as may be required to be delivered pursuant to any Awards granted by the Directors in accordance with the Share Plan awarded while the authority conferred by this resolution was in force, and
- (b) subject to the same being allowed by law, apply any Shares purchased under any share purchase mandate and to deliver such existing Shares (including treasury Shares) towards the satisfaction of Awards granted under the Share Plan,

PROVIDED THAT the aggregate number of Shares to be issued or transferred pursuant to the Awards under the Share Plan on any date, when aggregated with the number of Shares over which options or awards are granted under any other share option schemes or share schemes of the Company, shall not exceed fifteen per cent. (15%) of the total number of issued Shares

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of the Company excluding subsidiary holdings (as defined in the Rules of Catalist) and treasury Shares on the day preceding that date."

**14. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE – RESOLUTION 10**

Ordinary Resolution 10 was to seek shareholders' approval to renew the Share Buyback Mandate of the Company.

The Meeting noted the full text of the resolution was set out under item 10 in the Notice of AGM and on pages 147 and 148 of the Annual Report. The details, rationale and financial effects for the proposed renewal of the Share Buyback Mandate were set out under Paragraph 2 of the Appendix.

Mr Lim Hee Liat, a controlling shareholder of the Company, had abstained, and had undertaken to ensure that his associates had abstained, from voting in respect of Ordinary Resolution 10 relating to the proposed renewal of the Share Buyback Mandate, pursuant to the conditions under Appendix 2 of the Take-Over Code as set out in paragraph 2.13.3 of the Appendix.

The Chairman of the Meeting proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 10 and announced the results of the poll as follows:

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	737,615,366	99.98
No. of shares against:	133,100	0.02

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 10 duly carried and IT WAS RESOLVED:

"That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire the Shares not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to but not exceeding the Maximum Price (as hereafter defined), whether by way of:
  - (i) on-market purchases, transacted through the SGX-ST's trading system or on any other securities exchange on which the Shares may for the time being be listed and quoted, through one (1) or more duly licensed dealers appointed by the Company for the purpose of the Share Buyback ("**Market Purchases**"); and/or
  - (ii) off-market purchases made in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchases**")

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

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- (b) unless revoked or varied by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
  - (i) the date on which the next annual general meeting of the Company is held;
  - (ii) the date on which the next annual general meeting of the Company is required by law to be held; and
  - (iii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated;
- (c) in this Resolution:
  - "Average Closing Price"** means:
    - (i) in the case of a Market Purchase, the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST before the day on which the Market Purchase was made by the Company; or
    - (ii) in the case of an Off-Market Purchase, the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST before the day on which the making of the offer pursuant to the Off-Market Purchase was made,

and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action that occurs during the relevant five (5) day period and the day on which the purchases were made;

**"date of the making of the offer"** means the date on which the Company makes an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

**"Market Day"** means a day on which the SGX-ST is open for trading in securities;

**"Maximum Percentage"** means that number of issued Shares representing 10.0% of the issued Shares (excluding Treasury Shares and subsidiary holdings) as at the date of the passing of this Resolution; and

**"Maximum Price"** in relation to a Share to be purchased or acquired, means the purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) which shall not exceed:

- (i) in the case of a Market Purchase, 105.0% of the Average Closing Price of the Shares; and

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- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 105.0% of the Average Closing Price of the Shares; and
- (d) the Directors and/or any of them be and are and/or is hereby authorised and empowered to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution."

**15. THE PROPOSED RENEWAL OF THE SHAREHOLDERS' GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS – RESOLUTION 11**

The last item on the agenda was to seek shareholders' approval to renew the Shareholders' General Mandate for Interested Person Transactions ("**IPT General Mandate**"). The motion, if passed, would renew the general mandate which shall thereafter be valid from the date of this AGM until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

The Meeting noted the full text of the resolution was set out under item 11 in the Notice of AGM and on page 148 of the Annual Report. The details and rationale of the proposed renewal of the IPT General Mandate were set out under Paragraph 3 of the Appendix.

The Meeting also noted that Mr Lim Hee Liat, a controlling shareholder of the Company, and his associates (if any) had abstained from voting on this resolution.

The motion for Ordinary Resolution 11 as set out in item 11 of the Notice of this Meeting was proposed by the Chairman of the Meeting.

The Chairman of the Meeting proceeded to put the motion to vote by way of electronic polling for Ordinary Resolution 11 and announced the results of the poll as follows.

	<b>Votes</b>	<b>Percentage (%)</b>
No. of shares for:	243,507,201	99.98
No. of shares against:	285,100	0.12

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolution 11 duly carried and IT WAS RESOLVED:

"That:

- (a) approval be and is hereby given for the purposes of Chapter 9 of the Rules of Catalist, for the Company, its subsidiaries and associated companies that are considered to be "**entities at risk**" (as that term is used in Chapter 9), or any of them to enter into any of the transactions falling within the types of Mandated Transactions described in the Appendix with any Mandated Interested Persons described in the Appendix, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;
- (b) the approval given in paragraph (a) above shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual

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general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier; and

- (c) the Directors and/or any of them be and are and/or is hereby authorised and empowered to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution."

**16. TERMINATION**

There being no further business, the Meeting concluded at 3.50 p.m. and was declared closed by the Chairman of the Meeting.

Confirmed as True Record of Proceedings held

WONG KOK YOONG  
CHAIRMAN OF THE MEETING

# NAVIGATING CHALLENGES SUSTAINING PROGRESS



**FY2024**

## Annual General Meeting Corporate Presentation

23 January 2025





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## / ANNUAL REVIEW

1. Our Footprint
2. Strengthening Operations
3. Diversifying Product Offerings
4. Leveraging On Our Scale With Technology

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## /// FY2025 BUSINESS STRATEGIES

## //// SUSTAINABILITY EFFORTS

01

# OUR FOOTPRINT

## FOOD OUTLETS

Food Outlets	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Traditional Coffee Shops	60	60	65	72	73	73	70	70
Kedai Kopi (Halal Coffee Shops)	-	-	-	-	2	3	5	5
Industrial Canteens	4	4	4	7	7	7	7	7
Food Courts	4	3	3	4	3	3	3	4
Total	68	67	72	83	85	86	85	86

**NEW FOOD  
OUTLETS IN  
FY2024**

**08 JAN 24**

Industrial Canteen  
17 Woodlands Link



**18 JAN 24**

Coffee shop  
187C Marsiling Road



**10 MAY 24**

Food Court  
Lucky Plaza





01

# OUR FOOTPRINT FOOD RETAIL



Food Retail	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
NON-HALAL BUSINESS								
Mixed Vegetable Rice Stalls	39	46	53	56	57	54	58	58
Teocheew Porridge Stalls	2	3	3	3	3	3	3	3
Dim Sum Stalls	46	49	50	48	49	47	48	50
Seafood “Zi Char” Stalls	32	31	29	29	28	27	27	27
Live Seafood Restaurant	1	1	-	-	-	-	-	-
Kanaaji Katsu Japanese Food Stalls	-	-	1	1	2	1	1	-
Tonkichi Restaurants	-	3	2	2	2	2	2	2
Rive Gauche Patisserie	-	10	9	7	7	7	-	-
Subtotal	120	142	147	146	148	141	139	140
HALAL BUSINESS								
Tenderfresh Brands								
• Foodstalls	-	-	-	-	-	34	36	38
• Kiosks	-	-	-	-	-	3	4	4
• Restaurants	-	-	-	-	-	7	8	9
Subtotal	-	-	-	-	-	44	48	51
Total	120	142	147	146	148	185	187	191

# STRENGTHENING OPERATIONS

## Enhancing Foundation Lease | *To provide Stability and Certainty*

Landlord Base	IPO 2017		Sep 2021		Sep 2022		Sep 2023		Sep 2024	
	Number of Outlets	Percentage of Outlet by Type	Number of Outlets	Percentage of Outlet by Type	Number of Outlets	Percentage of Outlet by Type	Number of Outlets	Percentage of Outlet by Type	Number of Outlets	Percentage of Outlet by Type
IPT Leases: Leases in coffee shops whereby the Founding Partners hold partial interest	18	28.1%	18	21.2%	20	23.2%	21	24.7%	21	24.4%
HDB Leases: Coffee shops leased directly from HDB	14	21.9%	25	29.4%	26	30.2%	28	32.9%	29	33.7%
Owned Food Outlet Properties	0	0%	9	10.6%	9	10.5%	9	10.6%	9	10.5%
Sub Total of Foundation Leases*	32	50%	52	61.2%	55	63.9%	58	68.2%	59	68.6%
Private Leases: Coffee shops and industrial canteens leased from private owners	23	35.9%	22	25.8%	25	29.1%	25	29.4%	24	27.9%
Managing Agent: Leases in coffee shops managed under a third-party brand	5	7.8%	9	10.6%	4	4.7%	-	-	-	-
Private Leases: Leases in food courts	4	6.3%	2	2.4%	2	2.3%	2	2.4%	3	3.5%
Sub Total	32	50%	33	40.0%	31	36.1%	27	31.8%	27	31.4%
Grand Total	64	100%	85	100%	86	100%	85	100%	86	100%

\*Foundation Leases are leases or owned coffee shop properties where the Group is confident of securing its right-of-use assets or renewing the leases and accordingly provide stability and certainty to the Group in delivering long-term returns to its shareholders.

# STRENGTHENING OPERATIONS

## Kimly's First Food Court in Town | *Breaking New Ground*

Kimly Group's **first food court**, located in the heart of **Orchard Road**, features **11 food stalls** and **a drinks stall**, accommodating over **260 patrons**. This new outlet offers a diverse array of popular local and international dishes at affordable prices, ensuring a delightful dining experience.



