

# NAVIGATING CHALLENGES SUSTAINING PROGRESS

Annual Report 2024



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## CORPORATE PROFILE

Kimly Limited (the "Company" or "Kimly", and together with its subsidiaries, the "Group") is one of the largest traditional coffee shop operators in Singapore with more than 30 years of experience. The Group operates and manages an extensive network of 81 food outlets under "Kimly" and "foodclique" and five (5) Halal food outlets under the brand, Kedai Kopi, 176 food stalls, 11 Tonkichi and Tenderfresh restaurants and four (4) Tenderfresh kiosks across the heartlands of Singapore.

While preserving the heritage of a traditional coffee shop that offers affordable food for everyone, Kimly is continuously modernising to stay current with evolving consumer trends, through digitalisation, enhancing operations and upscaling capabilities. Currently Food Retail products can be ordered online through GrabFood, Foodpanda, Deliveroo and the integrated e-commerce platform on Kimly's corporate website.

The Group continues to proactively expand its footprints and revenue streams through strategic merger and acquisition ("M & A") projects.

The Company was successfully listed on Catalist of the SGX-ST on 20 March 2017.



# OUR BUSINESSES

81

FOOD OUTLETS

5

HALAL FOOD OUTLETS

52

OUT OF TOTAL 86 FOOD OUTLETS  
ARE OPEN 24 HOURS

140

FOOD STALLS/RESTAURANTS

51

HALAL FOOD STALLS/  
RESTAURANTS/KIOSKS



## OUTLET MANAGEMENT DIVISION

Under our Outlet Management division, the Group operates and manages 66 traditional coffee shops, four (4) industrial canteens, five (5) Halal coffee shops under the brand, Kedai Kopi and three (3) food courts.

With our proven and established track record as a food outlet operator, we have been able to attract quality anchor tenants with whom we have forged strong longstanding relationships. As at the date of this report, Kimly has maintained a healthy occupancy rate of 99.0% for a total of 617 food stalls within our managed food outlets.

## FOOD RETAIL DIVISION

Catering to a broad and varied customer base, and supported by our central kitchens, the Group's Food Retail division includes 176 food stalls, 11 Tonkichi and Tenderfresh restaurants and four (4) Tenderfresh kiosks.

Our Food Retail portfolio includes Mixed Vegetable Rice, Teochew Porridge, Dim Sum, Seafood "Zi Char", Japanese Food and Western Food, which operate within the Group's coffee shops, third-party's coffee shops, food courts, F&B kiosk and full service restaurants.

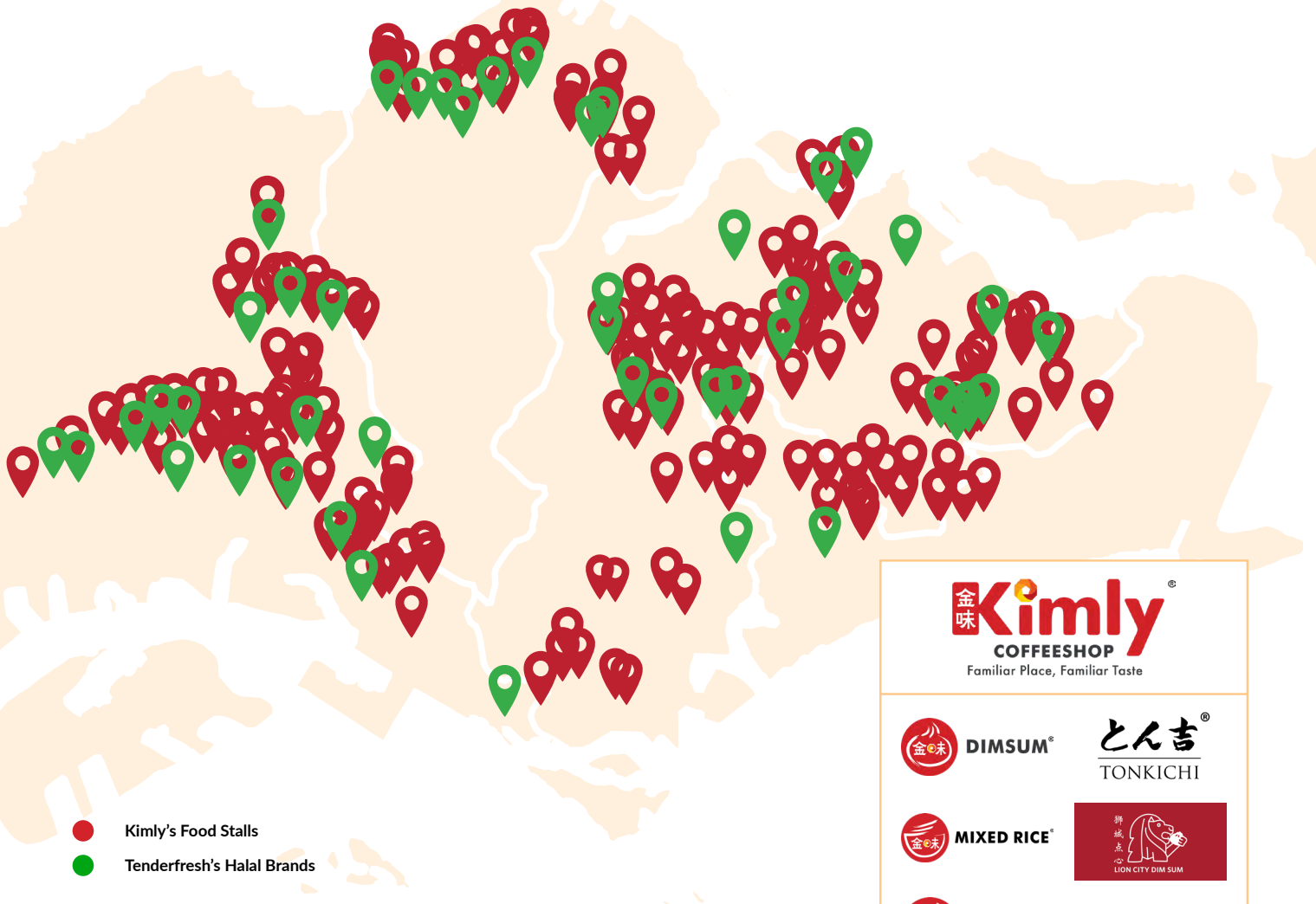
Our central kitchens supply sauces, marinades and semi-finished food products to our Mixed Vegetable Rice, Seafood "Zi Char", Dim Sum and Western food stalls. Additionally, our central kitchen is engaged in manufacturing, processing and sale of food products to customers.

## OUTLET INVESTMENT BUSINESS DIVISION

The Outlet Investment Business division helps the Group secure sustainable and stable rights to strategic business locations, through investments in both freehold and leasehold properties. This approach allows the Group to benefit from rental income and/or capital growth. Under this division, the Group operates four (4) coffee shops, three (3) industrial canteens and a restaurant unit.



# OUR NETWORK



**Kimly**  
 COFFEESHOP  
 Familiar Place, Familiar Taste

**DIMSUM**    **とん吉**  
 TONKICHI

**MIXED RICE**    獅城點心  
 LION CITY DIM SUM

**ZI CHAR**

是好的 咖啡館  
**KEDAI KOPI**  
 - SEJAK 2020 -

**tenderfresh**  
 GROUP

**tenderbest**    *Amigo's*

**TORIGO**    **XPRESS**

**tenderbest**    *Tenderbest*

**HOUSE OF PEPPER**    **HAWKERMAN**

**50**  
DIM SUM STALLS

**58**  
MIXED VEGETABLE RICE STALLS

**27**  
SEAFOOD "ZI CHAR" STALLS

**3**  
TEOCHEW PORRIDGE STALLS

**2**  
TONKICHI RESTAURANTS

**51**  
TENDERFRESH HALAL FOOD RESTAURANTS/ FOOD STALLS/KIOSKS

# OPTIMISING PROCESSES STRENGTHENING BUSINESS OPERATIONS



# MESSAGE TO SHAREHOLDERS

On behalf of the Board of Directors (the “**Board**”), I am delighted to share our results for the financial year ended 30 September 2024 (“**FY2024**”).

While inflation in Singapore has eased in 2024, it remains higher than pre-pandemic levels, keeping energy and food prices elevated<sup>1</sup>. Amid rising living costs, amplified by the recent GST hike, consumers are feeling the strain. In response, the government has introduced various policy measures, including comprehensive assurance packages, to provide relief and support. In this economic climate, affordability will likely remain a key consideration for customers when choosing their dining options. Local coffee shops remain a popular choice, offering customers an option that is cost-effective whilst providing a sense of familiarity. This trend aligns well with our coffee shop business, which provides quality, budget-friendly meals, positioning us to meet the needs of cost-conscious customers effectively. However, economic uncertainties and increasing operational pressures have heightened challenges in Singapore’s food and beverage (“**F&B**”) sector. The rising costs of manpower, raw materials, rentals and utilities have significantly inflated operating expenses, compressing the Group’s margins. Nevertheless, we are confident that our adaptability and the resilience of our business portfolio will enable us to navigate these challenges and remain at the forefront of the industry.

## STRENGTHENING OPERATIONS

We remained focused on expanding our central kitchen and advancing its capabilities through the integration of technology. This initiative aims to enhance synergy and productivity, driving greater efficiency and support for our Food Retail division. As part of this effort, we have increased the production of semi-finished products, including semi-processed ingredients and sauces, across both the Sauce and Mixed Vegetable Rice (“**MVR**”) central kitchens. The integration of automated machinery in the MVR central kitchen has boosted the supply of semi-processed meat products to the Seafood “Zi Char” division.

1 Prices in S’pore seen moderating but likely to remain above pandemic levels in 2024, <https://www.straitstimes.com/business/prices-in-s-pore-seen-moderating-but-likely-to-remain-above-pandemic-levels-in-2024>

Aligned with the Government’s Budget Meal Initiative launched in March 2023, which aims to provide Singaporeans with more affordable food options, we have introduced Budget Meals at most of our food stalls to help customers manage rising inflation and costs. Additionally, Kimly Zi Char offers more affordable options on food delivery platforms, ensuring that customers seeking the convenience of home delivery can still enjoy lower-cost meals. These efforts reflect our commitment to supporting the community during challenging economic times.

We place a strong emphasis on our customers’ health, ensuring that our food offerings prioritise their well-being. Our central kitchens have adopted a reduced-sodium salt initiative, replacing regular salt with reduced sodium iodized salt, which contains approximately 30% less sodium. This adjustment is in tandem with the Government’s sodium reduction campaign. By opting for lower-sodium alternatives, we aim to contribute to reducing the risks of high blood pressure, stroke, and heart disease without compromising the flavour of our offerings.

Additionally, we have partnered with the Health Promotion Board to develop and promote lower-calorie dishes across Kimly Dim Sum, Tenderfresh, and Kimly Mixed Rice outlets. To further support healthier choices, we introduced Nutri-Grade information for our range of beverages. Since December 2023, all our in-house drinks have undergone laboratory testing by professional nutritionists, and Nutri-Grade labels are now provided for consumers’ reference.

Our commitment to offer a diverse dining experience for various market segments remains central to our strategy. This dedication is exemplified by the launch of our first air-conditioned food court at Lucky Plaza, catering to customers in the town area who prefer dining in a more comfortable environment. The vibrant food court features retro tiles and neon signs, creating a lively atmosphere, while hosting 12 unique food stalls that offer a wide variety of Southeast Asian cuisines. Building on the success of our first premium Lion City Dim Sum outlet at Lau Pa Sat, which was well-received by our customers, we have expanded with the addition of two outlets at prominent locations, Lucky Plaza and Sengkang Square. The brand continues to be celebrated for offering accessible and affordable casual dining experiences in the heart of the city.

# MESSAGE TO SHAREHOLDERS



Furthermore, the Group consistently strives for operational excellence by leveraging advanced technologies to enhance efficiency and boost productivity across all business functions. In February 2024, Kimly Zi Char launched its first Chinese New Year campaign, utilising QR codes to streamline the reconciliation and tracking of vouchers, gifts, and offers. This QR-enabled framework allows real-time promotion tracking and accurate data collection without increasing the workload for staff. We have also introduced self-service ordering kiosks for takeaway orders at our newer Tenderfresh restaurants, including Punggol Park, Punggol East, and Woodleigh Mall. These kiosks help streamline queue management and significantly reduce wait times.

Additionally, we have implemented a unique PayNow QR code generation system integrated with the Point-of-Sales (“POS”) system at our Lucky Plaza outlet. This enables seamless and real-time payment processing, enhancing the customer experience. QR codes are generated directly by the POS during bill settlement and linked to the relevant payment gateways. Receipts are printed only upon request, reducing paper waste. As technology advances, we remain committed to leveraging these innovations to enhance the experience for all stakeholders.

Enhancing the physical environment and ambiance of our food outlets is crucial for improving the dining experience and maintaining our high hygiene standards. We continuously revitalise and rejuvenate our coffee shops, to uphold our unwavering commitment to deliver unique offerings and fresh experiences to our customers. In FY2024, three (3) of our existing coffee shops were refurbished under our Outlet Revitalisation Programme. One of the newly renovated coffee shops at Block 237 Serangoon Avenue 3, known as Yu Xiang (裕香), reopened in September 2024. It now features 13 food stalls offering diverse and affordable dishes, including KL Hotplate Curry Noodles and nasi lemak. The revamped coffee shop is appreciated for its comfortable environment and continues to attract regular patrons and new visitors. This initiative will continue to be a key strategy in elevating customer experiences and strengthening our market presence.

We have made steady progress in expanding our outlet network. Notably, we opened a new coffee shop at Block 187 Marsiling Road, featuring an outdoor refreshment area that provides diners with a bright, airy, and comfortable dining environment. Strategically located opposite Woodlands Secondary School and near Woodlands Checkpoint, the venue has quickly gained popularity due to its convenient location, diverse food choices, and affordable prices. Building on our strong reputation within the industry, we successfully opened three (3) new food outlets, 11 food stalls, and two (2) restaurants in FY2024, bringing our portfolio to 86 food outlets and 191 food stalls/restaurants/kiosks. We have consistently attracted high-quality anchor tenants, fostering strong and enduring relationships over the years. Our managed food outlets have maintained a robust occupancy rate of 99.0% across a total of 617 food stalls, demonstrating the trust and confidence our tenants have in us.

In June 2024, we announced the proposed acquisition of a coffee shop property at Block 204 Serangoon Central, spanning 358 sqm, for a total consideration of S\$13.15 million. This proposed acquisition will allow the Group to secure the long-term right-of-use for the property. Given the limited supply of long-term leasehold coffee shop properties for sale or lease, this move underscores our focus to secure strategic locations to support sustainable growth.

## CONTINUE TO GROW BUSINESS IN HALAL MARKET

We recognise that staying competitive in the F&B industry demands constant innovation and adaptation to evolving consumer preferences. To stay ahead of shifting trends, we focus on Research & Development (“R&D”), allowing us to refine our product offerings to meet the needs of today’s dynamic market. In FY2024, we introduced a gourmet line of Brioche Burgers at Tenderfresh, featuring rich buttered brioche buns paired with various patty options as well as guacamole and salsa toppings.

In response to increasing demand, Tenderfresh’s Business Food Seasoning Manufacturing Arm, which produces premix flours, seasoning, spices and powdered food ingredients, has expanded its operations by moving into a new, upgraded central kitchen at 26 Senoko Way. This new facility, with its expanded production space of 500 sqm compared to the previous 129 sqm, significantly boosts our production and storage capacity. Additionally, it allows the Group to enter new markets, improve product quality, and increase efficiency, while creating more jobs to meet the growing demand.

# MESSAGE TO SHAREHOLDERS



Since the launch of Tenderfresh Makcik Tuckshop, featuring a modern café concept, it has received widespread positive reception from the public. Leveraging this success, the Group expanded its presence by opening its fourth and fifth Tenderbest Makcik Tuckshop at Kallang Bahru in December 2023 and Punggol Park in February 2024, respectively. The Punggol Park outlet is the Group's largest to date, boasting a spacious outdoor refreshment area of over 218 sqm and an internal dining space of more than 205 sqm. Nestled amidst lush greenery and overlooking a tranquil pond, it offers an unparalleled dining experience. We have continued our expansion efforts with the successful opening of two (2) restaurants and five (5) food stalls under the Tenderfresh brand in FY2024. Our efforts will further strengthen our market presence and remain in line with our ongoing strategy to grow our footprint and serve a wider customer base.

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. This surge is further bolstered by the government's stringent halal compliance standards and certification processes, which have enhanced consumer confidence in the quality and authenticity of halal food offerings<sup>2</sup>.

Our entry into the halal food market through the acquisition of Tenderfresh in 2021 has proven to be a strategic move, aligning with the growing demand for halal-certified food. Moving forward, we plan to open more Tenderfresh food stalls across our network of coffee shops. With substantial untapped potential in the halal sector, we will continue to leverage Tenderfresh's strong brand reputation and industry presence to drive growth by further strengthening our position in this thriving market.

## OUTLOOK

The ongoing manpower crunch has long been a critical challenge for the F&B industry, exacerbated by limitations in the local workforce and stringent foreign worker policies. These constraints have led to a shortage of skilled and reliable workers, resulting in increased wage costs to retain talent. To address these challenges, the Group has been actively streamlining and automating its operations. This includes integrating automated machinery in central kitchens, introducing ordering kiosks for takeaway orders and implementing a unique PayNow QR code generation system. These technological advancements enhance our operational efficiency and productivity, allowing us to direct our limited manpower to focus on more value-adding tasks.

In addition to the manpower shortage, F&B players in Singapore are facing escalating operating costs, driven by factors such as rising rental expenses, higher raw material prices and increased utility costs. These pressures significantly impact profitability, especially the cost of essential ingredients and energy-intensive kitchen operations continue to climb. To mitigate the impact of price hikes, we collaborate with a diverse group of suppliers instead of relying on a single source. This approach ensures a steady and cost-effective supply of produce and ingredients, minimising the effects of price fluctuations and disruptions in raw material availability, thereby protecting the Group's operations and profitability.

The Group remains focused on its growth strategy, aiming to expand its network of outlets across Singapore. We will continue to seek opportunities to open new outlets in strategic locations within mature estates that benefit from high foot traffic, thereby reinforcing our market presence and improving accessibility for a wider customer base.

In a rapidly changing industry, we recognise the importance of staying innovative and responsive to evolving consumer preferences to remain competitive. Looking ahead, the Group is committed to enhancing its competitive advantage by offering innovative products with R&D to meet the changing demands of our customers. While prioritising organic growth to expand our footprint, we will also pursue strategic mergers and acquisitions that will complement our existing businesses, to broaden our revenue streams and drive long-term growth.

2 Singapore Halal Food Market (2024 - 2030), <https://www.6wresearch.com/industry-report/singapore-halalfood-market-outlook>



# MESSAGE TO SHAREHOLDERS

## FINANCIAL PERFORMANCE

The Group achieved a revenue increase of 1.8%, reaching S\$319.4 million in FY2024. This growth was driven by higher revenue contributions across the Food Retail, Outlet Management, and Outlet Investment divisions, resulting in a gross profit increase of S\$1.7 million to S\$90.6 million. The gross profit margin also improved slightly, rising by 0.1 percentage points to 28.4% in FY2024. However, the Group recorded a S\$3.7 million drop in other operating income to S\$2.9 million in FY2024. The decrease was mainly attributable to the absence of gain on disposal of the Confectionary Business, reversal of impairment loss on property, plant and equipment and lower government grants. Furthermore, administrative expenses increased by S\$2.3 million from S\$28.0 million in FY2023 to S\$30.3 million in FY2024, largely due to higher depreciation of property, plant and equipment and right-of-use assets. Additionally, there was an increase in employee benefits expenses due to a larger headcount and across-the-board salary adjustment, along with higher professional fees and insurance expenses. As a result, the Group's net profit attributable to the owners of the Company decreased by 6.8% from S\$34.0 million in FY2023 (excluding the gain on disposal of the Confectionary Business of S\$2.5 million) to S\$31.7 million in FY2024 (excluding the corporate income tax rebate of S\$1.5 million).

Our balance sheet remains healthy. The Group generated an operating cash flow of S\$87.7 million with cash and cash equivalents as of 30 September 2024 totalling S\$98.5 million. As of the date of this report, the Group has utilised S\$42.5 million of its IPO net proceeds resulting in a balance of S\$0.9 million.

## REWARDING SHAREHOLDERS

We deeply value the continued trust and support of our shareholders. As a token of appreciation, the Board is pleased to propose a final one-tier tax-exempt cash dividend of 1.00 Singapore cent per share for FY2024 at the upcoming annual general meeting. Together with the interim dividend of 1.00 Singapore cent per share, this brings the total dividend for FY2024 to 2.00 Singapore cents per share, if approved by shareholders at the upcoming annual general meeting on 23 January 2025. This payout represents a substantial 75.0%<sup>3</sup> of the Group's net attributable profit for FY2024, underscoring our commitment to delivering value to our shareholders.

3 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.