Lifestyle  
Lucky Plaza's Jollibee replaced with Kimly food court, has stalls like Tian Tian Hainanese Chicken Rice and Tenderbest

Notable tenants include Tian Tian Chicken Rice, Makan Melaka, Tenderbest, and Lion City Dim Sum, serving beloved dishes such as Hainanese chicken rice, Nasi Lemak, and Tenderbest fried chicken.

We continue to keep our prices affordable, bringing more convenience and access to your favorite local dishes with our widespread coverage of locations.





02

# STRENGTHENING OPERATIONS

## Kallang Bahru and Punggol Park

- **TENDERBEST MAKCIK TUCKSHOP**  
**Kallang Bahru**

Blk 71 Kallang Bahru #01-531, S330071

Opened on 23 Dec 23

Tenderbest Makcik Tuckshop (Kallang Bahru) caters to both the new and old residents of the mature housing estate.

Conveniently located right across from Geylang Bahru MRT and behind Geylang Bahru Market & Food Centre, it is an underrated gem waiting to be discovered by the community!

The menu features specials such as XO Carrot Cake, Whole Lamb Rack, Squid Ink Pasta and Cat and Fiddle Cakes.



- **TENDERBEST MAKCIK TUCKSHOP**  
**Punggol Park**

97 Hougang Avenue 8, Punggol Park, S538792

Opened on 16 Feb 24

Tenderbest Makcik Tuckshop (Punggol Park) offers an unparalleled view, nestled amidst lush greenery and a serene pond, providing perfect backdrop to enjoy the Western fusion dishes that Tenderbest serves.

To elevate the experience, we have partnered up with Halal Indian Muslim eatery, Kamala Express and renowned ice cream label, Häagen-Dazs, creating a meal filled with delicious fun and memorable moments.

Specials on the menu include freshly hand-stretched and baked sourdough pizzas, as well as breakfast brunch items.

# STRENGTHENING OPERATIONS

## Outlet Revitalisation and High Occupancy Rates

### OUTLET REVITALISATION PROGRAM

- Upgrading amenities to enhance hygiene and elevate the dining experience
- Introducing new food stalls and products to ensure a dynamic and vibrant atmosphere in our coffee shops
- Expanding the lettable area of our food outlets

### QUALITY FOOD TENANTS AND ANCHOR TENANTS

- As of 30 September 2024, we achieved a 99.0% occupancy rate across 617 food stalls within the 86 food outlets under our management.



Blk 132 Jurong Gateway Road



Blk 237 Serangoon Avenue 3



Blk 347 Bukit Batok Street 34





# STRENGTHENING OPERATIONS

## Central Kitchens: The Foundation of Our Food Retail Success

### ○ Enhancement at TDF Central Kitchen for Sauces, Marinade and Seasoning



- In August 2024, Tenderfresh Business' Halal Food Seasoning and Manufacturing arm, TDF Food (ISO 22000:2018), which produces premix flour, seasoning, spices and powdered food ingredients, relocated to a new central kitchen at 26 Senoko Way, expanding its production space from 129m<sup>2</sup> to 500m<sup>2</sup>.
- This upgrade boosts production and storage capacity, allowing us to enter new markets, enhance product quality, increase efficiency and create more jobs to meet the growing demand.



ISO 22000:2018, Food Safety Management System



### ○ Kimly's Central Kitchens: Elevating Synergy and Productivity

- Increased production of semi-cooked products, such as dim sum and semi-processed ingredients, marinated items and sauces in both the Sauce and Mixed Vegetable Rice ("MVR") central kitchens.
- With the integration of automated machines, MVR central kitchen has significantly enhanced its support to the Seafood "Zi Char" division, boosting the supply of semi-processed meat products.
- Additionally, we now consolidate our deliveries to both MVR and Seafood "Zi Char" stalls at the same location, further enhancing productivity, efficiency and convenience.



# DIVERSIFYING PRODUCT OFFERINGS

## Leveraging the Successful Debut of Lion City Dim Sum at Lau Pa Sat



Since its first outlet opened in May 2023, Lion City Dim Sum has expanded to two other prominent locations. The brand continues to be recognised for its accessibility and affordability in casual dining at the heart of the city in 2024.

- Orchard Road, Lion City Dim Sum at Lucky Plaza targets both tourists and the weekday office crowd, offering the most affordable cuisine in the food court.
- Kopitiam Square, Lion City Dim Sum at Sengkang Square, is part of a mixed development that includes a market hawker centre. Located near Sengkang MRT, it enjoys high traffic and footfall from the Sengkang residents and the community. With the 24-hour operations, the outlet captures breakfast, lunch and dinner crowds.





# DIVERSIFYING PRODUCT OFFERINGS

## Embracing A Healthier Lifestyle with Our Fellow Singaporeans



### LOWER SUGAR

Kimly Group has been actively supporting Singapore's initiatives to reduce sugar consumption and promote healthier beverage choices by providing beneficial Nutri-Grade information on its list of available drinks for consumers.

Since December 2023, our self-made drinks have been lab-tested by a professional nutritionist, and Nutri-Grade labels have been provided for consumer reference.



### LOWER IN CALORIES

Recognising our broad public reach, we support initiatives for a healthier lifestyle.

Kimly Group collaborates with the Health Promotion Board ("HPB") to promote healthier dining choices by identifying, improving, and creating lower-calorie dishes across brands like Kimly Dim Sum, Tenderfresh, and Kimly Mixed Rice.



### LOWER IN SODIUM

As one of the first movers in HPB's Lower in Sodium Campaign, Kimly Dim Sum, Tenderfresh, and Kimly Mixed Rice central kitchens and stalls/restaurants have switched to reduced sodium iodized salt, reducing sodium by about 30% without compromising the usual taste and flavour.





# DIVERSIFYING PRODUCT OFFERINGS

## Reinventing and Innovating to Meet Customers' Changing Preferences

### ○ Tailored Set Meals For Changing Demands and Lifestyles

We empathise with consumers' concerns about the rising costs of living in today's economy.

To meet the ever-changing preferences and habits of consumers, Kimly Seafood and Tenderfresh have introduced and refreshed their Bundle Meals, available on online food delivery platforms and at storefronts.



# DIVERSIFYING PRODUCT OFFERINGS

Reinventing and Innovating to Meet Customers' Changing Preferences

## Gino's East



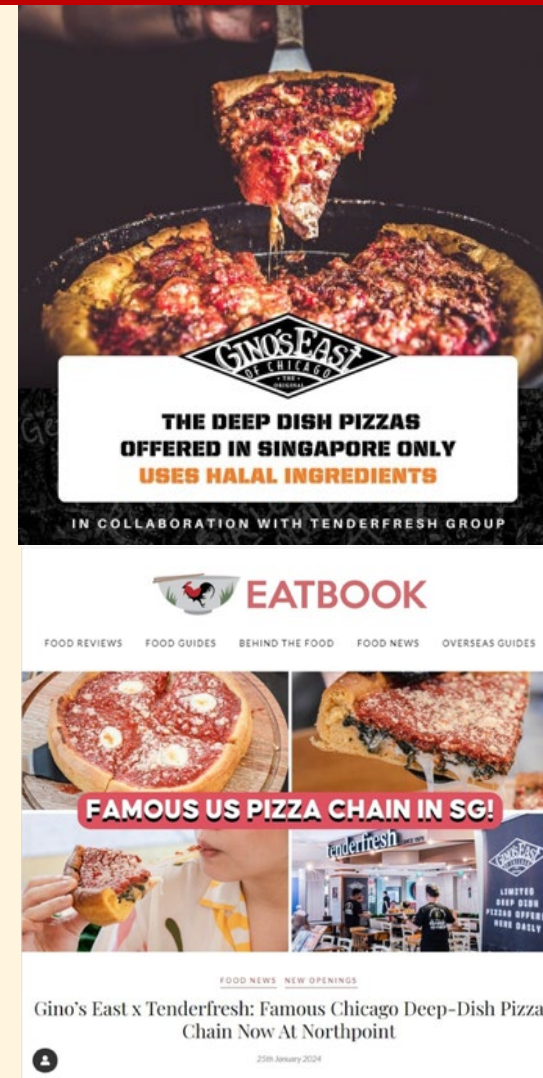
### ○ Introducing Chicago's Legendary Deep Dish Pizza: First-Ever Pop-Up Event!

Gino's East Halal deep-dish pizza was introduced at the Tenderfresh Classic Northpoint outlet during the pop-up event on 25 January 2024, with a limited quantity of deep-dish pizzas available daily.

Gino's East is a renowned Chicago restaurant famous for its deep-dish pizzas, enjoyed by millions of people in the USA, including locals, celebrities and visitors alike.

Each legendary pie is crafted with a secret golden crust, fresh vine-ripened tomatoes, mounds of mozzarella cheese, fresh toppings, and is slowly baked to perfection in seasoned cast iron pans.

Gino's East remains dedicated to preserving its original recipes while modernising and adapting to consumer's behaviour, such as offering a Halal Deep Dish Recipe.



*“At Gino's East, we believe in two things: Cheese-pulls and family.”*





# DIVERSIFYING PRODUCT OFFERINGS

## Reinventing and Innovating to Meet Customers' Changing Preferences

### ○ Nostalgic Charcoal Grilled BBQ Chicken: A Classic Returns

One of Tenderfresh's earliest signature is its **Charcoal BBQ Roasted Chicken**.

The charcoal roasting process caramelizes the chicken, creating a smoky, charred crust that intensifies the natural flavors and locks in the juice. This method imparts complex, earthy aromas, elevating the overall experience.