## SUSTAINABILITY

Our sustainability philosophy is grounded in the pillars of Economic, Social, and Environmental responsibility. By adopting a double materiality approach, where we evaluate both the financial implications of external factors on our business and the ways in which we can generate economic value, support communities, and minimise environmental impact throughout our value chain.

To attract and retain top talent, the Group provides comprehensive employee benefits that meet statutory requirements and align with industry standards. These initiatives underscore Kimly's commitment to fostering a caring, family-oriented corporate culture. Additionally, we are dedicated to optimising resource use and minimising waste across our operations, achieving cost efficiencies while reducing environmental impact and downstream waste.

The Group's FY2024 sustainability report will further illustrate our commitment to sustainable practices. This includes nurturing our workforce, supporting business partners, addressing customer needs, assisting underprivileged communities, minimising our environmental footprint, and maintaining integrity and transparency in our operations. These areas remain key priorities for the Board, which will continue to oversee and drive progress in these domains.

## WITH GRATITUDE AND APPRECIATION

I would like to express my heartfelt gratitude to our management team and employees. Their unwavering dedication, passion, and commitment have been instrumental in driving the Group's sustained growth and success.

Mr. Chua Yong Chuan Kelvin and Ms. Lin Meiqi will be stepping down from their positions as Managing Director of Tenderfresh Group and Financial Controller, respectively, to pursue their personal and career interests. We sincerely thank them for their invaluable contributions over the years and extend our best wishes for their continued success in future endeavours.

We would also like to express our sincere thanks to our valued customers, esteemed business partners, food stall operators, trusted associates, dependable suppliers, and supportive shareholders for their unwavering trust and continuous support. As we continue to navigate challenges and explore new opportunities, we look forward to your continued partnership in building a brighter future together.

**LAU CHIN HUAT**  
Non-Executive Independent Chairman

# MESSAGE TO SHAREHOLDERS

## 给股东的信息

谨代表董事会，我很高兴分享我们截至2024年9月30日财政年(“2024财政年”)的年报。

尽管新加坡的通货膨胀在2024年有所缓解，但仍高于疫情前的水平，能源和食品价格依然居高不下。在生活成本上升的情况下，加上消费税上调，消费者感到压力倍增。对此，政府推出了一系列政策措施，包括综合援助配套，旨在提供纾困和支持。在当前的经济环境下，价格的可负担性可能仍然是消费者选择餐饮时的重要考量因素。本地咖啡店仍是备受欢迎的选择，为顾客提供了既经济实惠又充满亲切感的用餐选择。这一趋势与我们的咖啡店业务高度契合，我们提供优质且实惠的餐饮，能够有效满足注重成本的顾客需求。然而，经济不确定性和日益增加的运营压力加剧了新加坡的餐饮业的挑战。人力、原材料、租金和水电费的上漲显著增加了运营费用，压缩了集团的利润率。尽管如此，我们相信，我们的适应性和销售组合的韧性将使我们能够应对这些挑战，并继续保持行业中的领先地位。

## 强化运营

我们始终专注于扩展中央厨房，并通过技术整合提升其能力。这一举措旨在提升协同效应和生产力，推动更高效并支持我们的食品零售部门。作为这一努力的一部分，我们也增加了半成品的生产，包括在酱料和杂菜饭中央厨房所生产的半加工原料和酱料。在杂菜饭中央厨房引入自动化机械后，提升了半加工肉类产品供应至海鲜“煮炒”部门的生产能力。

为了响应政府在2023年3月推出的“经济餐”计划，该计划旨在为新加坡人提供更多实惠的餐饮选择，我们在大部分摊位推出了经济餐，帮助顾客应对不断上涨的通货膨胀和成本。此外，金味海鲜也在外卖平台上提供更多实惠的选项，确保寻求便捷送餐服务的顾客也能享用较低成本的餐点。这些举措体现了我们在经济困难时期支持社区的承诺。

我们非常重视顾客的健康，确保我们的餐饮选择以优先考虑他们。我们的中央厨房已采纳低钠盐倡议，用低钠的碘盐替代普通盐，钠含量大约减少30%。这一调整与政府的减钠运动的宗旨契合。通过选择低钠替代品，我们旨在帮助降低高血压、中风和心脏病的风险，同时不会影响我们食品的口味。

此外，我们与保健促进局合作，在金味点心，可爱鸡和金味菜饭店面开发并推广低卡路里菜肴。为了进一步提倡更健康的选择，我们为一系列饮料提供了饮料分级制度标签。自2023年12月以来，所有我们的自制饮料均已通过专业营养师的实验室检测，并提供饮料分级制度标签供顾客参考。

我们致力于为不同市场群体提供多样化的用餐体验，这也是我们策略的核心。这一承诺体现在我们在幸运商业中心推出的首个空调食阁，旨在满足那些偏好在更舒适环境中用餐的市区顾客的需求。这家充满活力的食阁采用复古瓷砖和霓虹灯装饰，营造出热闹的氛围，共设有12个独特的摊位，提供各种东南亚美食。基于我们在老巴刹的概念摊位，狮城点心取得的成功并深受顾客喜爱，我们已经在两个显著的地点，幸运商业中心和盛港广场开设了新的店面。该品牌继续因在市中心提供便捷且实惠的休闲用餐体验而受到赞誉。

此外，集团始终致力于通过利用先进技术提高效率和提升生产力，以实现卓越的运营。在2024年2月，金味海鲜推出了首个春节促销活动，利用二维码简化了优惠券、礼品和优惠的对账与追踪。这个二维码支持的框架允许实时追踪促销活动和准确的数据收集，而不会增加员工的工作量。我们还在较新的可爱鸡餐厅(包括榜鹅公园、榜鹅东和桦丽商城)引入了自助点餐机。这些自助点餐机有助于简化排队管理，并显著减少顾客的等待时间。

# MESSAGE TO SHAREHOLDERS



此外，我们在幸运商业中心的食阁实施了一个独特的即付(“PayNow”)二维码生成系统，该系统与销售点(“POS”)系统集成。这使得支付处理更加流畅且实时，提升了顾客体验。二维码在结账时由POS系统直接生成，并链接到支付网关。收据仅在顾客要求时打印，从而减少了纸张浪费。随着技术的进步，我们将继续利用这些创新来提升所有利益相关方的体验。

提升我们店面的环境和氛围对于改善用餐体验和保持高卫生标准至关重要。我们不断地对咖啡店进行翻新和振兴，坚持不懈地为顾客提供独特餐点和新鲜的体验。在2024财政年里，我们通过门店复兴计划对三家现有的咖啡店进行了翻新。位于第237座实龙岗3道的“裕香”是其中一家新装修的咖啡店，于2024年9月重新开业。该店现设有13个摊位，提供多样且实惠的美食，包括吉隆坡铁板咖喱面和椰浆饭等。翻新的咖啡店因其舒适的环境而受到欢迎，继续吸引着常客和新顾客。这一举措将继续成为提升顾客体验和加强市场影响地位的关键策略。

我们在扩展店面网络方面取得了稳步进展。值得一提的是，我们在马西岭路第187座开设了一家新的咖啡店，设有一个户外休闲区，为顾客提供明亮、通透且舒适的用餐环境。该店位于兀兰中学对面，靠近兀兰关卡，因其便利的位置、多样的美食选择和实惠的价格而迅速受到欢迎。凭借我们在行业的良好声誉，我们在2024财政年成功开设了3家咖啡店、11个熟食摊位和2家餐厅，使我们的总店面数量达86家咖啡店和191个熟食摊/餐厅/售食亭。我们一直吸引高质量的核心租户，多年来建立了牢固且持久的关系。我们管理的咖啡店在617个摊位中维持了99.0%的强劲出租率，展示了租户对我们的信任和信心。

在2024年6月，我们宣布拟以1315万新元的总价格收购位于实龙岗中央第204座的一家咖啡店，该店面积为358平方米。此次拟议的收购将使集团获得该咖啡店的长期使用权。鉴于长期租赁咖啡店的供应有限，此举措突显了我们致力于确保拥有策略位置的咖啡店以支持持续发展。

## 进一步拓展清真市场

我们深知在餐饮行业保持竞争力需要不断创新和适应不断变化的消费者偏好。为了在不断变化的市场趋势保持领先地位，我们专注于研发，以优化我们的食品供应，满足当今动态市场的需求。在2024财政年，我们在可爱鸡推出了一款美味的布里欧修汉堡，特色是丰富的黄油布里欧修面包搭配多种肉饼选择，以及鳄梨酱和莎莎酱配料。

为了应对日益增长的需求，可爱鸡集团的商业食品调味料制造部门专注于生产预混面粉、调味料、香料和粉状食品原料，已搬迁至位于26号圣诺哥道的全新升级中央厨房，并扩大了运营规模。这个新设施的生产空间从之前的129平方米扩大至500平方米，大大提高了我们的生产和存储能力。此外，它还使集团能够进入新市场、提高产品质量、增加效率，同时创造更多就业机会以满足不断增长的需求。

# MESSAGE TO SHAREHOLDERS



自从推出现代咖啡馆概念的Tenderfresh Makcik Tuckshop以来，它受到了公众的广泛好评。借此成功，集团在2023年12月和2024年2月分别在加冷巴鲁和榜鹅公园开设了第四和第五家Tenderbest Makcik Tuckshop。榜鹅公园的店面是集团迄今为止最大的门店，拥有超过218平方米的宽敞户外休闲区以及超过205平方米的室内用餐空间。该店坐落在郁郁葱葱的绿地中，俯瞰宁静的池塘，提供无与伦比的用餐体验。我们在2024财政年成功开设了2家餐厅和5个可爱鸡品牌的摊位，继续我们的扩展努力。这些努力将进一步增强我们在市场上的地位，并符合我们不断扩大业务版图和服务更广泛客户群体的战略。

新加坡的清真食品市场正经历显著增长，这得益于其多元文化的人口以及作为全球贸易和旅游枢纽的地位。随着穆斯林和非穆斯林消费者对清真饮食需求的认知不断提高，对清真认证产品的需求急剧增加。这一增长还得到了政府严格的清真合规标准和认证流程的进一步支持，增强了消费者对清真食品质量和真实性的信心。

我们于2021年收购可爱鸡集团，成功进入清真市场。这一战略充分迎合了对清真认证食品需求增长的趋势。展望未来，我们计划在我们的咖啡店中开设更多的可爱鸡摊位。由于清真领域具有巨大的未开发潜力，我们将继续利用可爱鸡集团的强大品牌声誉和行业影响力，进一步加强我们在这个蓬勃发展的市场中的地位，从而推动增长。

## 展望

持续的人力短缺一直是餐饮业面临的关键挑战，本地劳动力供应的不足以及严格的外籍劳工政策进一步加剧了这一困境。这些限制导致熟练且可靠工人短缺，并迫使企业提高薪资成本以吸引和留住人才。为应对这些挑战，集团积极优化并自动化运营流程，包括在中央厨房引入自动化设备、推出外带订单自助点餐机，以及实施独特的PayNow二维码生成系统。这些技术进步提升了我们的运营效率和生产力，使我们能够将有限的人力资源能够聚焦于更具增值潜力的任务。

除了人力短缺，新加坡的餐饮业者还面临着不断攀升的运营成本，这主要受到租金上涨、原材料价格上升以及水电费增加等因素的推动。这些压力显著影响了盈利能力，尤其是主要食材成本和高能耗厨房运营的成本持续上升。为了减轻价格上涨的影响，我们与多个供应商合作，而非依赖单一供应来源。这种策略确保了生产和原材料供应的稳定且具成本效益的供应，最大限度地减少价格波动和原材料供应中断的影响，从而保障集团的运营和盈利能力。

集团将继续专注于其增长战略，旨在扩大其在新加坡的门店网络。我们将继续寻求成熟社区内的战略位置开设新店面，这些位置受益于高人流量，从而强化我们的市场影响力并提高更广泛客户群体的可及性。

在快速变化的行业中，我们深知保持创新能力和迎合不断变化的消费者偏好对于保持竞争力的重要性。展望未来，集团将致力于通过研发提供创新产品，以满足客户不断变化的需求，从而增强其竞争优势。在优先推动有机增长以扩大业务版图的同时，我们也将积极寻求战略性并购机会，以补充现有业务，拓宽收入来源并推动长期增长。

# MESSAGE TO SHAREHOLDERS

## 财务表现

集团在2024财政年实现了1.8%的收入增长，达到3.194亿新元。这增长主要得益于食品零售、咖啡店管理和店面投资业务的收入贡献增加，导致毛利增加了170万新元，达到9,060万新元。毛利率也略有改善，上升了0.1个百分点，达到2024财政年的28.4%。然而，集团在2024财政年的其他运营收入减少了370万新元，至290万新元，下降主要是由于缺乏糕点业务收益、资产减值损失的转回以及政府补助减少。此外，行政费用从2023财政年的2,800万新元增加了230万新元，达到2024财政年的3,030万新元，主要是由于物业、厂房和设备以及使用权资产的折旧增加。此外，由于员工人数增加和全员薪资调整，员工福利费用增加，以及专业费用和保险费用增加。因此，集团归属于公司所有者的净利润从2023财政年的3,400万新元(不包括出售糕点业务的250万新元收益)下降了6.8%，至2024财政年的3,170万新元(不包括150万新元的企业所得税回扣)。

我们的资产负债表保持健康。截至2024年9月30日，集团的营业现金流量为8,770万新元，现金及现金类资产为9,850万新元。截至本报告日期，本集团已使用了4,250万新元的首次公开募股净收益，余额为90万新元。

## 回馈股东

我们十分重视股东们一如既往的信任与支持。作为感谢，董事会很高兴在即将召开的年度股东大会上提议2024财政年每普通股派发S\$0.01的年终免税现金股息。加上每股S\$0.01的年中免税现金股息，如果在即将于2025年1月23日召开的年度股东大会上获得股东批准，2024财政年宣派的总股息达到每普通股S\$0.02。这占集团2024财政年归属净利润的约75.0%，彰显了我们为股东创造价值的承诺。

## 持续发展

我们的可持续发展理念基于经济、社会和环境责任三大支柱。通过采用双重重要性方法，我们既评估外部因素对业务的财务影响，又探索如何在整个价值链中创造经济价值、支持社区并最小化环境影响。

为了吸引和留住顶尖人才，集团提供符合法定要求且与行业标准接轨的全面员工福利。这些举措体现了金味致力于培育关怀、以家庭为导向的企业文化。此外，我们致力于优化资源利用，减少运营中的浪费，在实现成本效益的同时，降低环境影响和下游废物量。

集团2024财政年的可持续发展报告将进一步阐明我们对可持续发展实践的承诺。这包括培育员工、支持业务伙伴、满足客户需求、帮助弱势群体、减少环境影响，以及在运营中保持诚信与透明度。这些领域仍然是董事会的重点优先事项，董事会将继续监督并推动这些方面的进展。

## 致谢

我谨向我们的管理团队和全体员工表达由衷的感谢。正是他们坚定的奉献精神、热忱和承诺，推动集团的持续增长和成功。

蔡镛全先生和林美琦女士将分别辞去可爱鸡集团董事总经理和金味财务总监职务，以追求个人和职业兴趣。我们衷心感谢他们多年来的宝贵贡献，并祝愿他们在未来的事业中取得更大的成功。

我们还要向我们尊贵的客户、尊敬的业务合作伙伴、摊位经营者、可信赖的合作伙伴、可靠的供应商以及支持我们的股东致以诚挚的感谢，感谢您始终如一的信任与持续支持。在我们继续应对挑战和探索新机遇时，我们期待与您继续合作，共同创造更加美好的未来。

刘进发

非执行独立主席



# BOARD OF DIRECTORS



Mr. Lau Chin Huat was appointed as our Independent Director since 1 October 2019. On 11 November 2021, he assumed the position of Non-Executive Independent Chairman of the Board.

With over 40 years of audit, accounting, tax and advisory roles, Mr. Lau possesses current professional qualifications and licenses, including being a Public Accountant, Licensed Insolvency Practitioner, ISCA Financial Forensic Professional, Accredited Tax Advisor (GST) and Accredited Tax Practitioner (Income Tax).

Mr. Lau's roles as Court-appointed liquidator in Compulsory Winding Up (CWU), Provisional Liquidator in Creditors' Voluntary Liquidation (CVL) and Court-appointed Private Trustee in Bankruptcy (PTIB) requires regular maintenance of skills of a Licensed Insolvency Practitioner. He also served as a Court-appointed Professional Deputy, a service regulated by the Public Guardian, MSF.

Mr. Lau also serves as an Independent Director for Willas-Array Electronics (Holdings) Limited, listed on Stock Exchange of Hong Kong and SGX-ST, Enviro-Hub Holdings Ltd, listed on the Main Board of SGX-ST, and Wilton Resources Corporate Limited, listed on the Catalist Board of SGX-ST.

Mr. Lau is a member of Certified Public Accountants of Australia (CPA Australia) and Singapore Chartered Tax Professionals. He is also a fellow member of Institute of Singapore Chartered Accountants (ISCA) and Singapore Institute of Arbitrators.

Mr. Lau graduated from the National University of Singapore with a Bachelor of Accountancy Degree.



Mr. Lim Teck Chai Danny is our Non-Executive Independent Director and was appointed to our Board since 15 February 2017.

Mr. Lim has more than 26 years of experience in the legal industry and is currently an equity partner in Rajah & Tann Singapore LLP. He joined the law firm in 1998 and has since been practising and advising on all aspects of corporate legal advisory and transactional work, both locally and regionally. He has a wide range of experience in acquisitions, investments, takeovers, initial public offerings and restructuring, amongst others, and his clients include multi-national corporations, small medium enterprises, private equity and institutional investors, Singapore and foreign listed companies, financial institutions and others.

Mr. Lim is also an Independent Director of Stamford Land Corporation Ltd, Choo Chiang Holdings Ltd, Advancer Global Limited and ValueMax Group Limited, all of which are companies listed on the SGX-ST.

Mr. Lim graduated with a Bachelor of Law (Honours) degree from the National University of Singapore in 1998 and a Master of Science (Applied Finance) degree from the Nanyang Technological University in 2006. He has been admitted as an advocate and solicitor of the Supreme Court of Singapore since 1999 and is a member of the Law Society of Singapore and the Singapore Academy of Law.

## BOARD OF DIRECTORS



**MR. WEE TIAN CHWEE JEFFREY**

**Non-Executive Independent Director  
Chairman of the Audit Committee  
and a Member of the Remuneration Committee**

Mr. Wee Tian Chwee Jeffrey is our Non-Executive Independent Director and was appointed to our Board since 15 February 2017.

Mr. Wee's professional experience includes the audit of diverse companies ranging from small and medium-sized enterprises to Singapore Listed Companies and multinational corporations. He also worked for Metal Box Singapore Limited as Chief Accountant prior to practising as a public accountant at T. C. Wee & Co., which he established since 1981.

Mr. Wee is a practising member of the Institute of Singapore Chartered Accountants and a Fellow of The Association of Chartered Certified Accountants.



**MS. WONG KOK YOONG KAREN**

**Executive Director  
Member of the Nominating Committee**

Ms. Wong Kok Yoong Karen is our Executive Director and was appointed to our Board since 29 November 2018.

As Executive Director, Ms. Wong assists the Board in managing the Group's overall business development, expansion and various other business processes. Before joining the Group as Chief Financial Officer in 2016, she served as Regional Financial Controller for Connell Brothers Singapore, a multi-national corporation, and as Regional Head, Financial Planning & Analysis at Maybank Investment Banking Group. She began her career as an auditor with Arthur Andersen Kuala Lumpur in 2000 and was an Audit Senior Manager at Ernst & Young LLP, Singapore until 2013. Ms. Wong graduated with a Bachelor of Accountancy from the Northern University of Malaysia in 2000. She is a member of the Malaysian Institute of Certified Public Accountants and a Chartered Accountant of the Malaysia Institute of Accountants. She was redesignated as Executive Director on 11 November 2021.



# KEY MANAGEMENT



**MR. PEH KIM LEONG SUNNY**

**Director of Operations,  
Outlet Management Division**

Mr. Peh Kim Leong Sunny was appointed as the Group's Head of Outlet Operations in 2008.

He is responsible for the overall management and oversight of the Group's food outlets and Operations Managers, including the establishment of new food outlets as well as coordinating and monitoring compliance with the applicable laws, regulations and licensing requirements across the Group.

Prior to joining the Group, Mr. Peh held the post of Sales Executive at Excel Singapore. He was a Marketing Executive of Epson Singapore Pte Ltd between 2006 and 2007. Mr. Peh started his career as a Weapons System Specialist with the Republic of Singapore Air Force in 1998.

Mr. Peh graduated with a Diploma in Electrical Engineering from Ngee Ann Polytechnic in 1997. He subsequently obtained a Degree in Business Administration from the University of Canberra in 2009.



**MR. TAN CHONG SING ROY**

**Director of Business Development  
and Strategic Planning**

Mr. Tan Chong Sing Roy is the Director of Business Development and Strategic Planning of the Group.

Mr. Tan is in charge of formulating and implementing growth strategies for the Group and matters relating to investor relations. He also oversees the human resource and marketing departments.