To celebrate Tenderfresh's 45th Anniversary, we reintroduced traditional charcoal grills at select stalls, offering both a visual and culinary treat. This special offering is available at **Tenderbest (Blk 280 Bishan St. 24)** and **Tenderbest (Blk 446 Pasir Ris Drive 6)**.



### ○ Brioche Burgers

A **gourmet line of buttery brioche burgers** has been launched at the **Tenderfresh restaurants**, featuring options such as Beef (Single/Double Patty), Seafood Mentaiko, Sriracha Chicken with Guacamole & Salsa, Smoked Barbecue Chicken, and Portobello Mushroom with Kale (Vegetarian).

These delicious burgers are available at all Tenderbest Makcik Tuckshop and Tenderfresh Classic outlets.





# LEVERAGING OUR SCALE WITH TECHNOLOGY

## Advancing with Digital Upgrades and Innovations

### ○ QR Code Generation To Improve Daily Operational Efficiencies

Paynow's **unique QR code generation** feature was introduced at the Kimly Food Court in Lucky Plaza. These QR codes are generated directly from the POS machine during bill settlement and **are integrated with the relevant payment gateways**. Receipts will only be printed upon customer request, **reducing paper waste**.



**Kimly Seafood** has launched its inaugural Chinese New Year Campaign in February 2024, incorporating QR codes for reconciliation and tracking purposes, such as the issuance and redemption of vouchers, gifts, and offers.

With the enhanced capabilities from **QR code-enabled frameworks**, we can now **reconcile promotions in real-time** and **pull accurate data on a massive scale, without adding to our workforce's job load**.



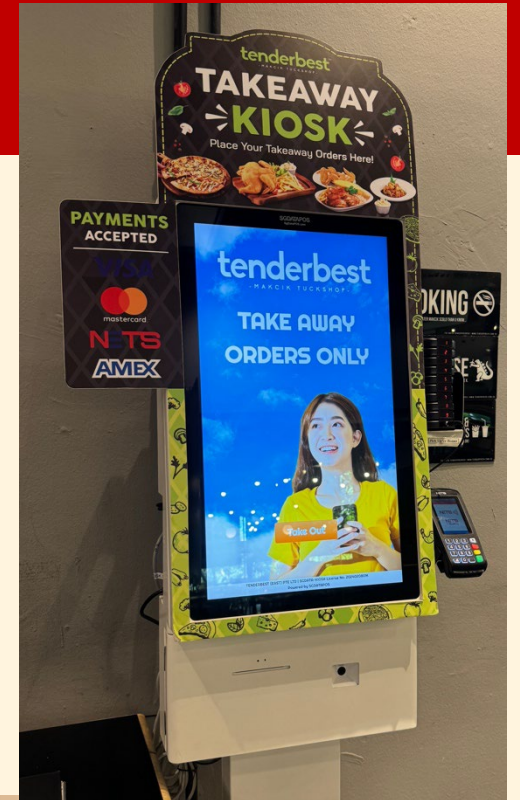


# LEVERAGING OUR SCALE WITH TECHNOLOGY

## Advancing with Digital Upgrades and Innovations

### ORDERING KIOSKS FOR TAKEAWAY

Ordering kiosks have been newly implemented at selected Tenderfresh Restaurants, including Punggol Park since mid-February 2024, and Punggol East and Woodleigh Mall since June 2024. These kiosks help manage queues and reduce wait times for customers who wish to take away their food.





# FY2024 FINANCIAL HIGHLIGHTS





# FINANCIAL HIGHLIGHTS

## Revenue

S\$319.4M

FY2023 : S\$313.9M

[+1.8 % y-o-y]

## Gross Profit

S\$90.6M

FY2023 : S\$88.9M

[+1.9% y-o-y]

## Gross Profit Margin

28.4%

FY2023 : 28.3%

[+0.1 p.p. y-o-y]

## EBITDA

after depreciation of right-of-use assets and interest  
expense on lease liabilities

S\$48.8M

FY2023 : S\$51.5M<sup>#</sup>

[-5.2% y-o-y]

## Net Profit

after tax attributable to the owners of the  
company

S\$31.7M<sup>^</sup>

FY2023 : S\$34.0M<sup>#</sup>

[-6.8% y-o-y]

## Basic EPS

2.55 cents<sup>^</sup>

FY2023 : 2.73 cents<sup>#</sup>

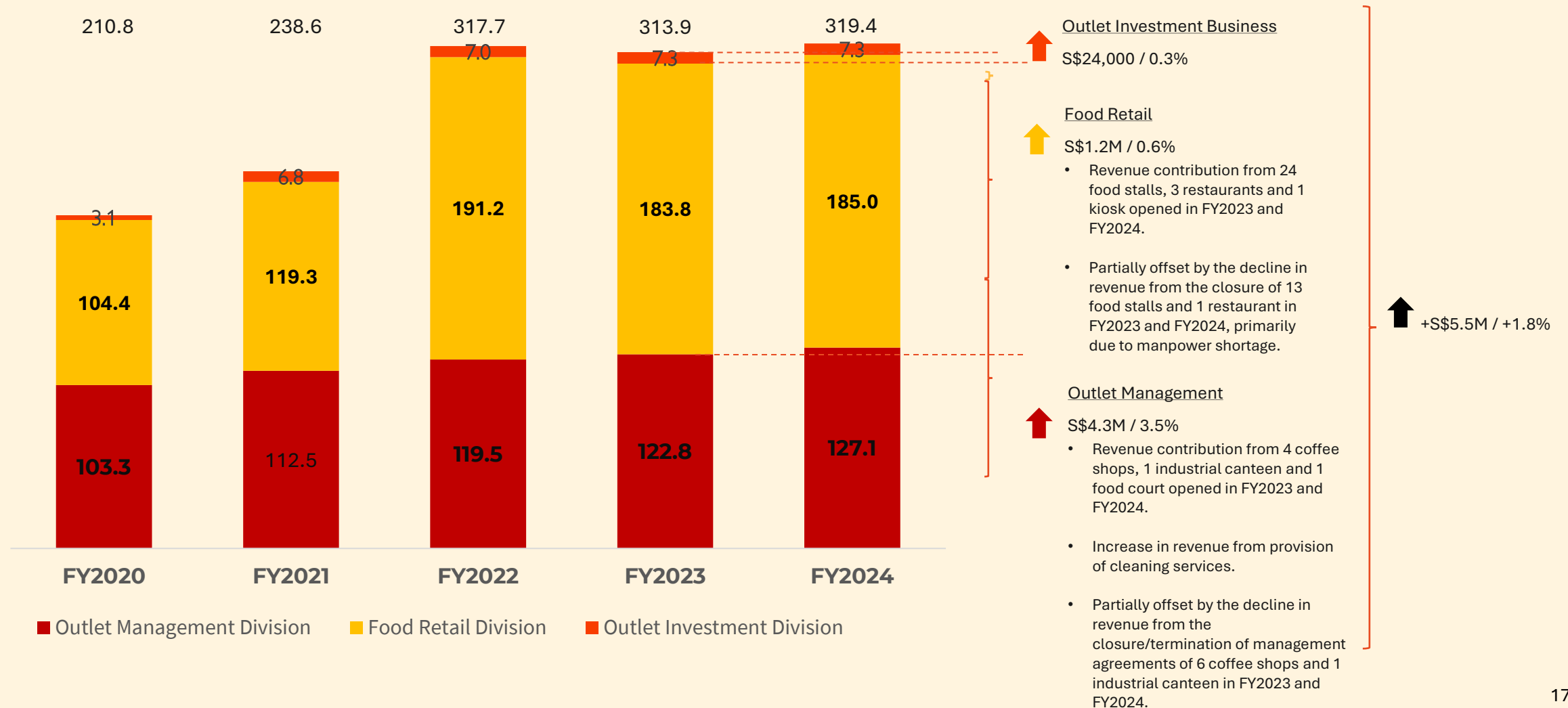
[-6.2% y-o-y]

<sup>^</sup> Excluding the corporate income tax rebate of S\$1.5 million

<sup>#</sup> Excluding the gain of disposal of the Confectionary Business of S\$2.5 million

# RESILIENT REVENUE GROWTH

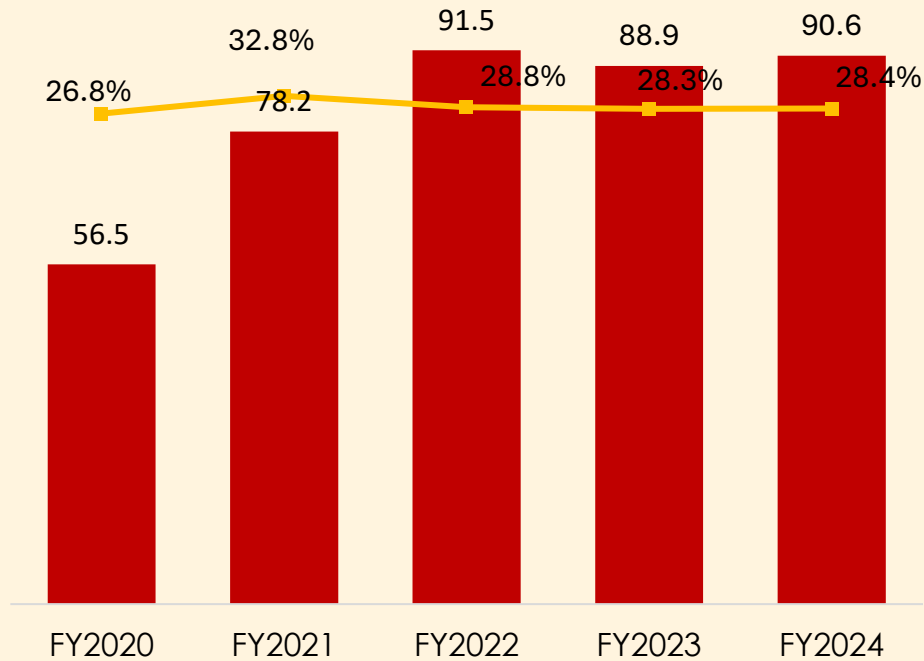
Revenue by Business Segment (\$ Mil)