He has 23 years of experience in the F&B and food service management industry. Prior to joining the Company, he operated and supervised his own chains of coffee shops and food stalls.

## KEY MANAGEMENT



**MR. RONNIE  
YEO YIEN GEE**

**Director of Operations,  
Kimly Food Retail division**

Mr. Ronnie Yeo Yien Gee is currently the Director of Operations, Kimly Food Retail division. He is responsible for the overall management and oversight of the Group's Kimly Food Retail division.

Mr. Yeo joined the Group in 2014 as an Operations Manager and was promoted to Business Development Manager in 2016. He also played a key role in the Group's acquisition of the Tonkichi restaurants in 2018.



**MR. CHUA YONG  
CHUAN KELVIN**

**Managing Director of  
Tenderfresh Group**

Mr. Chua Yong Chuan Kelvin is the Managing Director of Tenderfresh Group and an Executive Officer of the Company.

Mr. Chua joined Tenderfresh Fried & BBQ Chicken Pte. Ltd. in 2012. A chef by training, he played a key role in the modernisation of Tenderfresh's menu and food processing capabilities. As the Managing Director of the Tenderfresh Group, he is responsible for the overall management and oversight of the operations and resources of the Tenderfresh Group.

Following the AGM, Mr. Chua will be stepping down from his role on 28 February 2025.



**MS. LIN MEIQI**

**Financial Controller of  
the Company**

Ms. Lin Meiqi is the Financial Controller of the Company.

Ms. Lin joined the Group in 2018 as a Group Finance Manager. As Financial Controller, she is responsible for financial reporting, overall finance functions and accounting matters of the Group.

Ms. Lin started her career as an auditor with Ernst & Young LLP in 2011 and was an Audit Manager when she left in 2018 and joined the Group. She graduated with a Bachelor of Business Administration (Accountancy) degree from the National University of Singapore. Ms. Lin is a Chartered Accountant in Singapore and a member of the Institute of Singapore Chartered Accountants.

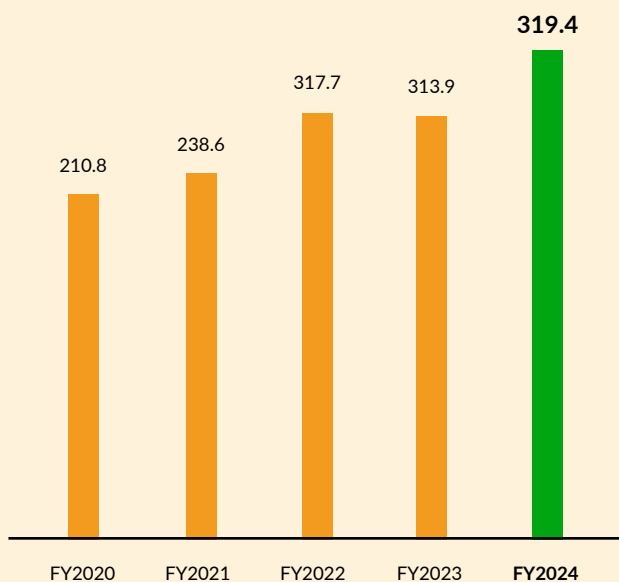
Following the AGM, Ms. Lin will be stepping down from her role on 24 January 2025.

# EMBRACING TECHNOLOGY LEVERAGING OUR SCALE

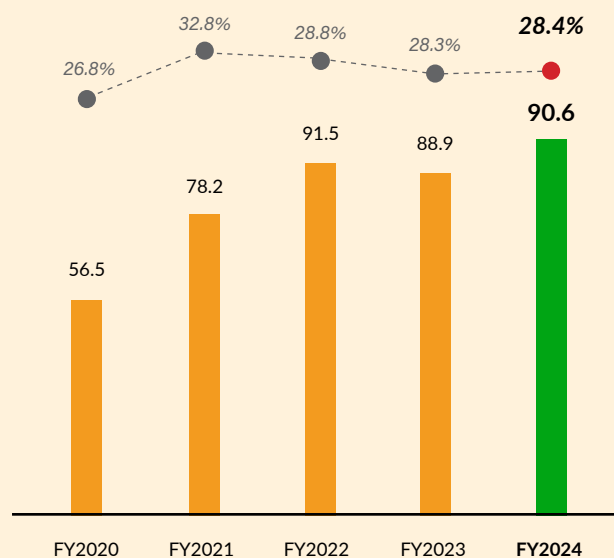


# FINANCIAL HIGHLIGHTS

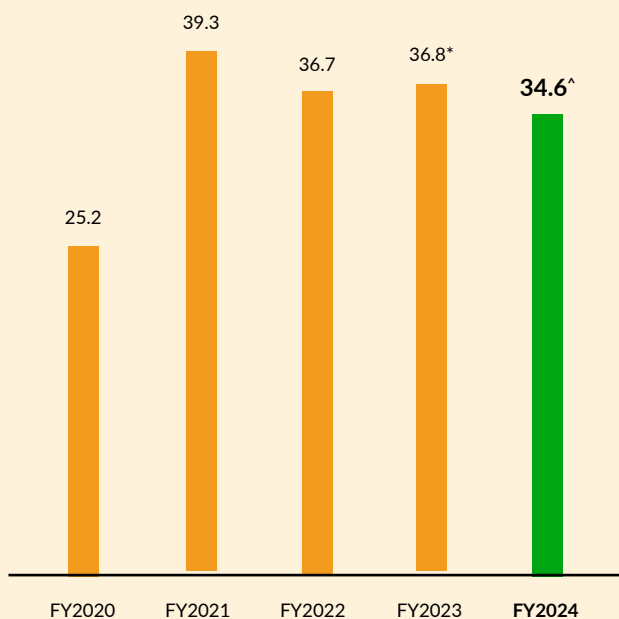
## REVENUE (S\$'M)



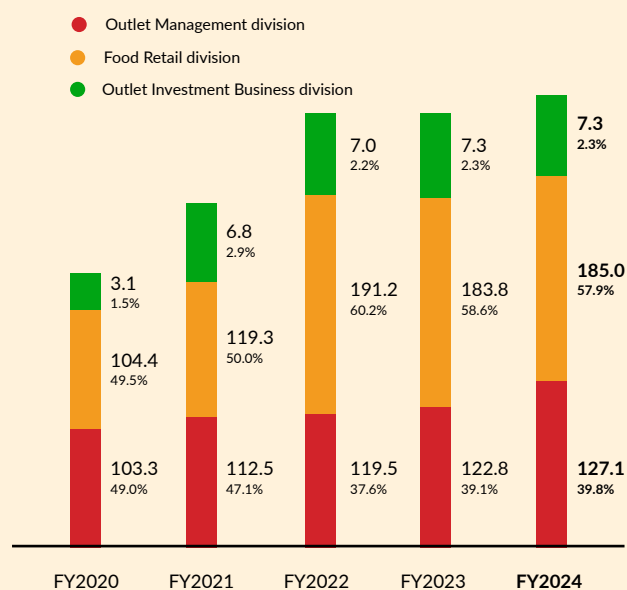
## GROSS PROFIT (S\$'M) & GROSS PROFIT MARGIN (%)



## NET PROFIT FOR THE YEAR (S\$'M)



## REVENUE BREAKDOWN BY BUSINESS SEGMENT (S\$'M)



\* Excluding the gain on disposal of the Confectionary Business of S\$2.5 million

^ Excluding the corporate income tax rebate of S\$1.6 million

# FINANCIAL HIGHLIGHTS

	2020	2021	2022	2023	2024
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Income Statement</b>					
Group Revenue	210,773	238,642	317,748	313,852	319,380
<b>Revenue by Business Segment</b>					
- Outlet Management	103,315	112,455	119,508	122,766	127,114
- Food Retail	104,373	119,361	191,202	183,832	184,988
- Outlet Investment Business	3,085	6,826	7,038	7,254	7,278
Group Profit Before Tax	29,696	44,485	43,870	44,658*	41,643
<b>Profit Before Tax by Segment</b>					
- Outlet Management	11,350	19,243	13,405	17,569	14,116
- Outlet Investment Business	190	1,763	1,210	1,206	958
- Food Retail	24,909	33,269	36,812	35,526	32,558
- Others	(6,753)	(9,790)	(7,557)	(7,129)	(5,989)
Group Gross Profit	56,515	78,172	91,542	88,887	90,568
Group EBITDA	33,655	49,938	51,733	51,472*	48,815
Group Profit after Tax	25,225	39,292	36,712	36,760*	34,570 <sup>^</sup>
<b>Financial Position</b>					
Total Assets	319,827	326,318	357,256	333,830	400,516
Total Liabilities	209,622	192,722	190,479	151,250	210,447
Equity attributable to owners of the Company	110,205	133,375	161,604	176,482	183,258
Cash and Cash equivalents	68,324	94,989	77,622	89,062	98,492
<b>Per Share Information</b>					
Earnings Per Share (cents)	2.18	3.30	2.74	2.73*	2.55 <sup>^</sup>
Net Asset Value Per Share (cents)	9.27	11.20	13.00	14.22	14.76
<b>Key Ratios</b>					
Gross Profit margin (%)	26.8%	32.8%	28.8%	28.3%	28.4%
EBITDA margin (%)	16.0%	20.9%	16.3%	16.4%*	15.3%
Profit after tax margin (%)	12.0%	16.5%	11.6%	11.7%*	10.8% <sup>^</sup>
Return on Shareholders' Fund (%)	22.9%	29.5%	21.1%	20.7%	18.1%

\* Excluding the gain on disposal of the Confectionary Business of S\$2.5 million

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

# FINANCIAL REVIEW

REVENUE  
**S\$319.4 m**

GROSS PROFIT  
**S\$90.6 m**

## REVENUE

The Group's revenue increased by S\$5.5 million from S\$313.9 million in FY2023 to S\$319.4 million in FY2024, an increase of 1.8% year-on-year ("yoy"), mainly due to higher revenue contribution across the Food Retail, Outlet Management, and Outlet Investment Business divisions.

The Outlet Management division and Outlet Investment Business division recorded revenue of S\$127.1 million and S\$7.3 million respectively in FY2024, up by S\$4.3 million and S\$24,000 from the prior year. This growth was primarily driven by contributions from three (3) newly opened coffee shops in FY2023, as well as one (1) coffee shop, one (1) food court, and one (1) industrial canteen opened in FY2024. Additional revenue from cleaning services, due to new cleaning contracts secured, further supported this increase. However, the overall growth was partially offset by the termination of management agreements for four (4) coffee shops and the closure of one (1) coffee shop in FY2023, along with the closure of an additional coffee shop and industrial canteen in FY2024, as well as reduced revenue from existing coffee shops.

The Food Retail division reported a revenue increase of S\$1.2 million, reaching S\$185.0 million in FY2024. This was primarily fueled by revenue streams from 13 food stalls, one (1) restaurant, and one (1) kiosk opened during FY2023. The opening of 11 food stalls and two (2) restaurants in FY2024 has further contributed to the revenue growth of the division. However, the increase in revenue was partially offset by a reduction in contribution from existing food stalls, closure of six (6) underperforming food stalls during FY2023 and along with seven (7) food stalls and one (1) restaurant during FY2024 as well as the absence of revenue from the Confectionary Business, following its disposal in December 2022.

## COST OF SALES

Cost of sales rose by S\$3.8 million to S\$228.8 million in FY2024 which was in line with the increase in revenue. This was primarily attributed to higher employee benefit expenses driven by salary adjustment across the board, elevated utilities charges, higher depreciation of right-of-use assets and higher cleaning expenses. However, this was partially offset by a reduced food ingredient expenses due to a change in the sales mix. Consequently, cost of sales as a percentage of revenue marginally decreased by 0.1 percentage point from 71.7% in FY2023 to 71.6% in FY2024.

## GROSS PROFIT

Gross profit as a result improved by 1.9% yoy to S\$90.6 million in FY2024 and the gross profit margin increased by 0.1 percentage point from 28.3% in FY2023 to 28.4% in FY2024.

## FINANCE INCOME

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

## OTHER OPERATING INCOME

Other operating income decreased by S\$3.7 million from S\$6.6 million in FY2023 to S\$2.9 million in FY2024. The decrease was due to absence of the gain on disposal of the Confectionary Business of S\$2.5 million, reversal of impairment loss on property, plant and equipment of S\$0.2 million and lower government grants received of S\$0.9 million.

# FINANCIAL REVIEW

## SELLING EXPENSES

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

## OTHER OPERATING EXPENSES

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

## INCOME TAX EXPENSE

Income tax expense reduced by S\$2.4 million from S\$7.9 million in FY2023 to S\$5.5 million in FY2024. Effective tax rate declined from 16.7% in FY2023 to 13.1% in FY2024, mainly due to a one-time corporate income tax rebate of S\$1.6 million on 50% of the tax payable for YA2024, as announced in Budget 2024, capped at S\$40,000 per company.

## NET PROFIT

As a result of the above, the Group's net profit attributable to the owners of the Company decreased by 6.8% from S\$34.0 million in FY2023 (excluding the gain on disposal of the Confectionary Business of S\$2.5 million) to S\$31.7 million in FY2024 (excluding the corporate income tax rebate of S\$1.5 million). The Group registered an EBITDA of S\$48.8 million for FY2024, a decrease of 5.2% yoy. Basic earnings per share for the Group decreased by 6.6% yoy to 2.55<sup>4</sup> Singapore cents in FY2024.

## REVIEW OF THE GROUP'S FINANCIAL POSITION

The Group's financial position as at 30 September 2024 was healthy, with cash and cash equivalents of S\$98.5 million. The Group's total assets increased by S\$66.7 million to S\$400.5 million as at 30 September 2024 from S\$333.8 million as at 30 September 2023. Total liabilities as at 30 September 2024 stood at S\$210.4 million compared to S\$151.3 million as at 30 September 2023.

4 The basic earnings per share is calculated based on adjusted net profit before income tax rebate of \$1.6 million.



## NON-CURRENT ASSETS

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

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

## FINANCIAL REVIEW



Other receivables (non-current) comprised (i) the refundable deposits relating to rental deposits placed with lessors for the leases of coffee shops and restaurants which are due to expire in more than one year and recoverable upon termination or expiration of the leases, amounting to S\$5.3 million (30 September 2023: S\$3.4 million); and (ii) the non-current portion of staff loans amounting to S\$30,000 (30 September 2023: S\$0.1 million). As at 30 September 2024, total refundable deposits placed with lessors (non-current and current) amounted to S\$7.5 million (30 September 2023: S\$7.1 million). The increase was due to deposits placed with lessors for the newly opened coffee shops and restaurants.

### CURRENT ASSETS

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

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

### CURRENT LIABILITIES

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

### NON-CURRENT LIABILITIES

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



## FINANCIAL REVIEW



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

### STATEMENT OF CASH FLOWS

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

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

**EARNINGS PER SHARE (CENTS)**

**2.55<sup>^</sup>**

<sup>^</sup> Calculated based on adjusted net profit before income tax rebate of \$1.6 million.



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

As a result, net cash and cash equivalents increased by S\$9.4 million to S\$98.5 million as at 30 September 2024.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Mr. Lau Chin Huat

Non-Executive Independent Chairman

### Ms. Wong Kok Yoong Karen

Executive Director

### Mr. Lim Teck Chai Danny

Non-Executive Independent Director

### Mr. Wee Tian Chwee Jeffrey

Non-Executive Independent Director

## REGISTERED OFFICE

13 Woodlands Link  
Singapore 738725  
Tel: (65) 6289 1605  
Fax: (65) 6280 1605

## WEBSITE

<https://kimlygroup.sg>

## AUDIT COMMITTEE

Mr. Wee Tian Chwee Jeffrey (Chairman)  
Mr. Lim Teck Chai Danny  
Mr. Lau Chin Huat

## NOMINATING COMMITTEE

Mr. Lau Chin Huat (Chairman)  
Mr. Lim Teck Chai Danny  
Ms. Wong Kok Yoong Karen

## REMUNERATION COMMITTEE

Mr. Lim Teck Chai Danny (Chairman)  
Mr. Wee Tian Chwee Jeffrey  
Mr. Lau Chin Huat

## SPONSOR

### PrimePartners Corporate Finance Pte. Ltd.

16 Collyer Quay,  
#10-00 Collyer Quay Centre,  
Singapore 049318

## INDEPENDENT AUDITOR

### Ernst & Young LLP

One Raffles Quay  
North Tower, Level 18  
Singapore 048583

Partner-In-Charge: Ms. Tan Peck Yen  
(Since Financial Year Ended 30 September  
2022)

## SHARE REGISTRAR

### Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632

## JOINT COMPANY SECRETARIES

Mr. Hoon Chi Tern (LLB (Hons))  
Ms. Toh Li Ping, Angela (ACS, ACG)

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# CORPORATE GOVERNANCE REPORT

The Board of Directors (“Board”) of Kimly Limited (the “Company” and together with its subsidiaries, the “Group”) are committed to maintaining high standards of corporate governance and place importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

This report outlines the Company’s corporate governance practices in place during the financial year ended 30 September 2024 (“FY2024”), with specific reference made to the Code of Corporate Governance 2018 (the “Code”), its related practice guidance (“PG”), as well as the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) in January 2015 (the “Guide”).

**TABLE I - COMPLIANCE WITH THE CODE**

Principle	Code and/or Guide Description	Company’s Compliance or Explanation
General	(a) Has the Company complied with all the principles and guidelines of the Code?  If not, please state the specific deviations and alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.	The Company has complied with the principles and guidelines as set out in the Code and the Guide, where applicable.  Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code and/or the Guide.
	(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines of the Code?	Not applicable. The Company did not adopt any alternative corporate governance practices in FY2024.

## BOARD MATTERS

### THE BOARD’S CONDUCT OF AFFAIRS

1.1 Board composition As at the date of this report, the Board has 4 members and comprises the following:

**Table 1.1 - Board composition**

<b>Composition of the Board</b>		<b>Composition of the Board Committees</b>		
		<ul style="list-style-type: none"> <li>• C - Chairman</li> <li>• M - Member</li> </ul>		
<b>Name of Director</b>	<b>Designation</b>	<b>AC<sup>(1)</sup></b>	<b>NC<sup>(2)</sup></b>	<b>RC<sup>(3)</sup></b>
Lau Chin Huat	Non-Executive Independent Chairman	M	C	M
Wong Kok Yoong Karen	Executive Director	-	M	-
Lim Teck Chai Danny	Non-Executive Independent Director	M	M	C
Wee Tian Chwee Jeffrey	Non-Executive Independent Director	C	-	M

**Notes:**

- (1) The AC comprises 3 members who are all independent, including the Chairman. All the members of the AC are non-executive Directors.
- (2) The NC comprises 3 members, the majority of whom, including the Chairman, are independent.
- (3) The RC comprises 3 members who are all independent, including the Chairman. All the members of the RC are non-executive Directors.

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
	<u>Role of Board</u>	<p>Entrusted to lead and oversee the Group, the Board is to act in the best interests of the Group. In addition to its statutory duties, the Board's principal functions are to:</p> <ul style="list-style-type: none"> <li>• Set out overall long-term strategic plans and objectives for the Group and ensure that the necessary resources are in place for the Group to meet its objectives;</li> <li>• Establish a framework of prudent and effective internal controls and risk management strategies which enables risk to be assessed and managed, including safeguarding of shareholders' interests and the Group's assets;</li> <li>• Review key management personnel's performance;</li> <li>• Ensure good corporate governance practices to protect the interests of shareholders;</li> <li>• Oversee, through the Nominating Committee ("NC"), the appointments, re-election and resignation of Directors and the Management;</li> <li>• Oversee, through the Remuneration Committee ("RC"), the design and operation of an appropriate remuneration framework;</li> <li>• Provide entrepreneurial leadership, approve the business strategies including significant acquisitions and disposals of subsidiaries or assets and liabilities;</li> <li>• Identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;</li> <li>• Set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are adhered to;</li> <li>• Approve the annual budgets, major funding proposals, significant capital expenditures and investment and divestment proposals;</li> <li>• Approve the release of the Group's half year and full year's financial results and interested person transactions; oversee the processes for risk management, financial reporting and compliance and evaluate the adequacy and effectiveness of internal controls, as may be recommended by the Audit Committee ("AC"), including safeguarding of shareholders' interests and the Company's assets;</li> <li>• Review and endorse corporate policies in keeping with good corporate governance and business practices; and consider sustainability issues, e.g. environmental, social and governance factors, as part of the strategic formulation; and</li> <li>• Oversee the Group's sustainability reporting framework by monitoring the environment, social and governance issues that impact the Group's sustainability of its business. The Group's sustainability report for FY2024 would be released on the SGXNet by 31 January 2025.</li> </ul>
	<u>Practices relating to conflict of interest</u>	<p>The Company has in place practices to address potential conflicts of interests. All Directors are required to notify the Company promptly of all conflicts of interest as soon as practicable as well as when required and refresh the required declarations annually. Directors are required to recuse themselves from all deliberations/voting in relation to the matters which he or she has a conflict of interest in, unless the Board is of the opinion that the participation of the conflicted Director is of the best interest to the Company.</p>

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
1.2	<u>Directors' training and orientation</u>	
(a)	Are new Directors given formal training? If not, please explain why.	<p>All newly appointed Directors will undergo an orientation programme where the Director would be briefed on the Group's strategic direction, governance practices, business and organisation structure as well as the expected duties of a director of a listed company. To get a better understanding of the Group's business, the Director will also be given the opportunity to visit the Group's operational facilities, principal locations of operations and meet with key management personnel.</p> <p>In addition, as required under the SGX-ST Listing Manual: Section B: Rules of Catalist ("Catalist Rules"), a new Director who has no prior experience as a director of a company listed on the SGX-ST must undergo training as prescribed by the SGX-ST. Such training will be completed within one year of the appointment. There were no newly appointed Directors in FY2024.</p>
(b)	What are the types of information and training provided to (i) new Directors and (ii) existing Directors to keep them up-to-date?	<p>The Board values on-going professional development and recognises that it is important that all Directors receive regular training to serve effectively on and contribute to the Board. The Board has therefore established a policy on continuous professional development for Directors.</p> <p>To ensure Directors can fulfil their obligations and to continually improve the performance of the Board, all Directors are encouraged to undergo continual professional development. Professional development may relate to a particular subject area, committee membership, or key developments in the Company's environment, provided by accredited training providers. Directors are encouraged to consult the Chairman and Executive Director/ Chief Executive Officer ("CEO") (or equivalent) if they consider that they personally, or the Board as a whole, would benefit from specific education or training on matters that fall within the responsibility of the Board or relate to the Company's business. Such training costs are borne by the Company. The Company would also arrange for the senior management to brief the Directors on the Group's business periodically.</p>
	<u>Training attended for FY2024</u>	<p>Courses, conferences and seminars attended by some of the Directors include ACRA-SGX-SID Audit Committee Seminar 2024, Navigating Sustainable Governance, Climate Governance Singapore Forum, Technology Governance and Oversight at the Top, SID Directors Conference 2024 and SID Corporate Governance Roundup 2024.</p>

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>																																			
1.3	<u>Matters requiring Board's approval</u>	<p>Matters that require the Board's approval include</p> <ul style="list-style-type: none"> <li>• corporate strategies and business plans;</li> <li>• material acquisitions and disposals;</li> <li>• investments;</li> <li>• financing;</li> <li>• material non-trade contracts with third parties;</li> <li>• share issuance, dividend release or changes in capital;</li> <li>• budgets, financial results announcements, annual reports and audited financial statements; and</li> <li>• interested person transactions exceeding S\$100,000.</li> </ul>																																			
1.4	<u>Delegation to Board Committees</u>	<p>The Board delegated certain responsibilities to the Audit Committee (the "AC"), the Remuneration Committee (the "RC") and the Nominating Committee (the "NC") (collectively, the "Board Committees"). The composition of the Board Committees is set out in Principle 1.5 of Table 1.5.</p>																																			
1.5	<u>Attendance of Board and Board Committees</u>	<p>The Board meets on a quarterly basis, and as and when circumstances require. In FY2024 (for the avoidance of doubt, the period from 1 October 2023 to 30 September 2024), the number of Board and Board Committee meetings held, and the attendance of each Board member are shown below.</p> <p><b>Table 1.5 - Attendance of each Board member</b></p> <table border="1"> <thead> <tr> <th></th> <th><b>Board</b></th> <th><b>AC</b></th> <th><b>NC</b></th> <th><b>RC</b></th> </tr> </thead> <tbody> <tr> <td>Number of Meetings Held</td> <td>4</td> <td>4</td> <td>1</td> <td>1</td> </tr> <tr> <td><b>Name of Director</b></td> <td colspan="4">No. of meetings attended</td> </tr> <tr> <td>Lau Chin Huat</td> <td>4</td> <td>4</td> <td>1</td> <td>1</td> </tr> <tr> <td>Wong Kok Yoong Karen</td> <td>4</td> <td>4*</td> <td>1</td> <td>1*</td> </tr> <tr> <td>Lim Teck Chai Danny</td> <td>4</td> <td>4</td> <td>1</td> <td>1</td> </tr> <tr> <td>Wee Tian Chwee Jeffrey</td> <td>4</td> <td>4</td> <td>1*</td> <td>1</td> </tr> </tbody> </table> <p>* - By invitation</p> <p>The Company's Constitution allows for meetings to be held through telephone and/or video conference.</p>		<b>Board</b>	<b>AC</b>	<b>NC</b>	<b>RC</b>	Number of Meetings Held	4	4	1	1	<b>Name of Director</b>	No. of meetings attended				Lau Chin Huat	4	4	1	1	Wong Kok Yoong Karen	4	4*	1	1*	Lim Teck Chai Danny	4	4	1	1	Wee Tian Chwee Jeffrey	4	4	1*	1
	<b>Board</b>	<b>AC</b>	<b>NC</b>	<b>RC</b>																																	
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# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>																
1.6	<p><u>Access to information</u></p> <p>What types of information does the Company provide to Independent Directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?</p>	<p>Directors are provided with complete and adequate information related to agenda items in a timely manner for them to make informed decisions and discharge their duties and responsibilities.</p> <p>Management provides the Board with key information that is complete, adequate and timely prior to meetings and whenever required. The information provided to Directors for FY2024 is set out in the table below.</p> <p><b>Table 1.6 - Types of information provided by Management</b></p> <table border="1"> <thead> <tr> <th><b>Information</b></th> <th><b>Frequency</b></th> </tr> </thead> <tbody> <tr> <td>1. Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)</td> <td>As and when appropriate</td> </tr> <tr> <td>2. Updates to the Group's operations and the markets in which the Group operates in</td> <td>As and when appropriate</td> </tr> <tr> <td>3. Budgets and/or forecasts (with variance analysis), management accounts (with financial ratios analysis), and external auditor's ("EA") report(s)</td> <td>Quarterly except for EA report on annual basis</td> </tr> <tr> <td>4. Reports on on-going or planned corporate actions</td> <td>As and when appropriate</td> </tr> <tr> <td>5. Internal auditors' ("IA") report(s)</td> <td>Annually</td> </tr> <tr> <td>6. Research report(s)</td> <td>As and when appropriate</td> </tr> <tr> <td>7. Shareholding statistics</td> <td>Quarterly</td> </tr> </tbody> </table> <p>Management recognises the importance of circulating information on a timely basis to ensure that the Board has adequate time to review the materials to facilitate a constructive and effective discussion during the scheduled meetings. As such, Management endeavours to circulate information at least five (5) days prior to the meetings to allow sufficient time for review by the Directors.</p> <p>Management will also provide any additional material information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.</p>	<b>Information</b>	<b>Frequency</b>	1. Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	As and when appropriate	2. Updates to the Group's operations and the markets in which the Group operates in	As and when appropriate	3. Budgets and/or forecasts (with variance analysis), management accounts (with financial ratios analysis), and external auditor's ("EA") report(s)	Quarterly except for EA report on annual basis	4. Reports on on-going or planned corporate actions	As and when appropriate	5. Internal auditors' ("IA") report(s)	Annually	6. Research report(s)	As and when appropriate	7. Shareholding statistics	Quarterly
<b>Information</b>	<b>Frequency</b>																	
1. Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	As and when appropriate																	
2. Updates to the Group's operations and the markets in which the Group operates in	As and when appropriate																	
3. Budgets and/or forecasts (with variance analysis), management accounts (with financial ratios analysis), and external auditor's ("EA") report(s)	Quarterly except for EA report on annual basis																	
4. Reports on on-going or planned corporate actions	As and when appropriate																	
5. Internal auditors' ("IA") report(s)	Annually																	
6. Research report(s)	As and when appropriate																	
7. Shareholding statistics	Quarterly																	



# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
1.7	<u>Change of company secretary</u>	The appointment and removal of the company secretary is a matter for the Board as a whole.
	<u>Access to Management and company secretary</u>	Directors have separate and independent access to the Management and company secretary at all times.
	<u>Access to professional advice</u>	Individually or collectively, in order to execute their duties, Directors can obtain independent professional advice at the Company's expense where required.

## **BOARD COMPOSITION AND GUIDANCE**

2.1	<u>Board composition</u>	
2.2		
2.3	Does the Company comply with the guideline on the proportion of Independent Directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.	During FY2024, the Board comprises an Executive Director and three (3) independent Directors (who are also Non-Executive Directors).
3.3		The Board believes that there is a strong and independent element on the Board as the Independent and Non-Executive Directors currently represent majority of the Board members and will contribute to the Board process by monitoring and reviewing performance of the management to achieve the agreed goals and objectives. The Independent Directors will constructively challenge the management's proposals or decisions and bring independent judgement.
	<u>Lead Independent Director</u>	The Company does not have a lead Independent Director given that the majority of the Board is non-executive and that the Chairman is independent. Furthermore, the NC, the RC and the AC are all chaired by the Independent Directors.
2.1	<u>Independence assessment of Directors</u>	The Board considers the existence of relationships or circumstances, including those identified by the Code and Catalist Rules, that are relevant to determine whether a Director is independent. In addition, the NC reviews the individual director's declaration in their assessment of independence.
4.4		The NC has reviewed and confirmed that the independence of the Independent Directors is in accordance with the Code, PG and Catalist Rules. The Independent Directors have also confirmed their independence in accordance with the Code, PG and Catalist Rules.
		Directors must immediately report any changes in their external appointments, including any corporate developments relating to their external appointments, which may affect their independence. This ensures that Directors continually meet the stringent requirements of independence under the Code and Catalist Rules.

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
(a)	Is there any Director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code and Catalist Rules that would otherwise deem him not to be independent? If so, please identify the Director and specify the nature of such relationship.	There are no Directors who is deemed independent by the Board, notwithstanding the existence of a relationship that would otherwise deem him not to be independent.
(b)	What are the Board's reasons for considering him independent? Please provide a detailed explanation.	Not Applicable.
	<u>Independent Directors serving beyond nine years</u>  Has any Independent Director served on the Board for more than nine years since the date of his first appointment? If so, please identify the Director and set out the Board's reasons for considering him independent.	A director (whether independent, executive or non-executive) who has served on the board for an aggregate period of nine years (whether before or after listing) will no longer be eligible to be designated as an independent director of the issuer, effective on the date of a Company's annual general meeting for the financial year ending on or after 31 December 2023 as set out in Rule 406(3)(d)(iv).  There are no Independent Directors who has served beyond nine years since the date of his first appointment.
(a)	<u>Board diversity</u>  What is the Board's policy with regard to diversity in identifying director nominees?	The Company acknowledges the significance of fostering a diverse Board as a crucial element in advancing the Group's strategic objectives for sustainable development. The Company is committed to cultivating an inclusive and collaborative corporate culture that thrives on effective decision-making. The Board recognises the value of harnessing a broad spectrum of business experiences, industry knowledge, diverse skill sets, and a range of perspectives, including those related to gender, age, culture, geographical background, tenure of service, and other distinguishing qualities among its members. The Company believes that such diversity enhances the Board's ability to make well-informed decisions and contributes to the overall success of the Group. In line with the Code and Rule 710A(1) of the Catalist Rules, the Company has adopted its Board Diversity Policy during the year.

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>																																	
	(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.	<p>The following table sets out the diversity targets and progress since the adoption of the Board Diversity Policy:</p> <p><b>Table 2.4(b) - Diversity targets and progress</b></p> <table border="1"> <thead> <tr> <th><b>Targets</b></th> <th><b>Progress</b></th> </tr> </thead> <tbody> <tr> <td>(a) To ensure at least one female representation in the Board</td> <td>As at the date of this report, the Board has one female Director, representing 25% of the total Board membership.</td> </tr> <tr> <td>(b) To ensure appropriate balance between functional skill sets, domain expertise and specific skills and capabilities needed to support the Group's strategy and business</td> <td>The current Board composition provided a diversity of skills, experience and knowledge to the Company, as disclosed in Table 2.4(b) below.</td> </tr> </tbody> </table> <p><b>Table 2.4(b) - Diversity of the Board</b></p> <table border="1"> <thead> <tr> <th></th> <th><b>Number of Directors</b></th> <th><b>Proportion of Board</b></th> </tr> </thead> <tbody> <tr> <td><b>Core Competencies</b></td> <td></td> <td></td> </tr> <tr> <td>- Accounting or finance</td> <td>3</td> <td>75.0%</td> </tr> <tr> <td>- Business management</td> <td>2</td> <td>50.0%</td> </tr> <tr> <td>- Legal or corporate governance</td> <td>1</td> <td>25.0%</td> </tr> <tr> <td>- Relevant industry knowledge or experience</td> <td>2</td> <td>50.0%</td> </tr> <tr> <td>- Strategic planning experience</td> <td>3</td> <td>75.0%</td> </tr> <tr> <td>- Customer based experience or knowledge</td> <td>2</td> <td>50.0%</td> </tr> <tr> <td>- Information technology</td> <td>2</td> <td>50.0%</td> </tr> </tbody> </table>	<b>Targets</b>	<b>Progress</b>	(a) To ensure at least one female representation in the Board	As at the date of this report, the Board has one female Director, representing 25% of the total Board membership.	(b) To ensure appropriate balance between functional skill sets, domain expertise and specific skills and capabilities needed to support the Group's strategy and business	The current Board composition provided a diversity of skills, experience and knowledge to the Company, as disclosed in Table 2.4(b) below.		<b>Number of Directors</b>	<b>Proportion of Board</b>	<b>Core Competencies</b>			- Accounting or finance	3	75.0%	- Business management	2	50.0%	- Legal or corporate governance	1	25.0%	- Relevant industry knowledge or experience	2	50.0%	- Strategic planning experience	3	75.0%	- Customer based experience or knowledge	2	50.0%	- Information technology	2	50.0%
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	(c) What steps have the Board taken to achieve the balance and diversity necessary to maximise its effectiveness?	<p>The Board took the following steps to maintain or enhance its balance and diversity:</p> <ul style="list-style-type: none"> <li>• Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and</li> <li>• Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.</li> </ul> <p>The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.</p>																																	

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
2.5	<u>Meeting in the absence of the Management</u>	<p>The Non-Executive Independent Directors meet in the absence of key management personnel to discuss concerns or matters such as the effectiveness of Management.</p> <p>For FY2024, the Non-Executive Directors have met once in the absence of key management personnel.</p>
<b>CHAIRMAN AND CHIEF EXECUTIVE OFFICER</b>		
3.1 3.2	<u>Role of Chairman and CEO</u>	<p>The Independent Chairman leads the Board discussions, fostering constructive conditions that renders the Board effective. He facilitates effective contribution and promotes high standards of corporate governance. The Independent Chairman performs a significant leadership role by providing clear oversight and guidance to the management on strategy and the drive to transform the Group's businesses.</p> <p>The Executive Director/CEO (or equivalent) is responsible for the overall management, operations, business development and strategic planning of the Group, and ensuring a cohesive working relationship among the Directors and timeliness of information flow between the Board and Management.</p>
	<u>Relationship between Chairman and CEO</u>	<p>The Company has a separate Chairman and Executive Director/CEO (or equivalent). This ensures a clear division of responsibilities, increased accountability and greater capacity of the Board for independent decision making. The Chairman and the Executive Director/CEO (or equivalent) are not related.</p>
<b>BOARD MEMBERSHIP</b>		
4	<u>Steps taken to progressively renew the Board composition</u>	<p>The Board is of the opinion that it would be most effective to draw on the wealth of experience from the longer serving directors while concurrently taking progressive steps to review and consider opportunities to refresh the Board as and when deemed required.</p> <p>To meet the changing challenges in the industry and countries which the Group operates in, such reviews, which includes considering factors such as the expertise, skills and perspectives which the Board needs against the existing competencies would be done on a regular basis to ensure that the Board dynamics remain optimal.</p>

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
4.1	<u>Role of NC</u>	<p>The NC is guided by key terms of reference as follows:</p> <ul style="list-style-type: none"> <li>(a) To make recommendations to the Board on relevant matters relating to (i) the review of board succession plans for Directors, in particular, the Executive Director/CEO (or equivalent) and key management personnel, (ii) the development of a process of evaluation of the performance of the Board, the Board committees and Directors, (iii) the review of training and professional development programs for the Board and directors and (iv) the appointment and re-appointment/re-election of Directors (including alternate Directors, if applicable) (including appointments and re-appointments to Board committees).</li> <li>(b) To review and determine annually, and as and when circumstances require, if a Director is independent, in accordance with the Revised Definition on Director's Independence, and any other salient factors.</li> <li>(c) To review the composition of the Board annually to ensure that the Board and the Board committees comprise Directors who as a group provide an appropriate balance and diversity of skills, expertise, gender and knowledge of the Company and provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge.</li> <li>(d) Where a Director has multiple board representations, to decide whether the Director is able to and has been adequately carrying out his/her duties as a Director, taking into consideration, <i>inter alia</i>, the Director's number of listed company board representation and other principal commitments.</li> <li>(e) To make recommendations to the Board on the development of a process for evaluation and performance of the Board, its Board committees and Directors. In this regard, the NC will decide how the Board's performance is to be evaluated and propose objective performance criteria which address how the Board has enhanced long-term shareholder value.</li> <li>(f) To implement a process for assessing the effectiveness of the Board as a whole and the Board committees and for assessing the contribution of the Chairman of the Board and each individual Director to the effectiveness of the Board and each Board committee on which he sits.</li> <li>(g) To review and approve any employment of all managerial staff and employees who are related to any of the Directors, substantial shareholders or the Executive Director of the Company and the proposed terms of their employment. In respect of re-nominations of Directors who are retiring by rotation for re-election by shareholders, to have regard to the Director's contribution and performance (e.g. his attendance, preparedness, participation and candour) including, if applicable, as an Independent Director.</li> </ul>

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		<p>(h) If necessary, to set up internal guidelines to address the competing time commitments that is faced when Directors serve on multiple boards.</p> <p>(i) To assume such other duties (if any) that may be assigned to a nominating committee of a Singapore-listed company under the Code.</p> <p>(j) To review the statements made in the annual report relating to the Company's policies on selection, nomination and evaluation of Board members in its annual report with a view to achieving clear disclosure of the same.</p> <p>The NC has also reviewed and monitored the Board Diversity Policy as enumerated under Provision 2.4.</p>												
4.3	<p><u>Selecting, Appointment and Re-appointment of Directors</u></p> <p>Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.</p>	<p><b>Table 4.3(a) - Selection and Appointment of New Directors</b></p> <p>The NC: -</p> <table border="1"> <tbody> <tr> <td>1. Determines selection criteria</td> <td> <ul style="list-style-type: none"> <li>In consultation with the Board, identifies the current needs and inadequacies of the Board to determine what is required to complement and strengthen the Board.</li> <li>Determines the role which competencies are required for the new appointment after such consultation.</li> </ul> </td> </tr> <tr> <td>2. Candidate search</td> <td> <ul style="list-style-type: none"> <li>Considers candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary.</li> </ul> </td> </tr> <tr> <td>3. Assesses shortlisted candidates</td> <td> <ul style="list-style-type: none"> <li>Meets and interviews the shortlisted candidates to assess their suitability.</li> </ul> </td> </tr> <tr> <td>4. Proposes recommendations</td> <td> <ul style="list-style-type: none"> <li>Makes recommendations for Board's consideration and approval.</li> </ul> </td> </tr> </tbody> </table> <p><b>Table 4.3(b) - Re-election of Incumbent Directors</b></p> <p>The NC: -</p> <table border="1"> <tbody> <tr> <td>1. Assesses incumbent director</td> <td> <ul style="list-style-type: none"> <li>Assesses the performance of the director in accordance with the performance criteria set by the Board.</li> <li>Considers the current needs of the Board.</li> </ul> </td> </tr> <tr> <td>2. Proposes re-appointment of director</td> <td> <ul style="list-style-type: none"> <li>Recommends the re-appointment of the Director to the Board for its consideration and approval, subject to its satisfactory assessment.</li> </ul> </td> </tr> </tbody> </table>	1. Determines selection criteria	<ul style="list-style-type: none"> <li>In consultation with the Board, identifies the current needs and inadequacies of the Board to determine what is required to complement and strengthen the Board.</li> <li>Determines the role which competencies are required for the new appointment after such consultation.</li> </ul>	2. Candidate search	<ul style="list-style-type: none"> <li>Considers candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary.</li> </ul>	3. Assesses shortlisted candidates	<ul style="list-style-type: none"> <li>Meets and interviews the shortlisted candidates to assess their suitability.</li> </ul>	4. Proposes recommendations	<ul style="list-style-type: none"> <li>Makes recommendations for Board's consideration and approval.</li> </ul>	1. Assesses incumbent director	<ul style="list-style-type: none"> <li>Assesses the performance of the director in accordance with the performance criteria set by the Board.</li> <li>Considers the current needs of the Board.</li> </ul>	2. Proposes re-appointment of director	<ul style="list-style-type: none"> <li>Recommends the re-appointment of the Director to the Board for its consideration and approval, subject to its satisfactory assessment.</li> </ul>
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		<p>After reviewing and considering the NC's recommendations, the Board would make the decision to appoint the new director and/or propose the re-election of the incumbent director for shareholders' approval.</p> <p>Pursuant to Regulation 112 of the Company's Constitution, at least one-third of the Directors are required to retire by rotation and submit themselves for re-election at each annual general meeting of the Company. The Company's Constitution and the Catalist Rules provides that all Directors shall retire by rotation at least once every three years and such retiring Director shall be eligible for re-election.</p> <p>The NC has recommended Mr. Wee Tian Chwee Jeffrey and Ms. Wong Kok Yoong Karen be nominated for re-election at the forthcoming Annual General Meeting ("AGM").</p> <p>Mr. Wee Tian Chwee Jeffrey, upon re-election as an Independent Director of the Company, remain as the Chairman of Audit Committee and a member of the Remuneration Committee. Ms. Wong Kok Yoong Karen will, upon re-election as a Director of the Company, remain as an Executive Director and a member of the Nominating Committee. Mr. Wee Tian Chwee Jeffrey will be considered independent for the purposes of the Rule 704(7) of the Catalist Rules.</p>