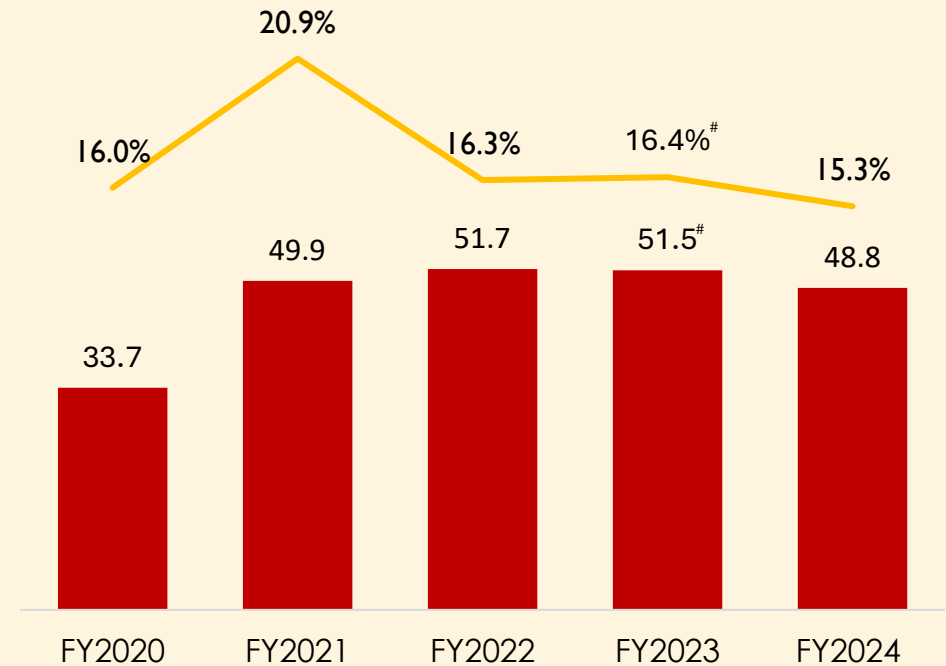


# PROFITABILITY

Gross Profit (S\$ Mil) & Gross Profit Margin (%)



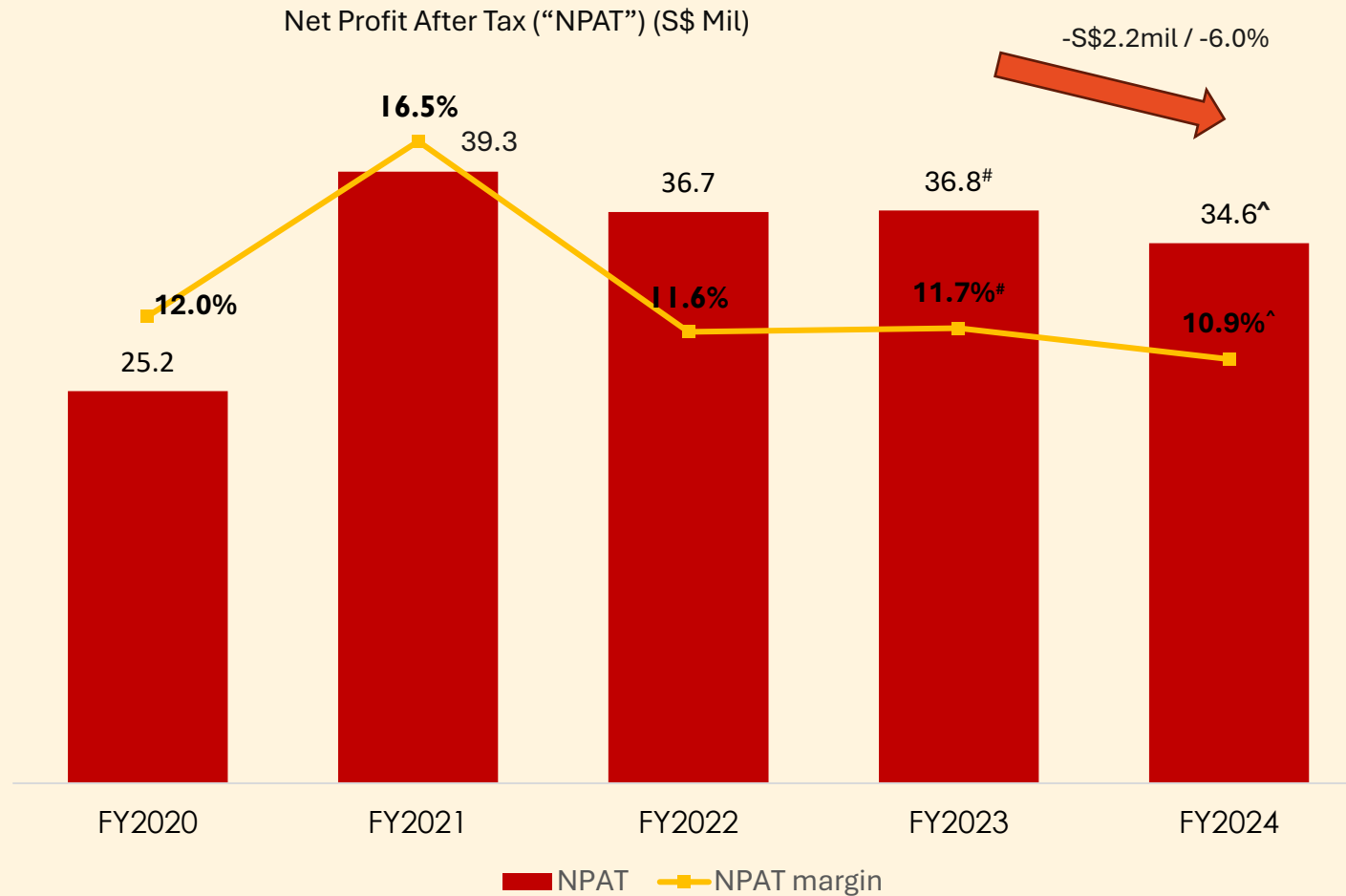
EBITDA\* (S\$ Mil) & EBITDA\* Margin (%)



<sup>#</sup>Excluding the gain on disposal of the Confectionary Business of S\$2.5 million

\*Earnings Before Interest (Interest Income & Interest Expense on loans and borrowings), Taxes, Depreciation & Amortisation ("EBITDA") after depreciation of right-of-use assets and interest expense on lease liabilities.

# PROFITABILITY

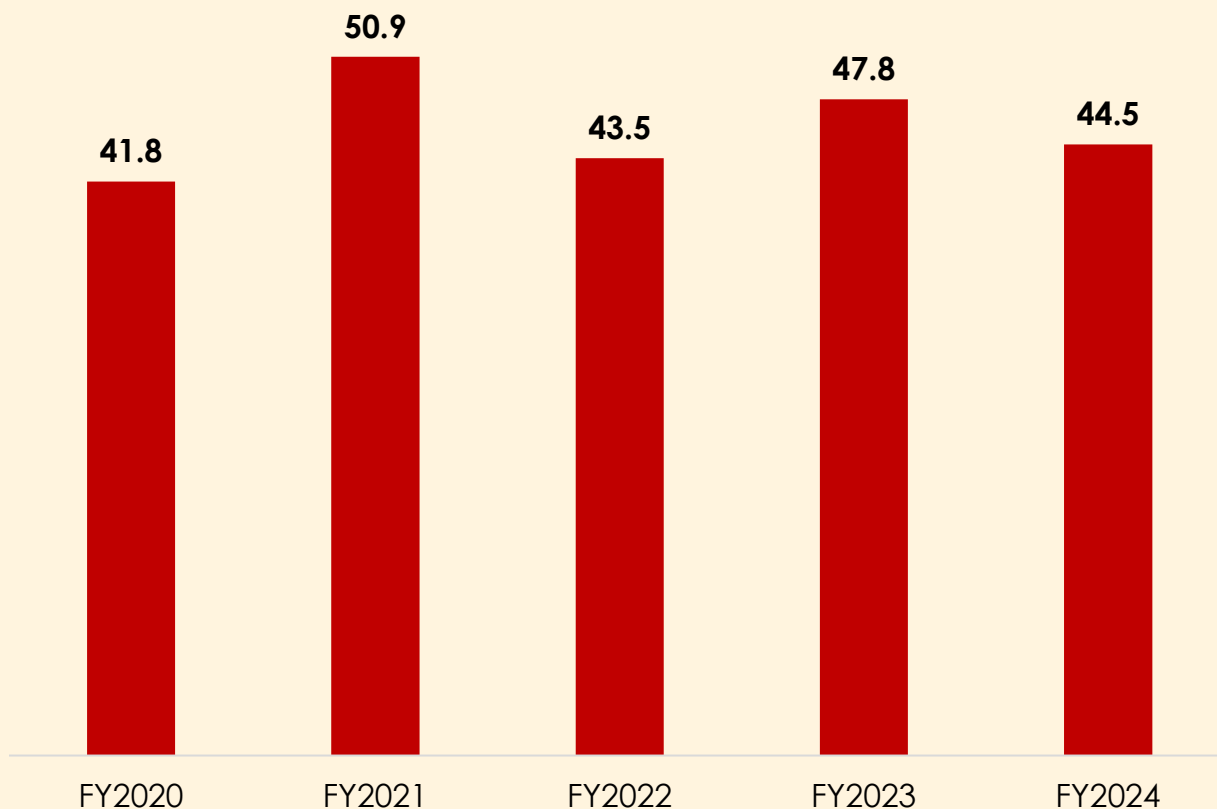


<sup>^</sup> Excluding the corporate income tax rebate of S\$1.6 million

<sup>#</sup> Excluding the gain on disposal of the Confectionary Business of S\$2.5 million