# CORPORATE GOVERNANCE REPORT

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4.5	<u>Assessment of Directors' duties</u>	<p>Assessment of the individual Directors' performance was based on the criteria set out in the disclosures pertaining to Principle 5.1 of Table I. The following were used to assess the performance and consider competing time commitments of the Directors: -</p> <ul style="list-style-type: none"> <li>• Declarations by each Director of their other listed company directorships and principal commitments;</li> <li>• Annual confirmations by each Director on his/her ability to devote sufficient time and attention to the Company's affairs, having regard to his/her other commitments; and</li> <li>• Competencies of Directors, size and composition of the Board, capacity, complexity and expectations of the other listed directorships and principal commitments held and nature and scope of the Group's operations and size.</li> </ul> <p>The NC had reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the multiple directorships and principal commitments of each of the Directors (if any) as set out below, and is satisfied that all Directors were able to diligently discharge their duties for FY2024.</p>															
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	<i>Multiple Directorships</i>	
(a)	What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?	The Board has not capped the maximum number of listed company board representations each Director may hold.
(b)	If a maximum has not been determined, what are the reasons?	<p>The NC is of the view that the effectiveness of each of the Directors is best assessed by a qualitative assessment of the Director's contributions, after considering his or her other listed company board directorships and other principal commitments, not guided by a numerical limit.</p> <p>The NC also believes that it is for each Director to assess his/her own capacity and ability to undertake other obligations or commitments together with serving on the Board effectively. The NC does not wish to omit the consideration of an outstanding individuals who, despite the demands on their time, have the capacity to value-add and contribute as members of the Board.</p>
(c)	What are the specific considerations in deciding on the capacity of directors?	<p>The specific considerations in assessing the capacity of Directors include:</p> <ul style="list-style-type: none"> <li>• Expected and/or competing time commitments of Directors, including whether such commitment is a full-time or part-time employment capacity;</li> <li>• Geographical location of Directors;</li> <li>• Size and composition of the Board;</li> <li>• Nature and scope of the Group's operations and size; and</li> <li>• Capacity, complexity and expectations of the other listed directorships and principal commitments held.</li> </ul>
PG 4	<i>Alternate Directors</i>	<p>Alternate directors will be appointed as and when the Board deems necessary. Circumstances which warrant such appointments may include health, age related concerns as well as Management succession plans.</p> <p>The Company currently does not have any alternate directors.</p>

## BOARD PERFORMANCE

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>									
5.1	<u>Performance Criteria</u>	<p>Table 5 sets out the performance criteria, recommended by the NC and approved by the Board, to evaluate the effectiveness of the Board as a whole and assess the contribution by each Director.</p> <p><b>Table 5 - Performance criteria</b></p> <table border="1"> <thead> <tr> <th></th> <th><b>Board</b></th> <th><b>Individual Directors</b></th> </tr> </thead> <tbody> <tr> <td><b>Qualitative</b></td> <td> <ol style="list-style-type: none"> <li>1. Size and composition</li> <li>2. Access to information</li> <li>3. Risk management</li> <li>4. Board processes</li> <li>5. Strategic planning</li> <li>6. Board accountability</li> <li>7. Succession planning</li> </ol> </td> <td> <ol style="list-style-type: none"> <li>1. Commitment of time</li> <li>2. Knowledge and abilities</li> <li>3. Teamwork</li> <li>4. Independence and objectivity</li> <li>5. Integrity</li> <li>6. Overall effectiveness</li> <li>7. Track record in good decision making</li> </ol> </td> </tr> <tr> <td><b>Quantitative</b></td> <td> <ol style="list-style-type: none"> <li>1. Performance of the Group</li> </ol> </td> <td> <ol style="list-style-type: none"> <li>1. Attendance at Board and Board Committee meetings</li> </ol> </td> </tr> </tbody> </table> <p>The NC would review the criteria periodically to ensure that the criteria is able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long term shareholders value, thereafter propose amendments if any, to the Board for approval.</p> <p>The NC did not propose any changes to the performance criteria for FY2024 as compared to the previous financial year as Board composition and the Group's principal business activities remained the same.</p>		<b>Board</b>	<b>Individual Directors</b>	<b>Qualitative</b>	<ol style="list-style-type: none"> <li>1. Size and composition</li> <li>2. Access to information</li> <li>3. Risk management</li> <li>4. Board processes</li> <li>5. Strategic planning</li> <li>6. Board accountability</li> <li>7. Succession planning</li> </ol>	<ol style="list-style-type: none"> <li>1. Commitment of time</li> <li>2. Knowledge and abilities</li> <li>3. Teamwork</li> <li>4. Independence and objectivity</li> <li>5. Integrity</li> <li>6. Overall effectiveness</li> <li>7. Track record in good decision making</li> </ol>	<b>Quantitative</b>	<ol style="list-style-type: none"> <li>1. Performance of the Group</li> </ol>	<ol style="list-style-type: none"> <li>1. Attendance at Board and Board Committee meetings</li> </ol>
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# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
5.2	<u>Performance Review</u>	The reviews of the performance of the Board, Board Committees and individual Directors are conducted by the NC annually and when the individual Director is due for re-election.
	(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	<p>For FY2024, the review process was as follows:</p> <ol style="list-style-type: none"> <li>1. All Directors individually completed board evaluation questionnaires on the effectiveness of the Board, Board Committees and the individual Directors based on criteria disclosed in Table 5 of Principle 5.1;</li> <li>2. The Company Secretary collated and submitted the questionnaire results to the NC Chairman in the form of a report;</li> <li>3. The NC discussed the report, and in particular matters relating to Board composition, Board processes, sustainability, Board strategy, risk management, succession planning and director development; and</li> <li>4. The results of the performance review were deliberated during the NC meeting and tabled at the Board meeting for further discussion.</li> </ol> <p>All NC members have abstained from the voting or review process of any matters in connection with the assessment of his/her performance or re-appointment as a Director of the Company.</p> <p>No external facilitator was used in the evaluation process.</p>
	(b) Has the Board met its performance objectives?	Yes, the Board has met its performance objectives for FY2024.
<b>REMUNERATION MATTERS</b>		
<b>DEVELOPING REMUNERATION POLICIES</b>		
6.1 6.3	<u>Role of the RC</u>	<p>The RC is guided by key terms of reference which includes:</p> <ol style="list-style-type: none"> <li>(a) Review and recommend to the Board a general framework of remuneration and specific remuneration packages for each Director and key management personnel;</li> <li>(b) Consider and approve termination payments, retirement payments, gratuities, ex-gratia payment, severance payments and other similar payments to each member of key management personnel and to review the Company's obligations in the event of termination of the Executive Director's or Key Management Personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC should aim to be fair and avoid rewarding poor performance;</li> <li>(c) Review and recommend to the Board the service contracts of Executive Director/CEO (or equivalent), and key management personnel and ensure that such services contracts are fair and not excessively long or with onerous renewal/termination clauses;</li> </ol>

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
		<p>(d) To periodically consider and review remuneration packages in order to maintain attractiveness, retain and motivate Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company, and to align the level and structure of remuneration with the long-term interests and risk policies of the Company;</p> <p>(e) To review the specific remuneration packages of all managerial staff and employees who are related to any of the Directors or substantial shareholders to ensure that their remuneration packages are in line with the Company's staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities and to review and approve any bonuses, pay increases and/or promotions for these managerial staff and employees;</p> <p>(f) Review the remuneration of employees who are related to the Directors and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guideline and commensurate with their respective job scopes and level of responsibilities; and</p> <p>(g) To approve performance targets for assessing the performance of each key management personnel and recommend such targets as well as employee specific remuneration packages for each of such key management personnel, for endorsement by the Board.</p> <p>The RC's review and recommendations cover all aspects including fees, salaries, allowances, bonuses, options, share-based incentives, awards and benefits-in-kind.</p> <p>Each RC member will abstain from participating in the deliberations of and voting on any resolution in respect of his/her remuneration package or that of employees related to him/her.</p>
6.4	<u>Engagement of Remuneration Consultants</u>	No remuneration consultants were engaged by the Company in FY2024. The Company will continue to monitor the need to engage external remuneration consultants going forward and where applicable, will review the independence of the external firm before any engagement.
6.2	<u>"Claw-back" Provisions</u>	There are no contractual provisions which allows the Company to reclaim incentives from the Executive Director and key management personnel in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the Group and/or Company (and not on forward-looking results) as well as the actual results of its Executive Director and key management personnel, "claw-back" provisions in the service agreements may not be relevant or appropriate.

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

Principle	Code and/or Guide Description	Company's Compliance or Explanation									
<b>LEVEL AND MIX OF REMUNERATION</b>											
<b>DISCLOSURE ON REMUNERATION</b>											
7.1 7.2 7.3 8.1	<u>Remuneration Policy</u>	The Company's remuneration policy which covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, benefits-in-kind, bonuses, options, share-based incentives and awards, is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. The policy articulates to staff that total compensation has been linked to the achievement of organisational and individual performance objectives.									
	<u>Remuneration Structure for Executive Directors and key management personnel</u>	The remuneration received by the Executive Director and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group for FY2024. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary, fixed allowance and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives, for each individual role.									
	(a) Please describe how the remuneration received by Executive Director and key management personnel has been determined by the performance criteria.	The remuneration structure is linked by incorporating key performance indicators, which considers the staff's individual performance and contribution towards the profit before tax of the Group and performance conditions set out in the disclosures for Principle 7.1 of Table I. The senior management proposes the compensation for the Executive Director and key management personnel for the RC's review, which would thereafter recommend for the Board's approval.									
	<u>Performance Criteria</u>	The following performance conditions for determining incentive plans were chosen to motivate Executive Director and key management personnel to work in alignment with the goals of all stakeholders:									
	(b) What were the performance conditions used to determine their entitlement under the short term and long-term incentive schemes?	<p><b>Table 7.1 - Performance Criteria</b></p> <table border="1"> <thead> <tr> <th></th> <th><b>Short-term Incentives</b> (such as performance bonus)</th> <th><b>Long-term Incentives</b> (such as the Kimly Share Incentive Schemes)</th> </tr> </thead> <tbody> <tr> <td><b>Qualitative</b></td> <td>1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices 6. Macro-economic factors</td> <td>1. Employee share options scheme (Kimly Share Option Scheme) 2. Kimly Performance Share Plan 3. Current market and industry practices</td> </tr> <tr> <td><b>Quantitative</b></td> <td>-</td> <td>1. Performance of the Group</td> </tr> </tbody> </table>		<b>Short-term Incentives</b> (such as performance bonus)	<b>Long-term Incentives</b> (such as the Kimly Share Incentive Schemes)	<b>Qualitative</b>	1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices 6. Macro-economic factors	1. Employee share options scheme (Kimly Share Option Scheme) 2. Kimly Performance Share Plan 3. Current market and industry practices	<b>Quantitative</b>	-	1. Performance of the Group
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	(c) Were all of these performance conditions met? If not, what were the reasons?	Yes, the RC has reviewed and is satisfied that the performance conditions were met for FY2024.																																													
7.2	<u>Remuneration Structure of Non-Executive Directors</u>	<p>Non-Executive Directors will each receive their directors' fees in cash. Directors' fees are subjected to shareholders' approval at a general meeting. The fees for the financial year in review are determined in the previous financial year, proposed by the Management and submitted to the RC for review and thereafter recommended by the Board to the shareholders for approval.</p> <p>The RC has reviewed and assessed that the remuneration of the Non-Executive Directors for FY2024 is appropriate, considering their effort, time spent and responsibilities.</p>																																													
8.1(a) 8.1(b)	(a) Has the Company disclosed each Director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/ fixed salary, variable or performance-related income/ bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	<p>The breakdown for the remuneration of the Directors for FY2024 is as follows:</p> <p><b>Table 8 - Remuneration of Directors</b></p> <table border="1"> <thead> <tr> <th>Name</th> <th>Salary (%)</th> <th>Variable or performance-related income/bonus (%)</th> <th>Directors Fees (%)<sup>(1)</sup></th> <th>Total (%)</th> </tr> </thead> <tbody> <tr> <td colspan="5"><b>Between S\$500,001 to S\$750,000</b></td> </tr> <tr> <td>Wong Kok Yoong</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Karen</td> <td>55.2</td> <td>44.8</td> <td>-</td> <td>100.0</td> </tr> <tr> <td colspan="5"><b>Below S\$250,000</b></td> </tr> <tr> <td>Wee Tian Chwee</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Jeffrey</td> <td>-</td> <td>-</td> <td>100.0</td> <td>100.0</td> </tr> <tr> <td>Lim Teck Chai Danny</td> <td>-</td> <td>-</td> <td>100.0</td> <td>100.0</td> </tr> <tr> <td>Lau Chin Huat</td> <td>-</td> <td>-</td> <td>100.0</td> <td>100.0</td> </tr> </tbody> </table> <p>Note:</p> <p>(1) The Directors' fees were approved by the shareholders at the AGM held on 24 January 2024.</p>	Name	Salary (%)	Variable or performance-related income/bonus (%)	Directors Fees (%) <sup>(1)</sup>	Total (%)	<b>Between S\$500,001 to S\$750,000</b>					Wong Kok Yoong					Karen	55.2	44.8	-	100.0	<b>Below S\$250,000</b>					Wee Tian Chwee					Jeffrey	-	-	100.0	100.0	Lim Teck Chai Danny	-	-	100.0	100.0	Lau Chin Huat	-	-	100.0	100.0
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		<p>There was no termination, retirement, post-employment benefits that may be granted to the Directors, and top 5 key management personnel.</p> <p>Although the Code recommends full disclosure in aggregate to the nearest thousand dollars of the total remuneration paid to each individual Director and the Chief Executive Officer (or equivalent) on a named basis as well as the aggregate remuneration paid to the top five key management personnel (who are not Directors or the Chief Executive Officer), the Board is of the opinion that it is not in the best interests of the Company to disclose the exact details of their remuneration due to the competitiveness of the industry for key talent. The Board believes that such disclosure presentation provides sufficient overview of the remuneration of the Directors and key management personnel and that such information would be sufficient to the shareholders for their understanding of the Company's compensation policies.</p>																																													
(b)	<p>Has the Company disclosed each key management personnel's remuneration, in bands of S\$250,000 or more in detail, as well as a breakdown (in percentage or dollar terms) into base/ fixed salary, variable or performance-related income/ bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?</p>	<p>The breakdown for the remuneration of the Company's key management personnel (who are not Directors or the CEO (or equivalent)) for FY2024 is as follows:</p> <p><b>Table 8.1(b) - Remuneration of Key Management Personnel</b></p> <table border="1"> <thead> <tr> <th>Name</th> <th>Salary (%)</th> <th>Bonus (%)</th> <th>Share awards (%)</th> <th>Total (%)</th> </tr> </thead> <tbody> <tr> <td colspan="5"><b>Between S\$500,001 to S\$750,000</b></td> </tr> <tr> <td>Chua Yong Chuan Kelvin</td> <td>44.1</td> <td>30.0</td> <td>25.9</td> <td>100.0</td> </tr> <tr> <td colspan="5"><b>Between S\$250,001 to S\$500,000</b></td> </tr> <tr> <td>Peh Kim Leong Sunny</td> <td>40.9</td> <td>29.9</td> <td>29.2</td> <td>100.0</td> </tr> <tr> <td>Tan Chong Sing Roy</td> <td>45.1</td> <td>29.6</td> <td>25.3</td> <td>100.0</td> </tr> <tr> <td colspan="5"><b>Below S\$250,000</b></td> </tr> <tr> <td>Ronnie Yeo Yien Gee</td> <td>67.7</td> <td>32.3</td> <td>0.0</td> <td>100.0</td> </tr> <tr> <td>Lin Meiqi</td> <td>70.6</td> <td>29.4</td> <td>0.0</td> <td>100.0</td> </tr> </tbody> </table>	Name	Salary (%)	Bonus (%)	Share awards (%)	Total (%)	<b>Between S\$500,001 to S\$750,000</b>					Chua Yong Chuan Kelvin	44.1	30.0	25.9	100.0	<b>Between S\$250,001 to S\$500,000</b>					Peh Kim Leong Sunny	40.9	29.9	29.2	100.0	Tan Chong Sing Roy	45.1	29.6	25.3	100.0	<b>Below S\$250,000</b>					Ronnie Yeo Yien Gee	67.7	32.3	0.0	100.0	Lin Meiqi	70.6	29.4	0.0	100.0
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(c)	<p>Please disclose the aggregate remuneration paid to the top five key management personnel (who are not Directors or the CEO).</p>	<p>The total remuneration paid to the top 5 key management personnel for FY2024 was S\$1,844,000.</p>																																													

# CORPORATE GOVERNANCE REPORT

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8.2	<p><u>Related Employees</u></p> <p>Is there any employee who is an immediate family member of a Director or the CEO, and whose remuneration exceeds S\$100,000 during the last financial year? If so, please identify the employee and specify the relationship with the relevant Director or the CEO.</p>	There was no employee of the Group who was a substantial shareholder, immediate family member of a substantial shareholder, Director or the former CEO (or equivalent) whose remuneration exceeded S\$100,000 in FY2024.
8.3	<p><u>Employee Share Scheme(s)</u></p>	Information on the Company's Kimly Share Incentive Schemes (which includes the Kimly Share Option Scheme and Kimly Performance Share Plan) are set out on pages 62 and 63 of this Annual Report.