# CASH GENERATIVE BUSINESS

Net Cash Generated From Operating Activities (S\$ Mil) \*

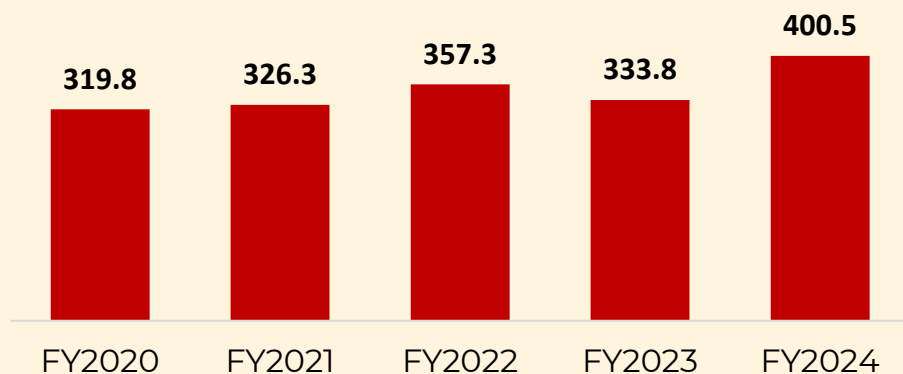


**S\$98.5M**  
Cash &  
Cash Equivalents  
as at 30 September 2024

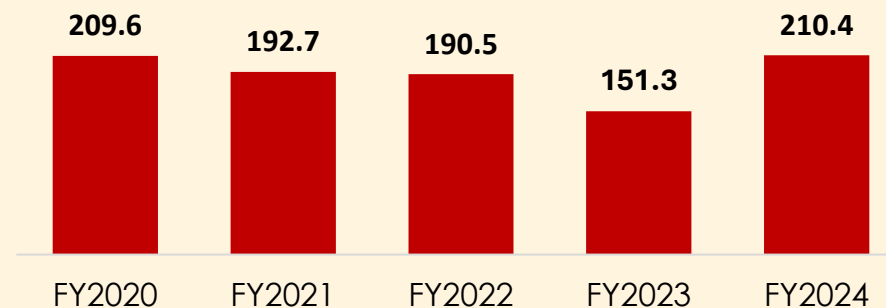
\* Net cash generated from operating activities and after repayment of lease liabilities and its related interest expense in FY2024 of S\$43.2 mil (FY2023: S\$40.5mil)

# STRONG BALANCE SHEET

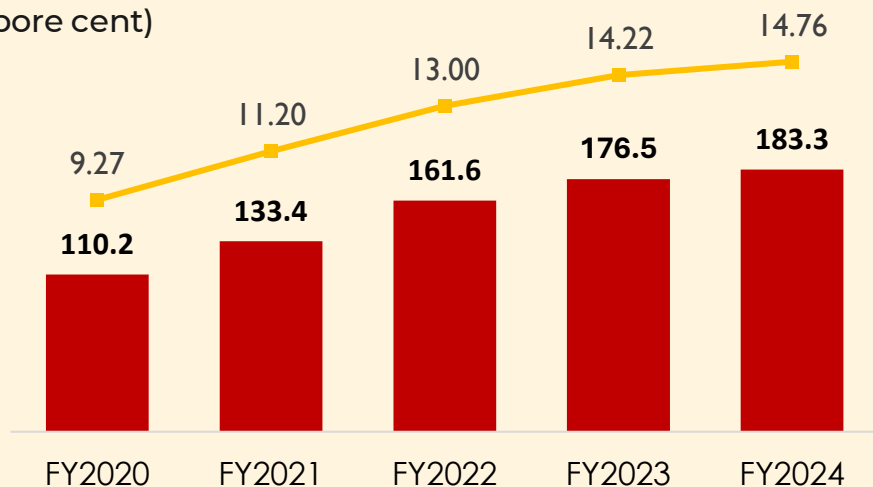
Total Assets (S\$ Mil)



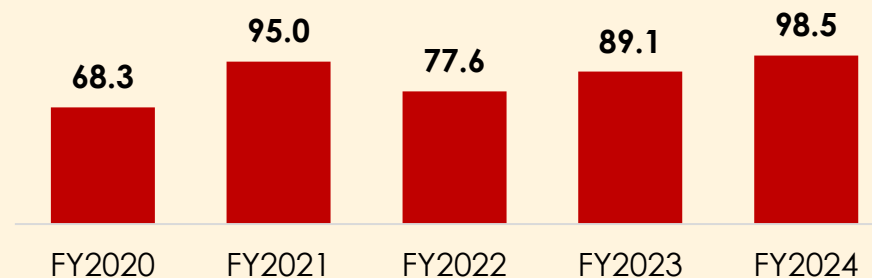
Total Liabilities (S\$ Mil)



Total Shareholder's Equity (S\$ Mil) &  
Net Asset Value Per Share  
(Singapore cent)

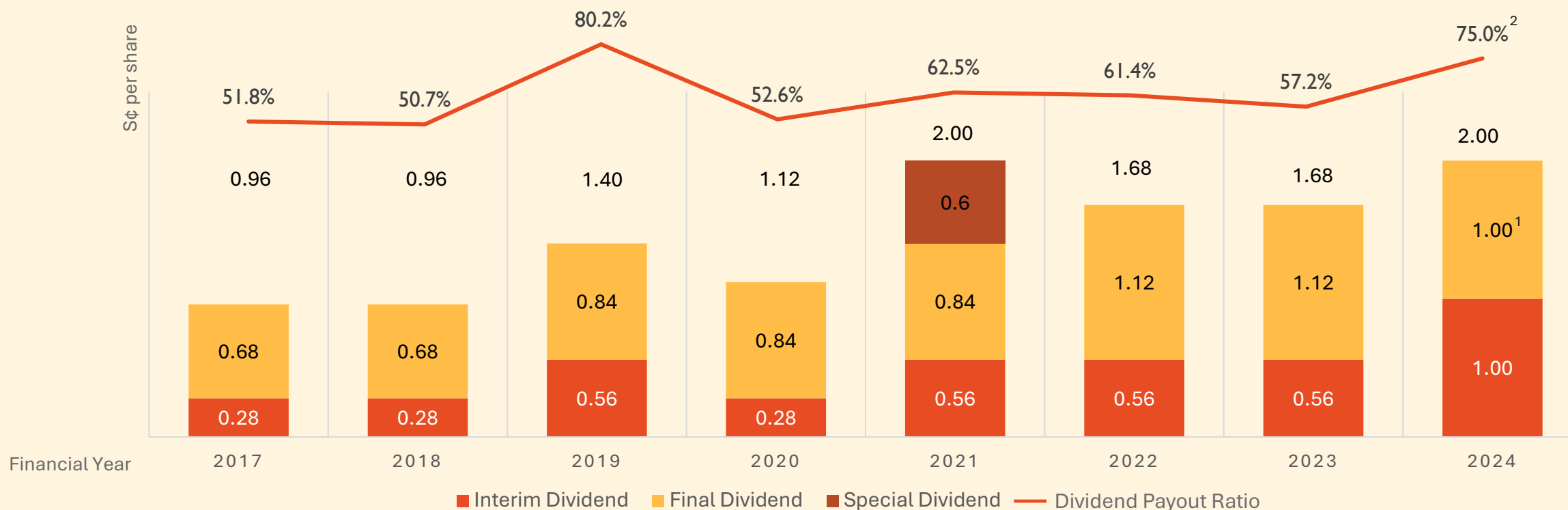


Cash and Bank Balances (S\$ Mil)



# ATTRACTIVE RECURRING DIVIDENDS

## DIVIDEND PER SHARE (S¢)



Dividend yield\* (%)

3.03%

3.50%

7.01%

4.71%

5.49%

5.01%

5.33%

6.15%

\* Dividend Yield is computed by dividing the amount of dividends paid by the share price on the last trading day of the respective financial year.

<sup>1</sup> Proposed final dividend is subjected to shareholder's approval at the forthcoming AGM of the Company.

<sup>2</sup> The payout ratio is calculated based on the unadjusted net profit after tax attributable to the owners of the Company of S\$33.1 million.

# FY2025 BUSINESS STRATEGIES



## EXPANSION OF FOOTPRINTS

Proactively seek out suitable new food outlets to broadened our presence

Continuously looking out for potential M&A opportunities

## DIVERSIFY PRODUCT OFFERINGS AND REVENUE CHANNELS

Continuously reinventing our menu offerings to create unique dining experiences tailored to different market segments

## EXPANSION OF FOOD RETAIL DIVISION

Commitment towards growing our Halal business remains steadfast

## STRENGTHENING OPERATION CAPABILITIES

Focus on enhancing our central kitchens' capabilities through technology and innovations, to drive greater operational efficiency and productivity

# FOR OUR PEOPLE

## Sustainable, Committed and Competent Workforce

### Employee Benefits



We provide comprehensive and attractive employee benefits based on statutory requirements and industry norms.

	Staff textbook subsidy	Long Service Award	Birthday Dining Voucher	Incentive Scheme
No. of staff	368	55	1,948	878
Amount	\$78,500	\$42,000	\$0.3 mil	\$1.28 mil

### Training & development



We provided **6,004 hours of training** covering functional, skills and compliance training.