## ACCOUNTABILITY AND AUDIT

### RISK MANAGEMENT AND INTERNAL CONTROLS

9 9.1	<p><u>Risk Governance by the Board</u></p>	<p>The Board, with the assistance of the AC, is responsible for the overall risk governance, risk management and internal control systems and framework of the Group. The Board has in place a system of internal controls within the Group to safeguard shareholders' interests and the Group's assets, and to manage risks.</p>
	<p><u>Identification of the Group's risks</u></p>	<p>The Group has established and implemented a risk management framework for the identification, assessment, monitoring and reporting of significant risks. The Board oversees the management in the formulation, update and maintenance of an adequate and effective risk management framework, which the AC reviews the adequacy and effectiveness of the risk management and internal control systems, including financial, operational, compliance and information technology controls, on an annual basis.</p> <p>The Group maintains a risk register which identifies the material risks faced by the Group and the internal controls in place to manage or mitigate those risks. The risk register is updated by the business heads in the Group annually and the AC reviews the risk register on a yearly basis. The Internal Audit function takes into consideration the risks identified and assessed in the risk register and prepares the audit plan for the ensuing financial year. The audit plan is approved by the AC. The Internal Audit function reports all audit findings and recommendations to the AC on quarterly basis and follows up on all recommendations to ensure timely remediation of audit issues.</p>
	<p><u>Management of risks</u></p>	<p>While no system can provide absolute assurance against material loss or financial misstatement, the Group's internal controls are designed to provide reasonable assurance that assets are safeguarded, proper accounting records are maintained and financial information used within the business and for publication is reliable. In designing the internal controls, the Board has had regard to the risks which the business is exposed to and the costs of protecting against such risks.</p>



# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
9.2	<p><u>Confirmation of Internal Controls</u></p> <p>(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.</p>	<p>The Board and the AC are of the view that the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2024.</p> <p>The bases for the Board's view are as follows:</p> <ol style="list-style-type: none"> <li>1. Assurance has been received from the Executive Director/CEO (or equivalent) and the Financial Controller (refer to the disclosures pertaining to Principle 9.2(b) of Table I);</li> <li>2. An internal audit has been done by the IA and significant matters highlighted to the AC and key management personnel were appropriately addressed;</li> <li>3. Key management personnel evaluates, monitors material risks and reports to the AC on a regular basis;</li> <li>4. Discussions were held between the AC and auditors in the absence of the key management personnel to review and address any potential concerns;</li> <li>5. An enterprise risk management framework was established to identify, manage and mitigate significant risks;</li> <li>6. Risk appetite statements with tolerance limits have been approved by the Board to contain risks within acceptable levels; and</li> <li>7. The Group has put in place whistle-blowing procedures by which employees may report and raise any concerns on possible wrongdoing in good faith and in confidence. All concerns can be reported to the AC directly. AC will assess whether action or review is required.</li> </ol>
	<p>(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the IA that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?</p>	<p>Yes, the Board has obtained such assurance from the Executive Director/CEO (or equivalent) and the Financial Controller in respect of FY2024.</p> <p>The Board had additionally relied on IA reports in respect of, amongst others, revenue and cash management, IT general control, IT applications, licensing and permits and interested party transactions issued to the Company as assurances that the Company's risk management and internal control systems are effective.</p>

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>AUDIT COMMITTEE</b>		
10.1 10.3	<u>Role of the AC</u>	<p>All members of the AC are Non-Executive Directors who are independent and do not have any management and business relationships with the Company or any substantial shareholder of the Company. None of the AC members were previous partners or directors of the Company's external audit firm within a period of two years commencing on the date of their ceasing to be a partner of the external audit firm and none of the AC members hold any financial interest in the external audit firm.</p> <p>The AC is guided by its key terms of reference, which includes:</p> <ul style="list-style-type: none"> <li>(a) Reviewing the significant financial reporting issues and judgements to ensure the integrity of the financial statements of the Company and any announcements relating to the Group's financial performance;</li> <li>(b) Reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls;</li> <li>(c) Reviewing the assurance from the Executive Director/CEO (or equivalent) on the financial records and financial statements;</li> <li>(d) Reviewing the adequacy, effectiveness, independence, scope and results of the external audit and internal audit function;</li> <li>(e) Reviewing the scope and results of the external audit, and the independence and objectivity of the EA;</li> <li>(f) Making recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the EA, and the remuneration and terms of engagement of the EA;</li> <li>(g) Reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;</li> <li>(h) Review the system of internal controls and management of financial risks with the internal auditors and the external auditors;</li> <li>(i) Review the co-operation given by the management to the external auditors and internal auditors, where applicable;</li> <li>(j) Review the Group's compliance with such functions and duties as may be required under the relevant statutes or the Rules of Catalist, including such amendments made thereto from time to time;</li> <li>(k) Review and approve any interested person transactions;</li> <li>(l) Review potential conflicts of interest (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests;</li> <li>(m) Review the risk management framework, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, announced immediately via SGXNet;</li> </ul>

# CORPORATE GOVERNANCE REPORT

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<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
		<p>(n) Investigate any matters within its terms of reference;</p> <p>(o) Review the policy and arrangements by which employees may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matters and for appropriate follow-up as well as publicly disclose, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns; and</p> <p>(p) Undertake such other functions and duties as may be required by statute or the Rules of Catalist, and by such amendments made thereto from time to time.</p>
	<u>Whistle Blowing Policy</u>	<p>The Group has implemented a whistle-blowing policy, which provides employees and any other persons with channels through which they may report any concern, irregularity or improper act committed by another employee of the Group. The policy is endorsed by the AC, and any report(s) or concern(s) over wrongdoing or malpractice are made directly to the Chairman of the AC. The AC is committed to ensuring that all reports or complaints, including the identity of the complainant are treated with the utmost confidentiality and privacy.</p> <p>The AC may commission independent investigations of any suspected fraud or irregularity, which has or is likely to have a material impact on the Group's operating results or financial position, and to review the findings of such investigations. The AC is responsible for oversight and monitoring of whistle blowing and ensures that there are unobstructed channels for investigations to be overseen by the AC, where necessary and will review appropriate follow-up actions warranted. The Company is committed to ensuring the protection of the whistleblower against any detrimental and unfair treatment, intimidation, retaliation or adverse employment action, for reports made in good faith and without malice.</p> <p>No whistle-blowing concerns were reported for FY2024.</p>
10.2	<u>Qualification of the AC members</u>	<p>Yes. The Board considers Mr. Wee Tian Chwee Jeffrey, who has extensive and practical accounting and financial management knowledge and experience, well qualified to chair the AC. Mr. Lau Chin Huat also has recent and relevant experience in accounting and financial management.</p> <p>The members of the AC collectively have approximately a combined 96 years of strong accounting and related financial management expertise and experience and are appropriately qualified to discharge their responsibilities.</p>

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
10.4	<u>Internal Audit Function</u>	<p>The Company's internal audit function is outsourced to RSM Risk Advisory Pte Ltd ("RSM"). The AC is responsible for the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation which the internal audit function of the Company is outsourced to RSM reporting primarily to the AC Chairman and submits its audit plans to the AC for approval prior to the commencement of the internal audit.</p> <p>The AC reviewed and is satisfied that internal auditor is able to discharge its duties effectively as the internal auditor:</p> <ul style="list-style-type: none"> <li>• is adequately qualified, given that the partner and staff assigned to the internal audit of the Company are members of the Institute of Internal Auditors and it adheres to the Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors;</li> <li>• is adequately resourced; and</li> <li>• has the appropriate standing in the Company, given, <i>inter alia</i>, its involvement in certain AC meetings and its unfettered access to all the Group's documents, records, properties and personnel, including direct access to the AC.</li> </ul>
10.5	<u>Met Auditors in Management's Absence</u>	The AC has met with the IA and the EA once in the absence of key management personnel in FY2024.
<b>SHAREHOLDER RIGHTS AND ENGAGEMENT</b>		
<b>SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS</b>		
11.1	<u>Shareholders' Participation at General Meetings</u>	Shareholders are entitled to attend the general meetings and are afforded the opportunity to participate effectively in and vote at general meetings. An independent polling agent is appointed by the Company for general meetings who will explain the rules, including the voting procedures, that govern the general meetings of shareholders.
	<u>Appointment of Proxies</u>	The Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote in the shareholder's place at the general meetings. Specified intermediaries, such as banks and capital markets services licence holders which provide custodial services, may appoint more than two proxies.
11.2	<u>Bundling of Resolutions</u>	Resolutions requiring shareholders' approval are tabled separately for adoption at the Company's general meetings unless they are closely related and are more appropriately tabled together. Reasons, and implications of why resolutions are bundled will be set out in the circulars sent out.

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
11.3	<u>Directors' Attendance</u>	<p>The Company requires all Directors (including the respective chairman of the Board Committees) to be present at all general meetings, unless of exigencies. The EA is also required to be present to address shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report.</p> <p>All Directors and EA had attended the annual general meeting held on 24 January 2024.</p>
11.4	<u>Absentia Voting</u>	The Company's Constitution allows for absentia voting, (including but not limited to the voting by mail, electronic mail or facsimile).
11.5	<u>Publication of Minutes</u>	Minutes of the general meetings recording the substantial and relevant comments and queries relating to the agenda of the general meetings raised by the shareholders, together with responses from the Board and management, are prepared by the Company Secretaries. These minutes would be published on the SGXNet and the Company's corporate website within one (1) month from the date of the general meeting.
11.6	<u>Dividend Policy</u>	
	(a) Does the Company have a dividend policy?	The Company does not have a fixed dividend policy. However, the Directors intend to recommend and distribute dividends of not less than 50.0% of the Group's net profit attributable to shareholders as stated in the Offer Document dated 8 March 2017. The key management personnel will review, <i>inter alia</i> , the Group's performance in the relevant financial period, projected capital needs and working capital requirements and make appropriate recommendations to the Board on dividend declaration. Since its IPO in March 2017, the Company has consistently distributed between 50.7% and 80.2% of its net profits as dividends.
	(b) Is the Company paying dividends for the financial year? If not, please explain why.	<p>The Board has proposed a first and final dividend of 1.00 Singapore cent per ordinary share for FY2024 which will be subject to shareholders' approval at the forthcoming AGM.</p> <p>The Company has paid an interim dividend of 1.00 Singapore cent per ordinary share for HYFY2024 on 15 July 2024. The total dividend paid for FY2024 amounted to 2.00 Singapore cents per share, upon the approval of shareholders at the forthcoming AGM.</p>

# CORPORATE GOVERNANCE REPORT

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle</b>	<b>Code and/or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>ENGAGEMENT WITH SHAREHOLDERS</b>		
12.1 12.2 12.3 13.3	<u>Communication with Shareholders</u>  (a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?	<p>The Company solicits feedback from and addresses the concerns of shareholders (including institutional and retail investors) via:</p> <ul style="list-style-type: none"> <li>a dedicated external investor relations team, Woodnote Consulting to assist the Company in its investor relations initiatives and the investor relations team can be reached at <a href="mailto:jingwen@woodnoteconsulting.com">jingwen@woodnoteconsulting.com</a>; and</li> <li>investor/analyst briefings.</li> </ul> <p>In FY2024, the management has also briefed shareholders on the Company's performance during the general meeting held on 24 January 2024.</p>
	(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	The Company has a dedicated investor relations team. The Company's investor relations website is a key resource of information for the investment community. It contains comprehensive information on the Company, including annual reports, past financial results and announcements, upcoming events and dividend information.
	(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNet announcements and the annual report?	<p>Apart from the SGXNet announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website at <a href="https://kimlygroup.sg">https://kimlygroup.sg</a>. All materials presented in general meetings are uploaded on the SGXNet.</p> <p>For enquires and all other matters, shareholders and all other parties can contact the Company at <a href="mailto:marcomm@kimlygroup.sg">marcomm@kimlygroup.sg</a>.</p>
<b>MANAGING STAKEHOLDERS RELATIONSHIP</b>		
<b>ENGAGEMENT WITH STAKEHOLDERS</b>		
13.1 13.2	<u>Stakeholders Management</u>	<p>The Company undertakes an annual review in identifying its material stakeholders. It assesses the material environmental, social and governance factors that affects the Group.</p> <p>Please refer to the Company's latest sustainability report for FY2024 which would be released by 31 January 2025 for the assessment process and how such relationships with stakeholders are managed.</p>

# CORPORATE GOVERNANCE REPORT

**TABLE II - COMPLIANCE WITH CATALIST RULES**

<b>Rule</b>	<b>Rule Description</b>	<b>Company's Compliance or Explanation</b>						
720(5)	<u>Information relating to Directors seeking re-election</u>	In addition to the information relating to the Directors seeking re-election as per Appendix 7F of the Catalist Rules, which are set out in Table III of this report, there is no change to the disclosures of each Director for the disclosures labelled (a) to (k) as per previously announced.						
1204(6)(A)	<u>Non-audit fees</u>	<p><b>Table 1204(6)(A) - Fees paid/payable to the EA for FY2024</b></p> <table border="1"> <thead> <tr> <th></th> <th><b>S\$</b></th> <th><b>% of total</b></th> </tr> </thead> <tbody> <tr> <td><b>Audit fees</b></td> <td>539,000</td> <td>100.0</td> </tr> </tbody> </table>		<b>S\$</b>	<b>% of total</b>	<b>Audit fees</b>	539,000	100.0
	<b>S\$</b>		<b>% of total</b>					
<b>Audit fees</b>	539,000	100.0						
(a)	Please provide a breakdown of the fees paid in total to the EA for audit and non-audit services for the financial year.							
1204(6)(B)	<u>Confirmation by AC</u>	No non-audit services rendered during FY2024.						
(b)	If the EA have supplied a substantial volume of non-audit services to the Company, please state the bases for the AC's view on the independence of the EA.							
1204(6)(C)	<u>Appointment of Auditors</u>	The Company confirms its compliance to Rules 712 and 715 of the Catalist Rules.						
1204(8)	<u>Material Contracts</u>	<p>As at 30 September 2024, the amount owing by the Group to a substantial shareholder, Mr. Lim Hee Liat amounted to S\$3,919,000. The loan is interest-free with no security and has no fixed repayment terms. However, the repayment will be subject to review and approval by the Audit Committee, taking into account the financial position of the Group (including but not limited to the Group's cash flows).</p> <p>Save as disclosed above and in Notes 10 of the notes to the financial statements, there were no material contracts entered into by the Group involving the interest of the CEO (or equivalent), any Director, or controlling shareholder, which are either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.</p>						
1204(10)	<u>Adequacy of Internal Controls</u>	Please refer to the confirmation provided by the Board in Principle 9.2 of Table I.						
1204(10B)	<u>Adequacy of Internal Audit Function</u>	The AC is of the opinion that the internal audit function is independent, effective and adequately resourced. Please refer to the confirmation provided by the Board in Principle 10.4 of Table I.						
1204(17)	<u>Interested Person Transactions ("IPT")</u>	<p>The Group had obtained a general mandate from shareholders for IPTs disclosed in pages 147 to 153 of the Offer Document. The general mandate for IPT has been renewed at the Annual General Meeting held on 24 January 2024.</p> <p>There were no IPTs with value-at-risk of S\$100,000 or more transacted during FY2024.</p>						

# CORPORATE GOVERNANCE REPORT

**TABLE II - COMPLIANCE WITH CATALIST RULES**

<b>Rule</b>	<b>Rule Description</b>	<b>Company's Compliance or Explanation</b>
1204(19)	<u>Dealing in Securities</u>	<p>The Company has adopted an internal policy which prohibits the Directors and officers from dealing in the securities of the Company while in possession of price-sensitive information.</p> <p>The Company, its Directors and officers are also discouraged from dealing in the Company's securities on short term considerations and are prohibited from dealing in the Company's securities during the period beginning one month before the announcement of the Company's half-year and full-year financial statements, and ending on the date of the announcement of the relevant results.</p>
1204(21)	<u>Non-sponsor Fees</u>	No non-sponsor fees were paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. for FY2024.
1204(22)	<u>Use of IPO Proceeds</u>	As at the date of this Annual Report, the status on the use of the IPO net proceeds is as follows:

**Table 1204(22) - Status on the use of IPO net proceeds**

	<b>Allocated</b>	<b>Utilised</b>	<b>Balance</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Acquisitions and joint ventures and general business expansion (including establishment of new food outlets)	30,363	(30,363)	-
Refurbishment and renovation of existing food outlets	3,000	(3,000)	-
Headquarters/Central Kitchen upgrading	5,000	(4,074)	926
Productivity initiatives/IT	2,000	(2,000)	-
Listing expenses	3,087	(3,087)	-
<b>Total</b>	<b>43,450</b>	<b>(42,524)</b>	<b>926</b>

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



# CORPORATE GOVERNANCE REPORT

Please refer to the table below for additional information on Directors to be re-elected at the forthcoming AGM:

**TABLE III - INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION**

	Name of Director to be re-elected	
	Wee Tian Chwee Jeffrey	Wong Kok Yoong Karen
Date of appointment announcement ("Previous Announcement")	15 February 2017	29 November 2018
Any changes to the Previous Announcement?	No	No
Date of last re-appointment	18 January 2023	18 January 2023
Age	75	48
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Nominating Committee ("NC"), having considered the attendance and participation of Mr. Wee at Board and Board Committees' meetings, and taking into account Mr. Wee's track record, experience and capabilities to, amongst others, provide insight and guidance to the Group's business and strategies, had recommended to the Board the re-election of Mr. Wee who will be retiring pursuant to Regulation 112 of the Company's Constitution at the forthcoming AGM.</p> <p>The Board supported the NC's recommendation.</p> <p>Mr. Wee had abstained from voting on any resolution and making any recommendation and/or participating in respect of his own re-election.</p>	<p>The NC, having considered the attendance and participation of Ms. Wong at Board and Board Committees' meetings, in particular, Ms. Wong's contributions to the Company as well as Board processes, had recommended to the Board the re-election of Ms. Wong who will be retiring pursuant to Regulation 112 of the Company's Constitution at the forthcoming AGM.</p> <p>The Board supports the NC's recommendation.</p> <p>Ms. Wong had abstained from voting on any resolution and making any recommendation and/or participating in respect of her own re-election.</p>

# CORPORATE GOVERNANCE REPORT

**TABLE III - INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION**

	Name of Director to be re-elected	
	Wee Tian Chwee Jeffrey	Wong Kok Yoong Karen
Whether the appointment has changed from non-executive to executive. If so, please state the area of responsibility	Non-Executive	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Chairman of the Audit Committee and Remuneration Committee member	Executive Director and Nominating Committee member
Professional qualifications	A member of the Institute of Singapore Chartered Accountants and a fellow member of The Association of Chartered Certified Accountants.	<ul style="list-style-type: none"> <li>Bachelor of Accounting (Hons), Northern University of Malaysia</li> <li>Chartered Accountant of the Malaysian Institute of Accountants</li> <li>Member of the Malaysian Institute of Certified Public Accountants</li> </ul>
Working experience and occupation(s) during the past 10 years	Professional experience includes the audit of diverse companies ranging from small and medium-sized enterprises to Singapore Listed Companies and multinational corporations. He also worked for Metal Box Singapore Limited as Chief Accountant prior to practice as a public accountant at T. C. Wee & Co., which he established since 1981.	<ul style="list-style-type: none"> <li>November 2021 to present – Executive Director, Kimly Limited</li> <li>November 2018 to October 2021 – Finance Director, Kimly Limited</li> <li>June 2016 to November 2018 – Chief Financial Officer, Kimly Limited</li> <li>December 2015 to May 2016 – Regional Financial Controller, Connell Bros. Holding (Singapore) Pte. Ltd.</li> <li>November 2013 to November 2015 – Regional Head, Financial Planning &amp; Analysis, Maybank Investment Banking Group</li> </ul>
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Any relationship (including immediate family member relationships) with any existing director, existing executive officer, the Company and/or substantial shareholder of the Company or any of its principal subsidiaries	Nil	Nil
Conflict of Interest (including any competing business)	Nil	Nil

# CORPORATE GOVERNANCE REPORT

**TABLE III - INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION**

	Name of Director to be re-elected	
	Wee Tian Chwee Jeffrey	Wong Kok Yoong Karen
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) submitted to the Company?	Yes	Yes
<b>Other Principal Commitments* (Past for the last 5 years &amp; Present)</b>	T.C. Wee & Co.	Nil
<b>Including Directorship#</b>		
* "Principal Commitments" has the same meaning as defined in the Code.		
# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)		
<b><i>The general statutory disclosures of the Directors are as follows:</i></b>		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

# CORPORATE GOVERNANCE REPORT

**TABLE III - INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION**

	Name of Director to be re-elected	
	Wee Tian Chwee Jeffrey	Wong Kok Yoong Karen
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: -		
- any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No

# CORPORATE GOVERNANCE REPORT

**TABLE III - INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION**

	Name of Director to be re-elected	
	Wee Tian Chwee Jeffrey	Wong Kok Yoong Karen
- any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
- any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
- any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
<b>Prior Experience as a Director of a Listed Company on the Exchange</b>		
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable. This relates to the re-election of a director.	Not applicable. This relates to the re-election of a director.
Attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange?	N.A	N.A
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A	N.A

N.A - Not Applicable

# DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Kimly Limited (the “Company”) and its subsidiaries (collectively, the “Group”) and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 September 2024.

## 1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2024 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## 2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Lau Chin Huat  
Wee Tian Chwee Jeffrey  
Lim Teck Chai Danny  
Wong Kok Yoong

## 3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Except as described in paragraph five below, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

## 4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

# DIRECTORS' STATEMENT

## 4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)

Name of director	Direct interest			Deemed interest		
	At the beginning of financial year	At the end of financial year	At 21 October 2024	At the beginning of financial year	At the end of financial year	At 21 October 2024
<b>Ordinary shares of the Company</b>						
Lau Chin Huat	1,280,000	1,280,000	1,280,000	-	-	-
Lim Teck Chai Danny	-	-	-	684,600*	684,600*	684,600*

\* This represents Mr. Lim Teck Chai Danny's indirect interest held in the name of iFast Financial Pte Ltd.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

## 5. SHARE OPTIONS AND AWARDS

On 15 February 2017, the Company adopted the Kimly Employee Share Option Scheme and Kimly Performance Share Plan for the granting of non-transferable share options and awards, respectively. These options and awards are settled by the physical delivery of the ordinary shares of the Company to eligible participants (including Executive Director and Independent Directors).

The Kimly Employee Share Option Scheme ("Kimly ESOS") and Kimly Performance Share Plan ("Kimly PSP") are administrated by the Remuneration Committee of the Company, whose members include Mr. Lim Teck Chai Danny, Mr. Wee Tian Chwee Jeffrey and Mr. Lau Chin Huat as at the date of this report.

Since the commencement of the Kimly ESOS and Kimly PSP till the end of the financial year, no options or awards of shares has been granted to directors or controlling shareholders.

The following table illustrates the movement in the share awards during the financial year:

	Group	
	2024	2023
	No. of share awards	No. of share awards
Outstanding as at 1 October	1,986,330	926,200
Movement during the financial year		
- awarded	2,616,827	3,063,889
- granted via the transfer of Treasury Shares	(2,400,631)	(2,003,759)
Outstanding as at 30 September	2,202,526	1,986,330

# DIRECTORS' STATEMENT

## 5. SHARE OPTIONS AND AWARDS (CONT'D)

The weighted average market price (last done price) of the share awards on dates of grant for the financial year was \$0.322 (2023: \$0.351) per share. The share awards expire on 15 July 2026, and are vested over three years from the date of grant if the employees remain in service and that certain key performance indicators are fulfilled as detailed in Note 9 of the financial statements.

There is no employee who received 5% or more of the total shares available under the Kimly PSP since the commencement of the Kimly PSP till the end of the financial year.

Since the commencement of the Kimly Employee Share Option Scheme till the end of the financial year, no option has been granted.