**147 employees (5.4%)** of staff were recognised for their good performance and promoted to take on additional responsibilities.





# FOR THE SOCIETY

## Supporting The Local Community

### Charitable Contributions

- In FY2024, Kimly donated **S\$203,120** to various charitable and community initiatives.

### Affordable Meals

- Kimly offers **budget meals** at most of our food stalls to help customers manage rising inflation and expenses.
- We also provide **special dishes** and **discounts** during national holidays and foster inclusivity and strengthen community bonds.

### Employment Opportunities

- Kimly's food outlets across Singapore provide **job opportunities** to **locals and residents**, including part-timers who need flexible schedules.
- We actively hire **locals** for various job positions, especially in new coffeeshops.



### Encouraging Healthier Choices

- We continue to offer **non-meat dishes** at **Mixed Vegetable Rice** stalls for balanced meals **under 500 calories**.
- Customers can request **less oil** at Kimly Zi Char stalls and opt for **less** or **no sugar** in **hot drinks** at our coffeeshops and food courts.
- Our Central Kitchens switched to **reduced sodium iodized salt**, which has 30% less sodium, supporting the **HPB's nationwide Sodium Intake Reduction Campaign**. This change was applied to **Kimly Dim Sum**, **Kimly Mixed Rice**, **Kimly Zichar** and **Tenderfresh** without compromising the usual taste and flavour.



# IMPORTANT NOTICE

## **DISCLAIMER**

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This presentation may contain certain forward-looking statements with respect to the financial condition results of operation and business of the Company and its subsidiaries and certain of the plans and objectives of the management of the Company and its subsidiaries. Such forward looking statements involve known and unknown risks, certainties and other factors which may cause the actual results or performance of the Company and its subsidiaries to be materially different from any future results of performance expressed or implied by such forward-looking statements. Such forward-looking statements were made based on assumptions regarding the present and future business strategies of the Company and its subsidiaries and the political and economic environment in which the Company and its subsidiaries will operate in the future. Reliance should not be placed on these forward-looking statements, which reflect the view of the management of the Company and its subsidiaries as of the date of this presentation only.

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# NAVIGATING

# CHALLENGES

# SUSTAINING

# PROGRESS



**KIMLY LIMITED**  
(Incorporated in Singapore)  
(Registration No. 201613903R)

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**RESPONSES TO QUESTIONS FROM THE SECURITIES INVESTORS  
ASSOCIATION (SINGAPORE) AND SHAREHOLDERS IN RELATION TO THE  
ANNUAL GENERAL MEETING TO BE HELD ON 23 JANUARY 2025**

---

The Board of Directors (the "**Board**") of Kimly Limited (the "**Company**" and together with its subsidiary, the "**Group**") would like to thank the Securities Investors Association (Singapore) ("**SIAS**") and shareholders for their questions relating to the Company's FY2024 Annual Report. The Annual General Meeting ("**AGM**") of the Company will be held at The Grassroots' Club, 190 Ang Mo Kio Avenue 8, Singapore 568046 on Wednesday, 23 January 2025, at 3.00 p.m. Please refer to the Appendix hereto for the Company's responses to the questions.

By order of the Board

Hoon Chi Tern  
Company Secretary  
17 January 2025

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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.*

*The contact person for the Sponsor is Ms. Ng Shi Qing, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg).*

## Appendix

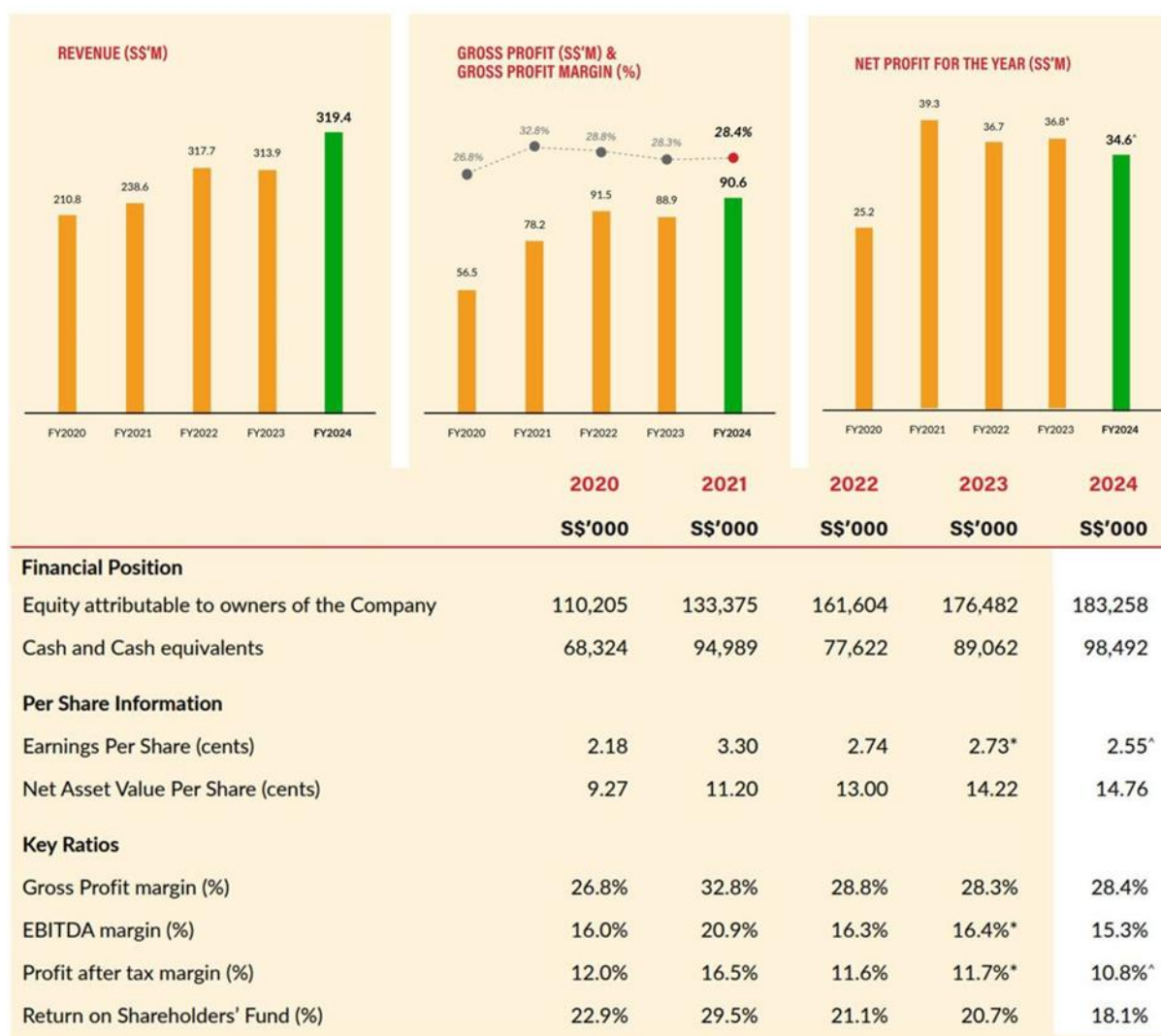
### A. Questions from SIAS

#### SIAS Question #1

The Group reported revenue of S\$319.4 million for the financial year ended 30 September 2024, reflecting an increase of 1.8%. Gross profit margin improved marginally by 0.1% to 28.4%. However, net (core) profit attributable to owners of the Company decreased by 6.8% from S\$34.0 million to S\$31.7 million.

Extracts of the financial highlights from pages 19 to 20 of the annual report are reproduced below:

## FINANCIAL HIGHLIGHTS



(adapted from the Company's annual report)

- (i) Can management provide detailed insights into specific strategies and initiatives being implemented to address declining profitability metrics, such as gross profit margin, EBITDA margin, profit after tax margin and return on shareholders' fund? Has the Group benefitted from increasing economies of scale given the current scale, and how is this reflected in this cost efficiency?

### **Company's Response**

The Group, like other food and beverage ("F&B") players in Singapore, is facing escalating operating costs driven by factors such as higher raw material prices, rising payroll costs, rental expenses and increased utility costs.

To manage rising raw material costs, the Group secures supplies and prices from multiple sources for defined periods, reducing exposure to price volatility. The central kitchens' capacity to purchase in bulk optimises material costs, supporting sustainability and ensuring consistent quality and value for customers in a competitive market. The Group remains focused on expanding central kitchen operations and integrating technology to enhance productivity and synergy across all business functions. In FY2024, the production of semi-finished products in the Sauce and Mixed Vegetable Rice central kitchens increased, while the integration of automated machinery in the MVR central kitchen boosted the supply of semi-processed meat products to the Seafood "Zi Char" division. The cost of raw materials as a percentage of food, beverage, and tobacco sales decreased from 33.9% in FY2023 to 32.1% in FY2024, reflecting the Group's ability to benefit from economies of scale through substantial purchase volumes and the efficiencies gained from central kitchen integration.

In response to the Progressive Wage Model ("PWM"), which mandates annual minimum wage increases for approximately 12,000 full-time local workers in the F&B sector, the Group is actively managing the rise in payroll expenses. Workers' salaries will gradually increase to a minimum of S\$2,080 by 2025, with annual increments of S\$165. To improve operational efficiency and address recruitment challenges, the Group redeploys workers from underperforming stalls to newly opened ones.

To address the escalating rental expenses, the Group looks to diversify its landlord base and strategically acquiring properties, such as the proposed S\$13.15 million acquisition of a 358 sqm coffee shop at Block 204 Serangoon Central, the Group mitigates the impact of rent increases from specific landlords, enhances stability, and ensures long-term access to key locations for sustainable growth.

### **(ii) Are there significant differences in margins, growth potentials, or operational challenges between the Halal segment and the non-Halal segment?**

#### **Company's response**

Singapore's F&B industry serves a diverse consumer base, with both Halal and non-Halal segments catering to distinct market needs. Despite facing unique growth opportunities and operational challenges, their profit margins are largely similar, influenced more by overall market dynamics than by their Halal or non-Halal status. Both segments experience similar cost structures, with the Halal segment incurring additional costs for certification and compliant ingredient sourcing, balanced by its broad appeal to both Muslim and non-Muslim consumers. The non-Halal segment, despite its flexibility in sourcing and menu offerings, faces stiff competition and rising operating costs, keeping margins comparable.

Singapore's Halal food market is experiencing significant growth, driven by its multicultural population and status as a global trade and tourism hub. The increasing awareness of Halal dietary needs among both Muslim and non-Muslim consumers has led to a sharp increase in demand for Halal-certified products<sup>1</sup>. This segment benefits from established Halal certification standards, boosting consumer confidence and ensuring a steady customer base. On the other hand, the non-Halal segment faces a more competitive environment but can sustain growth by tapping into niche opportunities, such as offering distinctive local dishes, unique dining experiences, or speciality offerings that cater to specific tastes. Operationally, the Halal segment must navigate the complexities of certification and ingredient sourcing, while the non-Halal segment enjoys more flexibility for ingredient sourcing.

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<sup>1</sup> <https://www.6wresearch.com/industry-report/singapore-halal-food-market-outlook>

## **SIAS Question #2**

On 27 September 2024, the Company announced a recall of food products manufactured by its subsidiary, Tenderfresh Fried & BBQ Chicken Pte. Ltd., due to an undeclared egg allergen<sup>2</sup>. It also initiated a thorough review of its internal quality control processes to further improve and enhance allergen labelling.

- (i) **What key findings and improvements have been made to the Group's quality control processes following the recall? Was the review limited to allergens labelling, or did the board consider conducting a group-wide comprehensive review of all internal quality control processes to address broader risks?**

Separately, it was noted in the Sustainability Report (page 4) that the workforce increased by approximately 100, reaching 2,700 employees. Training for staff in various functional roles amounted to 6,004 hours in FY2024 (FY2023: 6,280 hours).

- (ii) **Can the board/management explain the framework used to determine the scope and type of training provided to the workforce?**
- (iii) **Based on the disclosure, the average training hours per employee decreased to approximately 2.2 hours in FY2024 (FY2023: 2.4 hours). How were the training hours determined, and what factors contributed to this reduction? In addition, what proportion of the training hours focused on food handling and safety?**

### **Company's Response:**

Following the recall of food products manufactured by Tenderfresh Fried & BBQ Chicken Pte. Ltd. due to an undeclared egg allergen, the Group conducted a comprehensive review of its internal quality control processes. The review identified areas for improvement in allergen labelling accuracy and traceability across production, packaging, and distribution. In response, the Group has implemented several measures, including enhanced staff training, more rigorous internal audits, and strengthened food safety and quality management practices to prevent similar issues in the future. The Group remains committed to the health and safety of its customers and continues to enhance its internal processes to ensure full compliance with food regulatory requirements.

The Group determines the scope and type of training for its workforce based on regulatory requirements, industry best practices and specific business needs. Key factors include ensuring that all training programs align with authorities such as the Singapore Food Agency and the Ministry of Manpower, covering mandatory courses like the Basic Food Hygiene Course, Food Hygiene Refresher Course and the Workplace Safety & Health (WSH) Course (Level 1). Risk management is also a key consideration, with specialised training provided for higher-risk areas, such as handling raw food products. Additionally, the Company emphasises ongoing education and development by offering regular refresher courses and keeping staff informed about new regulations and industry trends to uphold high standards of food safety and customer service.

In FY2024, 89.6% (FY2023: 90.9%) of the training hours focused on food handling and safety. For new employees without a valid Basic Food Hygiene Certificate, the Group provides the necessary training, which adds to the overall training hours. However, for employees who already hold a valid certificate upon joining, no additional training is required until their next refresher course is due. Accordingly, this leads to fluctuations in training hours, largely due to the refresher course's non-annual frequency and the staggered renewal cycles of individual employees.

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<sup>2</sup> [https://links.sgx.com/1.0.0/corporate-announcements/VJCD9SZ2YL5KHLZ5/49b6c5b487244eb456288cb947485fd09e2d1551f240c88360abe115\\_e97b662a](https://links.sgx.com/1.0.0/corporate-announcements/VJCD9SZ2YL5KHLZ5/49b6c5b487244eb456288cb947485fd09e2d1551f240c88360abe115_e97b662a)

### SIAS Question #3

In the Message to Shareholders, the Independent Chairman stated that the Group's sustainability philosophy is built on the pillars of economic, social and environmental responsibility. The Chairman highlighted that the board prioritises key focus areas in its Sustainability Report, which include:

- nurturing the workforce
- supporting business partners
- addressing customer needs
- assisting underprivileged communities
- minimising the environmental footprint, and
- maintaining integrity and transparency in operations.

Certain key sustainability indicators were extracted from the sustainability report<sup>3</sup> and shown below:

INDICATORS	FY2023 PERFORMANCE	FY2024 PERFORMANCE	FY2025 TARGETS
<b>Food Health and Safety</b> 	<ul style="list-style-type: none"><li>• Zero food safety and contamination incidents at food outlets</li><li>• 53 recorded offences arising from onsite inspections at our food establishments</li><li>• 23 incidents of work injuries that resulted in work injury insurance claims</li></ul>	<ul style="list-style-type: none"><li>• Zero food safety and contamination incidents at food outlets</li><li>• 75 recorded offences arising from onsite inspections at our food establishments</li><li>• 44 incidents of work injuries that resulted in work injury insurance claims</li></ul>	<ul style="list-style-type: none"><li>• Maintain zero food safety and contamination incidents at food outlets</li><li>• Enhance our internal hygiene, cleanliness and housekeeping policies and procedures to minimise such offences</li><li>• Reduce the risk of workplace safety incidents and maintain zero incidents of workplace fatalities</li></ul>
<b>Minimising Environmental Impact</b> 	<ul style="list-style-type: none"><li>• Zero incidence of environmental non-compliance</li><li>• 35,457,380 kWh of electricity was consumed on a group-wide level with energy intensity of 0.113 kWh per S\$ of revenue<sup>1</sup></li><li>• 621,159 m<sup>3</sup> of water was used on a group-wide basis with usage intensity of 0.002 m<sup>3</sup> per S\$ of revenue<sup>1</sup></li></ul>	<ul style="list-style-type: none"><li>• Zero incidence of environmental non-compliance</li><li>• 37,074,866 kWh of electricity was consumed on a group-wide level with energy intensity of 0.116 kWh per S\$ of revenue</li><li>• 646,982 m<sup>3</sup> of water was used on a group-wide basis with usage intensity of 0.002 m<sup>3</sup> per S\$ of revenue</li></ul>	<ul style="list-style-type: none"><li>• Maintain zero incidence of environmental non-compliance</li><li>• Reduce electricity consumption and intensity</li><li>• Reduce water consumption and intensity</li></ul>

(Source: Company's Sustainability Report; emphasis added)

- What is the size and composition of the sustainability task force, and how actively is the board involved in driving progress on material ESG factors?
- Has the board conducted a formal evaluation of the Group's sustainability progress in FY2024? Given that the ESG indicators show mixed performances, how does the board plan to address these gaps?
- With the experience gained in tracking and reporting sustainability efforts, is the board prepared to establish firm, quantifiable targets rather than broad, open-ended goals such as "reduce" and "enhance"?

<sup>3</sup> <https://links.sgx.com/FileOpen/Kimly%20Limited%20%20Sustainability%20Report%202024.ashx?App=Announcement&FileID=829892>

**Company's Response:**

The Company's sustainability task force, headed by the Director of Operations, Outlet Management division, comprises representatives from key functional units such as Operations, Finance and Human Resources. This task force regularly updates the Board on its progress and any critical issues for discussion. The Board of Directors plays an essential role in guiding the Company's sustainability strategy and its execution. It ensures that sustainability considerations are integrated into the Company's overall business strategy, identifies key sustainability factors, and oversees their management, monitoring and reporting. The Board provides ongoing guidance to management on the implementation, prioritisation, and tracking of relevant sustainability initiatives and metrics.

The Board has formally evaluated the Group's sustainability progress for FY2024. During this review, the Board assessed the Group's risk register, which highlights key material risks, including those related to environmental, social, and governance ("ESG") factors. These risks are regularly monitored and reported to the Board to ensure proper management. While some ESG indicators show mixed results, the Board is committed to addressing these gaps by identifying their underlying causes and implementing targeted actions. This may include strengthening internal controls, refining processes and closely tracking the progress of sustainability initiatives to ensure the Group's ESG objectives are achieved.

The Board acknowledges that setting firm, quantifiable sustainability targets can be challenging, as it is for many companies. Despite gaining valuable experience in tracking and reporting our sustainability efforts, defining specific and measurable targets remains complex due to the evolving nature of sustainability metrics, external factors and regulatory requirements. Nevertheless, the Board remains committed to refining our sustainability goals and, where possible, working towards more concrete targets. We continue to evaluate industry standards and best practices to ensure that our sustainability efforts align with the Group's long-term objectives.