## 6. AUDIT COMMITTEE

The Audit Committee performed the functions specified in the Singapore Companies Act 1967. The functions performed are detailed in the Corporate Governance Report.

## 7. AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors,

Lau Chin Huat  
Director

Wong Kok Yoong  
Director

7 January 2025



# INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 September 2024

Independent auditor's report to the members of Kimly Limited

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Kimly Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 30 September 2024, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matters below, our description of how our audit addressed the matters is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

# INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 September 2024

Independent auditor's report to the members of Kimly Limited

## Key audit matters (cont'd)

### *Completeness of revenue*

For the financial year ended 30 September 2024, the Group's revenue from sale of food, beverages and tobacco products amounted to \$264,154,000, which accounted for 82.7% of the Group's revenue. Revenue from the sale of food, beverages and tobacco products is recognised based on actual cash receipts from customers comprises a large volume of low-value cash transactions. Given the large volume of cash transactions and as cash is susceptible to theft and pilferage, we have focused on the completeness of cash and the corresponding revenue as a key audit matter.

As part of our audit, we obtained an understanding of matters that could result in risk of material misstatement to revenue. We evaluated the design and tested the operating effectiveness of key internal controls that the Group has put in place to ensure cash sales are appropriately recorded. We assessed management's review of monthly outlet operating margins and the reconciliation of revenue to cash receipts to assess completeness of revenue. We also performed sales cut-off procedures through cash cut-off testing to evaluate the completeness of revenue recorded as at 30 September 2024. We used data analytics technique to analyse the correlation between revenue, trade receivables and cash to evaluate the occurrence and completeness of revenue recorded during the financial year ended 30 September 2024. We assessed the adequacy of the disclosures related to revenue and cash and cash equivalents in Note 4 and Note 23 respectively.

### **Other information**

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 September 2024

Independent auditor's report to the members of Kimly Limited

## Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 September 2024

Independent auditor's report to the members of Kimly Limited

## Auditor's responsibilities for the audit of the financial statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tan Peck Yen.

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore  
7 January 2025

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 September 2024

(Amounts in Singapore Dollars)

	Note	2024 \$'000	2023 \$'000
<b>Revenue</b>	4	319,380	313,852
Cost of sales		(228,812)	(224,965)
<b>Gross profit</b>		90,568	88,887
<b>Other items of income</b>			
Other operating income	5	2,925	6,629
Finance income	6	1,825	1,606
<b>Other items of expense</b>			
Selling and distribution expenses		(18,139)	(17,037)
Administrative expenses		(30,280)	(27,981)
Finance costs	6	(4,385)	(3,755)
Other operating expenses	7	(1,629)	(1,872)
Share of profit of an associate and joint ventures	18,19	758	695
<b>Profit before tax</b>	8	41,643	47,172
Income tax expense	11	(5,495)	(7,898)
<b>Profit for the year</b>		36,148	39,274
<b>Profit attributable to:</b>			
Owners of the Company		33,120	36,474
Non-controlling interests		3,028	2,800
<b>Profit for the year</b>		36,148	39,274
<b>Earnings per share (cents per share)</b>			
- Basic	12	2.67	2.94
- Diluted	12	2.66	2.93

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENTS OF FINANCIAL POSITION

As at 30 September 2024

(Amounts in Singapore Dollars)

	Note	Group		Company	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	72,780	73,007	-	-
Investment properties	14	6,510	6,653	-	-
Intangible assets and goodwill	15	58,660	60,229	-	-
Right-of-use assets	16	130,985	72,612	-	-
Investment in subsidiaries	17	-	-	239,297	239,297
Investment in an associate and joint ventures	18,19	12,057	12,585	-	-
Deferred tax assets	20	147	233	-	-
Other receivables	21	5,329	3,469	-	-
		286,468	228,788	239,297	239,297
<b>Current assets</b>					
Trade and other receivables	21	10,098	12,086	96,583	106,081
Inventories	22	2,791	3,392	-	-
Prepayments		2,667	502	30	33
Cash and cash equivalents	23	98,492	89,062	33,680	32,183
		114,048	105,042	130,293	138,297
<b>Total assets</b>		<b>400,516</b>	<b>333,830</b>	<b>369,590</b>	<b>377,594</b>
<b>Current liabilities</b>					
Trade and other payables	24	27,775	27,554	25,953	35,531
Other liabilities	25	17,625	16,100	654	626
Interest-bearing loans and borrowings	26	5,253	786	-	-
Obligations under finance lease		15	-	-	-
Lease liabilities	16	36,579	35,527	-	-
Provision for restoration costs	27	280	573	-	-
Provision for taxation		8,837	9,238	252	245
		96,364	89,778	26,859	36,402
<b>Net current assets</b>		<b>17,684</b>	<b>15,264</b>	<b>103,434</b>	<b>101,895</b>

# STATEMENTS OF FINANCIAL POSITION

As at 30 September 2024

(Amounts in Singapore Dollars)

	Note	Group		Company	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings	26	11,653	16,906	-	-
Obligations under finance lease		53	-	-	-
Lease liabilities	16	98,621	41,129	-	-
Deferred tax liabilities	20	1,544	1,813	-	-
Other payables	24	1,128	1,114	-	-
Provision for restoration costs	27	1,084	510	-	-
		114,083	61,472	-	-
<b>Total liabilities</b>		210,447	151,250	26,859	36,402
<b>Net assets</b>		190,069	182,580	342,731	341,192
<b>Equity attributable to owners of the Company</b>					
Share capital	28(a)	316,145	316,145	316,145	316,145
Treasury shares	28(b)	(2,532)	(2,520)	(2,532)	(2,520)
Share-based compensation reserve	28(c)	140	140	140	140
Other reserves	29	(120,123)	(120,123)	-	-
Premium paid on acquisition of non-controlling interests	2.4(c)	(113,030)	(113,030)	-	-
Retained earnings		102,658	95,870	28,978	27,427
		183,258	176,482	342,731	341,192
Non-controlling interests		6,811	6,098	-	-
<b>Total equity</b>		190,069	182,580	342,731	341,192
<b>Total equity and liabilities</b>		400,516	333,830	369,590	377,594

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 September 2024

(Amounts in Singapore Dollars)

		Attributable to owners of the Company								
		Share capital	Treasury shares	Share-based compensation	Other reserves	Premium paid on acquisition of non-controlling interests	Retained earnings	Total	Non-controlling interests	Total equity
Note		(Note 28a)	(Note 28b)	(Note 28c)	(Note 29)					
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>										
	At 1 October 2023	316,145	(2,520)	140	(120,123)	(113,030)	95,870	176,482	6,098	182,580
	Profit for the year, representing total comprehensive income for the year	-	-	-	-	-	33,120	33,120	3,028	36,148
	<u>Contributions by and distributions to owners</u>									
	Dividends on ordinary shares	34	-	-	-	-	(26,332)	(26,332)	(2,315)	(28,647)
	Purchase of treasury shares	28(b)	-	(703)	-	-	-	(703)	-	(703)
	Share-based payment expenses (Kimly Performance Share Plan)	9	-	-	691	-	-	691	-	691
	Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	28(b)	-	691	(691)	-	-	-	-	-
	Total contributions by and distributions to owners		-	(12)	-	-	(26,332)	(26,344)	(2,315)	(28,659)
	At 30 September 2024	316,145	(2,532)	140	(120,123)	(113,030)	102,658	183,258	6,811	190,069



# STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 September 2024

(Amounts in Singapore Dollars)

	Attributable to owners of the Company									
	Note	Share capital	Treasury shares	Share-based compensation reserve	Other reserves	Premium paid on acquisition of non-controlling interests	Retained earnings	Total	Non-controlling interests	Total equity
		(Note 28a)	(Note 28b)	(Note 28c)	(Note 29)					
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>										
At 1 October 2022	316,145	(1,818)	140	(120,123)	(113,030)	80,290	161,604	5,173	166,777	
Profit for the year, representing total comprehensive income for the year	-	-	-	-	-	36,474	36,474	2,800	39,274	
Contributions by and distributions to owners										
Dividends on ordinary shares	34	-	-	-	-	(20,894)	(20,894)	(1,875)	(22,769)	
Purchase of treasury shares	28(b)	-	(1,249)	-	-	-	(1,249)	-	(1,249)	
Share-based payment expenses (Kimly Performance Share Plan)	9	-	-	547	-	-	547	-	547	
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	28(b)	-	547	(547)	-	-	-	-	-	
Total contributions by and distributions to owners		-	(702)	-	-	(20,894)	(21,596)	(1,875)	(23,471)	
At 30 September 2023	316,145	(2,520)	140	(120,123)	(113,030)	95,870	176,482	6,098	182,580	

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 September 2024

(Amounts in Singapore Dollars)

	Note	Share capital (Note 28a) \$'000	Treasury shares (Note 28b) \$'000	Share-based compensation reserve (Note 28c) \$'000	Retained earnings \$'000	Total \$'000
<b>Company</b>						
At 1 October 2023		316,145	(2,520)	140	27,427	341,192
Profit for the year, representing total comprehensive income for the year		-	-	-	27,883	27,883
<u>Contributions by and distributions to owners</u>						
Dividends on ordinary shares	34	-	-	-	(26,332)	(26,332)
Purchase of treasury shares	28(b)	-	(703)	-	-	(703)
Share-based payment expenses (Kimly Performance Share Plan)	9	-	-	691	-	691
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	28(b)	-	691	(691)	-	-
Total contributions by and distributions to owners		-	(12)	-	(26,332)	(26,344)
At 30 September 2024		316,145	(2,532)	140	28,978	342,731
At 1 October 2022		316,145	(1,818)	140	22,933	337,400
Profit for the year, representing total comprehensive income for the year		-	-	-	25,388	25,388
<u>Contributions by and distributions to owners</u>						
Dividends on ordinary shares	34	-	-	-	(20,894)	(20,894)
Purchase of treasury shares	28(b)	-	(1,249)	-	-	(1,249)
Share-based payment expenses (Kimly Performance Share Plan)	9	-	-	547	-	547
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	28(b)	-	547	(547)	-	-
Total contributions by and distributions to owners		-	(702)	-	(20,894)	(21,596)
At 30 September 2023		316,145	(2,520)	140	27,427	341,192

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 September 2024

(Amounts in Singapore Dollars)

**Note**      **2024**      **2023**  
**\$'000**      **\$'000**

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>Operating activities</b>			
Profit before tax		41,643	47,172
<u>Adjustments for:</u>			
Amortisation of intangible assets	15	1,571	1,578
Depreciation of investment properties	14	143	143
Depreciation of property, plant and equipment	13	6,636	6,010
Depreciation of right-of-use assets	16	39,615	37,655
Gain on derecognition of right-of-use assets and lease liabilities	5	(1)	(115)
Gain on disposal of property, plant and equipment	5	(42)	(154)
Gain on disposal of Confectionary Business	5	-	(2,514)
Impairment loss on right-of-use assets	7	-	285
Interest expense on lease liabilities	16	3,738	3,272
Interest expense on loans and borrowings	6	646	483
Interest expense on obligations under finance lease	6	1	-
Interest income arising from the discount implicit in non-current receivables	6	-	(206)
Interest income from short-term deposits	6	(1,825)	(1,400)
Reversal of impairment loss on property, plant and equipment	13	-	(185)
Share of profit of an associate and joint ventures	18,19	(758)	(695)
Share-based payments (Kimly Performance Share Plan)	9	691	547
Write-off of property, plant and equipment	7	58	2
Total adjustments		50,473	44,706
<b>Operating cash flows before changes in working capital</b>		<b>92,116</b>	<b>91,878</b>
<u>Changes in working capital</u>			
Decrease in trade and other receivables		48	750
Decrease in inventories		601	491
(Increase)/decrease in prepayments		(2,165)	419
Decrease in trade and other payables		(267)	(208)
Increase in other liabilities		1,525	1,120
Total changes in working capital		(258)	2,572
<b>Cash flows from operations</b>		<b>91,858</b>	<b>94,450</b>
Interest received		1,906	1,185
Income taxes paid		(6,079)	(7,299)
<b>Net cash flows generated from operating activities</b>		<b>87,685</b>	<b>88,336</b>
<b>Investing activities</b>			
Dividend income received from associate and joint ventures		1,285	1,148
Repayment of Earn-out Consideration and purchase consideration adjustment		-	(5,494)
Proceeds from disposal of Confectionary Business		-	2,800
Proceeds from disposal of property, plant and equipment		124	178
Purchase of property, plant and equipment	A	(5,692)	(4,972)
Purchase of intangible assets		(2)	(7)
<b>Net cash flows used in investing activities</b>		<b>(4,285)</b>	<b>(6,347)</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 September 2024

(Amounts in Singapore Dollars)

	Note	2024 \$'000	2023 \$'000
<b>Financing activities</b>			
Dividends paid on ordinary shares	34	(26,332)	(20,894)
Dividends paid to non-controlling interests		(2,315)	(1,875)
Interest expense on lease liabilities paid	16	(3,738)	(3,272)
Interest expense on loans and borrowings paid	6	(646)	(483)
Interest expense on obligations under finance leases paid	6	(1)	-
Purchase of treasury shares	28(b)	(703)	(1,249)
Repayment of obligations under finance lease		(6)	-
Repayment of lease liabilities		(39,443)	(37,223)
Repayment of loans and borrowings	26	(786)	(5,553)
<b>Net cash flows used in financing activities</b>		<b>(73,970)</b>	<b>(70,549)</b>
Net increase in cash and cash equivalents		9,430	11,440
<b>Cash and cash equivalents at 1 October</b>		<b>89,062</b>	<b>77,622</b>
<b>Cash and cash equivalents at 30 September</b>	23	<b>98,492</b>	<b>89,062</b>

## NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

### A. Property, plant and equipment

	Note	2024 \$'000	2023 \$'000
Current year additions to property, plant and equipment	13	6,549	5,461
Less:			
(Provision for)/reversal of restoration costs, net	27	(281)	142
Increase in other payables		(502)	(631)
Obligations under finance lease		(74)	-
<b>Net cash outflow for purchase of property, plant and equipment</b>		<b>5,692</b>	<b>4,972</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 1. CORPORATE INFORMATION

### 1.1 *The Company*

Kimly Limited (the “Company”) was incorporated on 23 May 2016 under the Companies Act and domiciled in Singapore. On 3 February 2017, the Company was converted into a public company limited by shares and changed its name from Kimly Pte. Ltd. to Kimly Limited. The Company was listed on the Catalist of Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 20 March 2017.

The registered office and principal place of business of the Company is located at 13 Woodlands Link, Singapore 738725.

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries are disclosed in Note 17 to the financial statements.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 *Basis of preparation*

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”).

The consolidated financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

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

### 2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 October 2023. Except for the adoption of the amendments to the SFRS(I) 1-1 and SRFS(I) Practice Statement 2: Disclosure of Accounting Policies, the adoption of these new standards and interpretations did not have any material effect on the financial performance or position of the Group.

#### *Amendments to SFRS(I) 1-1 and SRFS(I) Practice Statement 2: Disclosure of Accounting Policies*

The amendments to SFRS(I) 1-1 and SRFS(I) Practice Statement 2 *Making Materiality Judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have an impact on the Group’s disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group’s financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 1-21: Lack of Exchangeability	1 January 2025
SFRS(I) 9, SFRS(I) 7: Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Except for the below, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

#### *SFRS(I) 18: Presentation and Disclosure in Financial Statements*

SFRS(I) 18 is a new standard that replaces SFRS(I) 1-1 Presentation of Financial Statements. SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The amendments will have impact on disclosure in the financial statements but not on the measurement or recognition of any items in the Group's financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.4 *Basis of consolidation and business combinations*

#### (a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

#### (b) *Business combinations and goodwill*

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill have been allocated are tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.4 *Basis of consolidation and business combinations (cont'd)*

#### (c) *Business combinations involving businesses or entities under common control*

Business combinations involving businesses or entities under common control are accounted for by applying the pooling of interest method which involves the following:

- Assets, liabilities, reserves, revenue and expenses of consolidated business or entities are reflected at their existing amounts;
- The retained earnings recognised in the consolidated financial statements are the retained earnings of the combining entities or businesses immediately before the combination; and
- No additional goodwill is recognised as a result of the combination.

On 1 October 2016, the Group underwent a corporate reorganisation in preparation for its listing on the SGX-ST (the "Restructuring Exercise"). The Group acquired all of the issued and paid-up ordinary shares of its subsidiaries from non-controlling interests which was satisfied through the issuance of ordinary shares in the Company. The difference between the fair value of the consideration shares and the carrying value of the additional interest acquired from the non-controlling interests has been recognised as "Premium paid on acquisition of non-controlling interests" within equity amounting to \$113,030,000.

### 2.5 *Transactions with non-controlling interests*

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.6 *Investment properties*

Investment properties are properties that are either owned by the Group to earn rentals and/or for capital appreciation, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Depreciation of an investment property begins when it is available for use and is computed on a straight-line basis over the estimated useful life of 50 years.

### 2.7 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Freehold building	50 years
Leasehold buildings	30 – 63 years
Electrical and renovations	3 – 8 years
Equipment and fittings	3 – 8 years
Motor vehicles	5 – 10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.8 *Intangible assets*

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

#### *Lease assignment fees*

Lease assignment fees are amounts paid to the previous tenants of the Group's leased premises when the leases were transferred to the Group. These lease assignment fees are amortised on a straight-line basis over the expected benefit period of between 7 to 12 years. As at 30 September 2024, the remaining amortisation period is 1 to 6 years (2023: 2 to 7 years).

#### *Computer software*

Computer software is initially capitalised at cost, which includes the purchase price and other directly attributable cost of preparing the asset for its intended use. Costs associated with maintaining the computer software are recognised as an expense when they incurred.

Computer software is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over the useful life of 3 years. As at 30 September 2024, the remaining amortisation period is 0 to 3 years (2023: 0 to 3 years).

#### *Trademarks*

The trademarks were acquired in business combinations. The registered trademarks relating to the Tenderfresh Group are amortised over their estimated useful lives of 10 years. As at 30 September 2024, the remaining amortisation period is 7 years (2023: 8 years).

#### *Customer contracts*

The customer contracts were acquired in a business combination. The useful lives of the customer contracts are estimated to be 10 years based on the current assessment. The customer contracts are amortised on a straight-line basis over the expected benefit period. As at 30 September 2024, the remaining amortisation period is 7 years (2023: 8 years).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.9 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment losses relating to goodwill cannot be reversed in future periods.

### 2.10 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investment in subsidiaries is accounted for at cost less impairment losses.

### 2.11 *Associate and joint ventures*

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint ventures is accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint ventures since the acquisition date. Goodwill relating to the associate or joint ventures is included in the carrying amount of the investment and is not tested for impairment separately.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.11 *Associate and joint ventures (cont'd)*

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the associate or joint ventures. In addition, when there has been a change recognised directly in the equity of the associate or joint ventures, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint ventures.

The aggregate of the Group's share of profit or loss of an associate and joint ventures is shown on the face of the consolidated statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint ventures.

The financial statements of the associate or joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of an associate and joint ventures' in the consolidated statement of comprehensive income.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

### 2.12 *Financial instruments*

#### (a) *Financial assets*

##### *Initial recognition and measurement*

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.12 *Financial instruments (cont'd)*

#### (a) *Financial assets (cont'd)*

##### *Subsequent measurement*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset.

##### *Amortised cost*

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are de-recognised or impaired, and through amortisation process.

##### *De-recognition*

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

#### (b) *Financial liabilities*

##### *Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

##### *Subsequent measurement*

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

##### *De-recognition*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.13 *Impairment of financial assets*

The Group recognises an allowance for expected credit losses ("ECL") for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default ("a lifetime ECL").

For trade receivables, the Group applies a simplified approach in calculating ECL. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 2.14 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.15 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for on a first-in first-out basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.17 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grants shall be recognised in profit or loss on a systematic basis over the periods which the Group recognises as expenses the related costs for which the grants are intended to compensate.

### 2.18 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.13 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.19 *Employee benefit*

#### (a) *Defined contribution plans*

The Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

#### (b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period. The liability for leave expected to be settled beyond twelve months from the end of the reporting period is determined using the projected unit credit method. The net total of service costs, net interest on the liability and remeasurement of the liability are recognised in profit or loss.

#### (c) *Employee share awards plan*

Employees of the Group receive remuneration in the form of share awards as consideration for services rendered. The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the share awards at the date on which the share awards are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the share-based compensation reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of share awards that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The share-based compensation reserve is transferred to retained earnings upon expiry of the share awards.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.20 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *Group as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (a) *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Coffee shops, food courts, restaurants, and retail shops	2 to 10 years
Office and central kitchen premises	2 to 17 years
Residential units	2 years
Motor vehicles	3 to 7 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.9. The Group's right-of-use assets are presented in Note 16.

#### (b) *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.20 *Leases (cont'd)*

*Group as a lessee (cont'd)*

#### (b) *Lease liabilities (cont'd)*

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are presented in Note 16.

#### (c) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

*Group as a lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The accounting policy for rental income is set out in Note 2.21(b). Contingent rents are recognised as revenue in the period in which they are earned.