**B. Questions from Shareholders****Shareholder's Question #1**

1. Referring to the Financial Review FY2024, please advise if all Tenancy Agreements have been renewed including Agreements for:
  - (i) Block 280 Bishan Street 24 #01-24 Singapore 570280; and
  - (ii) Block 555 Ang Mo Kio Avenue 10 #01-1936 Singapore 560555
2. If so, please advise duration on of the Renewal Tenancy Agreements, specifically for:
  - (i) Block 280 Bishan Street 24 #-01-24 Singapore 570280; and
  - (ii) Block 555 Ang Mo Kio Avenue 10 #01-1936 Singapore 560555
3. Please also advise if the Tenancy Agreements have been signed by all directors and shareholders.

**Company's Response:**

Tenancy terms of the Group's coffeeshops, including material terms on financials and periods, are strictly confidential and restricted information, of important commercial value to the Group, and will not be disclosed publicly. The commercial interests of the Group are paramount, especially in a competitive industry environment where competitors will frequently, through direct and indirect means, probe for market and company specific intelligence.

Suffice to state, leased coffeeshops are of course subject to negotiations on renewals, as and when they expire, and the Group, as an industry leader and seasoned operator, in accordance with its standard practice, reviews and proactively engages landlords in advance to ensure uninterrupted operations.

All tenancy agreements will be signed by the lessee, represented by the director of the subsidiary, in accordance with the Group's existing practices and policies. Tenancy agreements falling within the mandate will be reviewed and approved in the manner set out under paragraph 3.5.6 (b) of the Appendix dated 8 January 2025.



**Shareholder's Question #2**

On page 8 of Annual Report, please explain what is "right-of-use" of assets and the admin expenses related to it.

**Company's response**

Under SFRS(I) 16 - Leases, a "right-of-use" ("**ROU**") asset represents the lessee's right to use a leased asset for the lease term. When a company enters into a lease agreement, it recognises the ROU asset and a corresponding lease liability on its balance sheet. The ROU asset reflects the cost of the lease payments made during the lease term, as well as adjustments for initial direct costs, lease incentives, or restoration obligations, if applicable. This accounting treatment ensures greater transparency by bringing operating leases onto the balance sheet.

Expenses related to ROU assets typically include depreciation of the ROU assets, which systematically allocates the cost of using the leased asset over the lease term or the estimated useful life of the assets, as detailed on page 88 of the Annual Report, and interest expense on lease liabilities, which reflects the financing cost of the lease liability.

**Shareholder's Question #3**

Rationale of the entry and subsequent disposal of the confectionary business.

**Company's response**

The acquisition of the confectionary business was initially driven by strategic objectives aligned with the Group's growth plans at the time. The primary goal was to adapt the business' offerings and scale them within the coffee shop environment to complement and integrate with the Group's core operations.

Subsequently, the confectionary business was disposed of as part of efforts to streamline the Group's operations and optimise resource allocation, with a renewed focus on the core coffee shop business. This strategic move allowed the Group to expand its outlet network and diversify product offerings, enhancing its ability to serve customers effectively. The proceeds from the disposal were used as general working capital, strengthening the Group's balance sheet, improving financial flexibility and positioning the Group to pursue future initiatives aimed at delivering greater shareholder value. Please refer to the Company's announcement dated 9 September 2022 for more information on the disposal of the confectionary business.

**Shareholder's Question #4**

Elaborate on the utilisation of S\$42.5M of IPO proceeds and plans for the remaining S\$0.9M.

**Company's response**

The S\$42.5 million of IPO proceeds have been utilised in accordance with the purposes outlined on page 55 of the Annual Report. These funds have been strategically allocated to support the Group's expansion plans, improve operational efficiency and enhance shareholder value.

The remaining S\$0.9 million of IPO proceeds is earmarked for the upgrading of the central kitchen. This initiative is in line with the Group's ongoing commitment to enhancing operational efficiency and effectively scaling its business.

**Shareholder's Question #5 and #7**

Elaborate/explain the trend of margins (ratio of profit to total sales).

Elaborate on earnings in relation to return on equity.

**Company's response**

Please refer to the Company's response to SIAS' question #1 above.

**Shareholder's Question #6**

Elaborate on gearing and what the firm's borrowings are for which assets.

**Company's response**

As of 30 September 2024, the Group's total interest-bearing loans and borrowings amounted to S\$16.9 million (30 September 2023: S\$17.7 million). The gearing ratio stood at 8.9% and 9.7% as at 30 September 2024 and 2023 respectively. These interest-bearing loans and borrowings were utilised for the acquisition of the Group's freehold and leasehold properties, as well as investment property, as disclosed on pages 103 and 104 of the Annual Report.

**KIMLY LIMITED**

(Incorporated in Singapore)

(Registration No. 201613903R)

**ANNUAL GENERAL MEETING HELD ON 23 JANUARY 2025**

**- SUMMARY OF QUESTIONS AND ANSWERS**

<p><b>Question 1:</b> Shareholder</p>	<p>Please advise the total amount of interest with respect to the interest-bearing loans and borrowings amounting to S\$16.9 million.</p>
<p><b>Answer 1:</b> Wong Kok Yoong Executive Director</p>	<p>With reference to page 95 of the Annual Report 2024 ("<b>Annual Report</b>"), the total interest expense amounted to S\$4.385 million. The interest expenses with respect to loans and borrowings amounted to S\$646,000.</p>
<p><b>Question 2:</b> Shareholder</p>	<p>Please clarify the calculation deriving at S\$646,000 as the interest rate of 4.78% with respect to the interest-bearing loans and borrowings amounting to \$16.906 million does not amount to S\$646,000.</p>
<p><b>Answer 2:</b> Wong Kok Yoong Executive Director</p>	<p>With reference to page 126 of the Annual Report, it was disclosed that all the bank loans were denominated in Singapore Dollars with effective interest rates ranging from 1.48% to 4.78% per annum (2023: 1.48% to 3.50% per annum). The Group incurred an interest expense of S\$646,000 on the five loans amounting to S\$16.906 million.</p>
<p><b>Question 3:</b> Shareholder</p>	<p>Please advise if there is any way to reduce the interest expense on lease liabilities such as taking on bank loans as the interest expense on lease liabilities is much higher than bank borrowings.</p>
<p><b>Answer 3:</b> Wong Kok Yoong Executive Director</p>	<p>With the adoption of SFRS(I)16 – Leases, a company entering into a lease agreement must recognise a right-of-use asset ("<b>ROU</b>") and a corresponding lease liability on its balance sheet. For example, upon signing a three-year tenancy agreement, the company is required to recognise the present value of the total rental payments as an ROU asset. A corresponding lease liability is also recorded, representing the obligation to make lease payments over the lease term.</p> <p>Out of 86 food outlets operated and managed by the Group, only 9 food outlet properties were owned while the remaining were leased. Interest expense on lease liabilities is determined using the effective interest method, which is influenced by the discount rate applied at lease commencement or renewal. As a result, managing interest expense could be challenging as it depends on various factors such as lease renewal timing, fluctuations in the interest rate and the unwinding of lease liabilities over time.</p>

<p><b>Question 4:</b> Shareholder</p>	<p>The cost of borrowings increased substantially due to higher interest rates for bank loans. As such, please advise if there is any intention to refinance the bank loans.</p>
<p><b>Answer 4:</b> Wong Kok Yoong Executive Director</p>	<p>With reference to page 127 of the Annual Report, the lowest interest rate was for Bank loan 1, which carried a rate of 1.48% per annum for the first three years, followed by Singapore Overnight Rate Average (“<b>SORA</b>”) in-advance + 3% per annum from fourth year onwards till maturity. Refinancing this bank loan would have resulted in an interest rate based on SORA, which would be higher than 1.48% per annum. As a result, the Group fully settled the loan of \$4,716,000 on 29 November 2024.</p> <p>For Bank loans 2 to 5, the interest rates at the time of refinancing ranged from 4.38% to 4.78% per annum. These loans are subject to a two-year lock-in period, during which early refinancing would incur a penalty. The Group would evaluate various factors, including the interest rate upon renewal and cash flow considerations, before deciding whether to refinance or settle these loans.</p>
<p><b>Question 5:</b> Shareholder</p>	<p>Please advise whether the Group would consider collaborating with local hotels which do not offer breakfast, for the delivery of breakfast to tourists who are looking for authentic local food experience.</p>
<p><b>Answer 5:</b> Wong Kok Yoong Executive Director</p>	<p>While collaborating with hotels is not currently a key part of the Group’s strategy, it recognises the potential benefits of diversifying its revenue channels and enhancing customer experience. The Group remains focused on continuously reinventing its menu to align with evolving customer preferences and to support sustainable growth.</p>
<p><b>Question 6:</b> Shareholder</p>	<p>Please advise the difference between Kimly Employee Share Option Scheme (“<b>Scheme</b>”) and Kimly Performance Share Plan (“<b>Share Plan</b>”). Why did the Company not scrap its Scheme since most companies prefer to grant share awards rather than employee share options.</p>
<p><b>Answer 6:</b> Lim Teck Chai, Danny Independent Director</p>	<p>Although the Company had not granted share options since the adoption of the Scheme, it was seeking shareholders’ approval for ordinary resolution 8 to authorise the Directors to offer and grant options in accordance with the provisions of the Scheme and pursuant to Section 161 of the Companies Act 1967, should there be a need to use share options as an incentive to its employees.</p> <p>As there is a cost to exercise the share options, the grant of share awards would be more attractive. Nonetheless, there are merits for both schemes. Since the Scheme and the Share Plan were adopted and to provide flexibility to the Company, the Company was seeking shareholders’ approval for the annual general mandate to allot and issue shares pursuant to each of the Scheme and the Share Plan under ordinary resolution 8 and ordinary resolution 9 respectively.</p>