### 2.21 *Revenue*

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

#### (a) *Revenue from sale of food, beverages and tobacco products*

Revenue is recognised when the food, beverages and tobacco products are delivered to the customer and all criteria for acceptance have been satisfied at a point in time.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.21 Revenue (cont'd)

(b) *Rental income*

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(c) *Provision of cleaning and utilities services*

Revenue from provision of cleaning and utilities services to the tenants are recognised over the terms of the service agreement.

(d) *Outlet management fee*

Revenue from the rendering of outlet management services is recognised over time on a straight-line basis over the terms of the service agreements. Additional revenue from incentives when performance indicators are met is recognised in the period in which they are earned and when the amount can be measured reliably.

### 2.22 Taxes

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investment in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.22 Taxes (cont'd)

#### (b) *Deferred tax (cont'd)*

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business consolidation and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investment in subsidiaries, associates and joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

#### (c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.23 *Segment reporting*

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge.

The segment managers report directly to the management of the Company who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 31, including the factors used to identify the reportable segments and the measurement basis of segment information.

### 2.24 *Share capital and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

### 2.25 *Treasury shares*

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

### 2.26 *Contingencies*

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## 4. REVENUE

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 5. OTHER OPERATING INCOME

	Group	
	2024 \$'000	2023 \$'000
Government grants:		
- Jobs Growth Incentive	478	404
- Senior Employment Credit	530	1,112
- Wage Credit Scheme	-	365
- Others	241	275
Gain on derecognition of right-of-use assets and lease liabilities	1	115
Gain on disposal of property, plant and equipment	42	154
Gain on disposal of Confectionary Business	-	2,514
Insurance claims	255	213
Reversal of impairment loss on property, plant and equipment	-	185
Sponsorships	725	550
Others	653	742
	2,925	6,629

### **Jobs Growth Incentive**

The Jobs Growth Incentive ("JGI") is a wage support scheme introduced in 2020 to encourage employers to hire more locals in response to challenges posed by the COVID-19 pandemic. Payouts are automatically disbursed to eligible employers based on their monthly CPF contributions for newly hired local employees, provided they increase their overall local workforce size and retain the new hires for at least three months. Employers can receive up to 50% of the first \$6,000 of gross monthly wages for employees aged 40 and above or persons with disabilities ("PWDs"), and up to 25% for employees below 40. Wage support is available for up to 12 months for most employees, with an extension to 18 months for mature workers aged 40 and above, long-term unemployed individuals, and PWDs.

From 1 April 2021, the JGI offered enhanced wage subsidies to incentivise employers to hire and integrate long-term unemployed individuals who had been out of work for at least six months. The scheme has ended, with the last JGI payout made in December 2023.

### **Senior Employment Credit**

The Senior Employment Credit was introduced as a 2020 Unity Budget to support employers in implementing the key recommendations by the Tripartite Workgroup on Older Workers on increasing the Retirement Age, Re-employment Age, and CPF contribution rates of senior workers. From 1 January 2021 to 31 December 2022, the wage offset applies to Singaporean workers aged 55 and above and earning below \$4,000 per month. From 1 January 2023 to 31 December 2025, the criteria shifted to focus on Singaporean workers aged 60 and above and earning up to \$4,000 per month. During this period, employers receive wage offsets of up to 8% for eligible workers, with higher offsets allocated to older workers to encourage retention and re-employment.

### **Wage Credit Scheme**

The Wage Credit Scheme ("WCS") was introduced as a 2013 Budget and extended in Budget 2015 to help businesses which may face rising wage costs in a tight labour market. Under this scheme, the Singapore Government will co-fund 20% and 15% of qualifying wage increases given to the Group's Singaporean employees earning a gross monthly wage of \$5,000 and below for 2019 and 2020 respectively. This was further extended by one year to 2021, with the government co-funding ratio remaining at 15% and the qualifying gross wage ceiling at \$5,000. The final disbursement under WCS was made in March 2022, marking the conclusion of the scheme.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 5. OTHER OPERATING INCOME (CONT'D)

### *Sponsorships*

Income from sponsorships refer to marketing incentives received from suppliers over the sponsorship period.

## 6. FINANCE INCOME/(COSTS)

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Finance income</b>		
Interest income from:		
- Short-term deposits	1,825	1,400
- Interest income arising from the discount implicit in non-current receivables	-	206
	<b>1,825</b>	<b>1,606</b>
<b>Finance costs</b>		
Interest expense on:		
- Lease liabilities	(3,738)	(3,272)
- Loans and borrowings	(646)	(483)
- Obligations under finance lease	(1)	-
	<b>(4,385)</b>	<b>(3,755)</b>

## 7. OTHER OPERATING EXPENSES

	<b>Note</b>	<b>Group</b>	
		<b>2024</b>	<b>2023</b>
		<b>\$'000</b>	<b>\$'000</b>
Amortisation of intangible assets	15	1,571	1,578
Impairment loss on right-of-use assets	16	-	285
Write-off of property, plant and equipment		58	2
Others		-	7
		<b>1,629</b>	<b>1,872</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 8. PROFIT BEFORE TAX

The following expense items have been included in arriving at profit before tax:

	Note	Group	
		2024 \$'000	2023 \$'000
Audit fees to auditors of the Company		539	549
Non-audit fees:			
- Other auditors		45	47
Depreciation of property, plant and equipment	13	6,636	6,010
Depreciation of investment properties	14	143	143
Depreciation of right-of-use assets	16	39,615	37,655
Directors' fees		200	200
Employee benefits expenses	9	97,504	91,493
Lease expenses not capitalised in lease liabilities, net of rental relief received*		3,351	3,419

\* During the financial year ended 30 September 2024, the Group recognised rent concessions of \$113,000 (2023: \$180,000) recorded against lease expenses not capitalised in lease liabilities.

## 9. EMPLOYEE BENEFITS EXPENSES

	Group	
	2024 \$'000	2023 \$'000
Employee benefits expenses (including Directors):		
- Salaries, bonuses and other costs	90,452	84,508
- Central Provident Fund contributions	5,330	4,999
- Other short-term benefits	1,031	1,439
- Share-based payments (Kimly Performance Share Plan)	691	547
	97,504	91,493

Employee benefits expenses recorded in cost of sales and administrative expenses amounted to \$85,433,000 (2023: \$80,169,000) and \$12,071,000 (2023: \$11,324,000) respectively.

Other short-term benefits include staff allowances, housing benefits, training and other employee benefits.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 9. EMPLOYEE BENEFITS EXPENSES (CONT'D)

### *Progressive Wage Credit Scheme*

The Progressive Wage Credit Scheme ("PWCS") was introduced in Budget 2022 to provide transitional wage support for employers to adjust to upcoming mandatory wage increases for lower-wage workers covered by the Progressive Wage and Local Qualifying Salary requirements; and voluntarily raise wages of lower-wage workers. The Government will co-fund wage increase of eligible resident employees from 2022 to 2026. For 2022 and 2023, the co-funding rates were enhanced from 50% to 75% for the first tier (wages up to \$2,500) and 45% for the second tier (wages above \$2,500 and up to \$3,000). In 2024, the co-funding rates were reduced to 50% for the first tier and 15% for the second tier, while all other parameters remain unchanged.

During the financial year ended 30 September 2024, the Group recognised grant income under the PWCS of \$2,120,000 (2023: \$1,669,000) against salaries, bonuses and other costs.

### *Kimly Performance Share Plan*

Under the Kimly Performance Share Plan, share awards are granted to the Operations Managers who can elect to receive up to 40% of the share awards in cash on grant date and the remaining in fully-paid shares of the Company. The share awards granted are dependent on achieving key performance indicators over the performance periods that are approved by the Remuneration Committee which include the successful achievement of certain quantifiable performance condition or targets, such as sales, gross profit margin, occupancy rate target and profit before taxation. The Operations Managers must remain in service in order to vest the share awards from the date of the grant, which will be vested over 36 months as follows:

- (i) 40% after 12 months;
- (ii) 30% after 24 months; and
- (iii) 30% after 36 months.

On termination of employment, all unvested options will be cancelled.

The expense recognised in profit or loss for share awards granted under Kimly Performance Share Plan during the financial year is \$691,000 (2023: \$547,000), and the carrying amount of the liability recognised in the Group's statement of financial position relating to such share awards at 30 September 2024 is \$638,000 (2023: \$412,000).

During the financial year, the Company granted 2,400,631 (2023: 2,003,759) share awards via the transfer of treasury shares.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 10. RELATED PARTY TRANSACTIONS

### (a) *Sale and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial year:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Rental paid to corporations related to a substantial shareholder	9,879	9,531
Rental paid to an associate	1,260	1,233
Rental paid to joint venture companies	442	386

### (b) *Commitments with related parties*

The Group has entered into commercial leases with related parties in respect of retail outlet premises and all the leases do not contain an escalation clause. Lease terms do not contain restrictions on the Group's activities concerning dividends, additional debt or further leasing.

Future minimum rental payable under non-cancellable operating leases with related parties at the end of the reporting period are as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Lease commitment with corporations related to a substantial shareholder*</i>		
Not later than one year	10,716	9,611
Later than one year but not later than five years	35,188	1,832
	45,904	11,443
<i>Lease commitment with joint ventures*</i>		
Not later than one year	370	76
Later than one year but not later than five years	8	-
	378	76
<i>Lease commitment with an associate*</i>		
Not later than one year	1,260	1,260
Later than one year but not later than five years	2,100	3,360
	3,360	4,620

\* These leases have been capitalised under right-of-use assets as disclosed in Note 16 to the consolidated financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 10. RELATED PARTY TRANSACTIONS (CONT'D)

### (c) Compensation of key management personnel

	Group	
	2024	2023
	\$'000	\$'000
Salaries, bonuses and other costs	2,475	2,541
Central Provident Fund contributions	107	113
	2,582	2,654
<i>Comprise amounts paid to:</i>		
Director of the Company	738	740
Other key management personnel	1,844	1,914
	2,582	2,654

## 11. INCOME TAX EXPENSE

### (a) Major components of income tax expense

The major components of income tax expense for the years ended 30 September 2024 and 2023 are:

	Group	
	2024	2023
	\$'000	\$'000
<i>Current income tax</i>		
- Current income taxation	7,259	7,764
- (Over)/under provision in respect of previous years	(1,581)	329
	5,678	8,093
<i>Deferred income tax</i>		
- Relating to origination and reversal of temporary differences	(183)	(195)
Income tax expense recognised in profit or loss	5,495	7,898

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 11. INCOME TAX EXPENSE (CONT'D)

### (b) *Relationship between tax expense and profit before tax*

A reconciliation between tax expense and the product of profit before tax multiplied by the applicable corporate tax rate for the years ended 30 September 2024 and 2023 is as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Profit before tax	41,643	47,172
Tax at corporate tax rate of 17% (2023: 17%)	7,079	8,019
Adjustments:		
- Non-deductible expenses	905	941
- Income not subject to taxation	(152)	(568)
- Effect of partial tax exemption and tax relief	(832)	(813)
- (Over)/under provision in respect of previous years	(1,581)	329
- Utilisation of previously unrecognised tax losses and capital allowances	(127)	(63)
- Deferred tax assets not recognised	45	54
- Others	158	(1)
Income tax expense recognised in profit or loss	5,495	7,898

As at 30 September 2024, the Group has unutilised tax losses and unabsorbed capital allowances of approximately \$267,000 and \$Nil (2023: \$190,000 and \$559,000) respectively that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these balances is subject to the agreement of the tax authority and compliance with the relevant provisions of Singapore tax legislation.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 12. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share are calculated by dividing profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the profit and share data used in the computation of basic and diluted earnings per share for the years ended 30 September:

	Group	
	2024	2023
Profit for the year attributable to owners of the Company used in the computation of basic and diluted earnings per share (\$'000)	33,120	36,474
Weighted average number of ordinary shares for basic earnings per share computation ('000)	1,241,382	1,242,563
Effect of dilution:		
Share awards granted under the Kimly Performance Share Plan ('000)	1,982	1,412
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	1,243,364	1,243,975
Basic earnings per share (cents)	2.67	2.94
Diluted earnings per share (cents)	2.66	2.93

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 13. PROPERTY, PLANT AND EQUIPMENT

	<b>Freehold building \$'000</b>	<b>Leasehold buildings \$'000</b>	<b>Electrical and renovations \$'000</b>	<b>Equipment and fittings \$'000</b>	<b>Motor vehicles \$'000</b>	<b>Total \$'000</b>
<b>Group</b>						
<b>At cost</b>						
At 1 October 2022	9,265	59,264	12,181	15,372	2,340	98,422
Additions	-	-	2,162	3,186	113	5,461
Disposals	-	-	(201)	(176)	-	(377)
Written-off	-	-	(664)	(696)	-	(1,360)
At 30 September 2023 and 1 October 2023	9,265	59,264	13,478	17,686	2,453	102,146
Additions	-	-	3,120	3,339	90	6,549
Disposals	-	-	-	(3)	(118)	(121)
Written-off	-	-	(83)	(555)	-	(638)
At 30 September 2024	9,265	59,264	16,515	20,467	2,425	107,936
<b>Accumulated depreciation and impairment</b>						
At 1 October 2022	432	3,812	8,701	10,703	1,377	25,025
Depreciation charge for the year	185	1,091	1,881	2,532	321	6,010
Reversal of impairment loss	-	-	(185)	-	-	(185)
Disposals	-	-	(181)	(172)	-	(353)
Written-off	-	-	(664)	(694)	-	(1,358)
At 30 September 2023 and 1 October 2023	617	4,903	9,552	12,369	1,698	29,139
Depreciation charge for the year	185	1,091	2,132	2,970	258	6,636
Disposals	-	-	-	(3)	(36)	(39)
Written-off	-	-	(82)	(498)	-	(580)
At 30 September 2024	802	5,994	11,602	14,838	1,920	35,156
<b>Net carrying amount</b>						
At 30 September 2024	8,463	53,270	4,913	5,629	505	72,780
At 30 September 2023	8,648	54,361	3,926	5,317	755	73,007

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

### *Restoration costs*

Included in the Group's carrying amount of electrical and renovations is \$351,000 (2023: \$84,000) of provision for restoration costs.

### *Asset held under a finance lease*

During the year, a subsidiary of the Company acquired a motor vehicle with an aggregate cost of \$90,000 (2023: \$Nil) by means of a finance lease. The net carrying amount of the motor vehicle held under a finance lease as at 30 September 2024 was \$83,000 (2023: \$Nil).

### *Assets pledged as security*

As at 30 September 2024, leasehold and freehold properties with carrying amounts of \$45,560,000 (2023: \$46,380,000) and \$8,462,000 (2023: \$8,648,000), respectively, have been pledged to a bank to secure bank facilities granted as disclosed in Note 26.

Details of freehold and leasehold properties as at 30 September 2024 are as follows:

<b>Location</b>	<b>Description</b>	<b>Tenure</b>	<b>Floor area (sq m)</b>
38 Jalan Pemimpin #01-04 M38 Singapore 577178	Industrial canteen	Freehold	456
Block 143 Teck Whye Lane #01-243, Singapore 680143	HDB coffee shop	93 years commencing from 1 July 1992	224
Block 7 Everton Park #01-01, Singapore 080007	HDB coffee shop	84 years commencing from 1 January 1995	381
Block 246 Hougang Street 22 #01-161, Singapore 530246	HDB coffee shop	88 years commencing from 1 April 1995	394
Block 347 Ang Mo Kio Avenue 3, #01-2150, Singapore 560347	HDB coffee shop	81 years commencing from 1 March 1996	330
Block 380 Clementi Avenue 5 #01-376, Singapore 120380	HDB coffee shop	86 years commencing from 1 October 1993	283



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 14. INVESTMENT PROPERTIES

	<b>Group \$'000</b>	
<b>Consolidated statement of financial position</b>		
<b>At cost</b>		
At 1 October 2022, 30 September 2023, 1 October 2023 and 30 September 2024		7,130
<b>Accumulated depreciation</b>		
At 1 October 2022		334
Depreciation charge for the year		143
At 30 September 2023 and 1 October 2023		477
Depreciation charge for the year		143
At 30 September 2024		620
<b>Net carrying amount</b>		
At 30 September 2024		6,510
At 30 September 2023		6,653
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Consolidated statement of comprehensive income</b>		
Rental income from investment properties	270	252
Direct operating expenses (including repairs and maintenance) arising from rental generating properties	(53)	(64)

The investment properties held by the Group are as follows:

<b>Description</b>	<b>Location</b>	<b>Tenure</b>
Two canteen units with mezzanine level located on the second storey of a 6-storey block known as Bizhub 28, an industrial development	28 Senang Crescent #02-11/12 Bizhub 28, Singapore 416601	Freehold
A restaurant unit with mezzanine level located on the first and second storeys of a 4-storey commercial-cum-residential block	38 Jalan Pemimpin #01-03 M38, Singapore 577178	Freehold

The Group has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance or enhancements.

As at 30 September 2024, investment property with a carrying amount of \$4,228,000 (2023: \$4,321,000) has been pledged to a bank as security for the bank facility disclosed in Note 26.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 15. INTANGIBLE ASSETS AND GOODWILL

	<b>Goodwill</b>	<b>Customer contracts</b>	<b>Lease assignment fees</b>	<b>Trademarks</b>	<b>Computer software</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Group</b>						
<b>Cost</b>						
At 1 October 2022	50,062	1,478	15,140	8,877	771	76,328
Additions	-	-	-	-	7	7
Written-off	-	-	-	-	(21)	(21)
At 30 September 2023 and 1 October 2023	50,062	1,478	15,140	8,877	757	76,314
Additions	-	-	-	-	2	2
Written-off	(705)	-	-	(72)	(1)	(778)
At 30 September 2024	49,357	1,478	15,140	8,805	758	75,538
<b>Accumulated amortisation and impairment</b>						
At 1 October 2022	705	193	11,945	952	733	14,528
Charge for the year	-	143	535	881	19	1,578
Written-off	-	-	-	-	(21)	(21)
At 30 September 2023 and 1 October 2023	705	336	12,480	1,833	731	16,085
Charge for the year	-	143	535	881	12	1,571
Written-off	(705)	-	-	(72)	(1)	(778)
At 30 September 2024	-	479	13,015	2,642	742	16,878
<b>Net carrying amount</b>						
At 30 September 2024	49,357	999	2,125	6,163	16	58,660
At 30 September 2023	49,357	1,142	2,660	7,044	26	60,229

### Amortisation expense

The amortisation of intangible assets is included in the "Other operating expenses" (Note 7) in the consolidated statement of comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 15. INTANGIBLE ASSETS AND GOODWILL (CONT'D)

### *Impairment testing of goodwill and trademarks*

Goodwill is derived from the excess of purchase consideration over the fair values of the identifiable net assets acquired. The carrying amounts of goodwill and trademarks allocated to each CGU are as follows:

	<b>Klovex</b>		<b>Tenderfresh Group</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Goodwill	921	921	48,436	48,436	49,357	49,357
Trademarks	-	-	6,163	7,044	6,163	7,044

The recoverable amounts of the CGUs have been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period.

### *Key assumptions used in the value-in-use calculations*

The calculation of value-in-use for Klovex and Tenderfresh Group are most sensitive to the following assumptions:

*Budgeted gross margins* – Gross margins are forecasted as a percentage of budgeted revenue and are estimated based on historical trend and management's assessment of outlook of the CGU and industry.

*Pre-tax discount rate* – Discount rate represents the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital. The pre-tax discount rate applied in the cash flow projection is 16.8% (2023: 16.9%), which reflects management's estimation of the risk specific to the operating segments.

*Growth rates* – The forecasted growth rates are based on management's judgement applied in the financial budgets which include average growth rates. The growth rates used to extrapolate the cash flows of Klovex and Tenderfresh Group beyond the five-year period are 1.0% (2023: 1.0%) and 1.5% (2023: 1.0%) respectively.

### *Sensitivity to changes in assumptions*

With regards to the assessment of value-in-use for goodwill and trademarks of the respective CGUs, management believes that no reasonable possible changes in any of the key assumptions would cause the carrying value of the respective CGUs to materially exceed its recoverable amount.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 16. LEASES

### Group as a lessee

The Group has lease contracts for coffee shops, food courts, restaurants, retail shops, residential units, office and central kitchen premises as well as motor vehicles. Generally, lease terms do not contain restrictions on the Group's activities concerning dividends, additional debt or further leases. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of food outlets and equipment with lease terms of 12 months or less and leases of equipment with low value. The Group applies the short-term leases and lease of low-value assets recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year.

### (a) Right-of-use assets

	<b>Coffee shops, food courts, restaurants, and retail shops</b>	<b>Residential units</b>	<b>Office and central kitchen premises</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cost</b>					
As at 1 October 2022	195,207	4,505	2,136	954	202,802
Additions for the year	5,586	847	-	254	6,687
Modifications *	10,542	1,229	273	-	12,044
Cessations #	(21,560)	(331)	-	-	(21,891)
As at 30 September 2023 and 1 October 2023	189,775	6,250	2,409	1,208	199,642
Additions for the year	18,359	858	564	830	20,611
Modifications *	74,022	1,645	1,648	176	77,491
Cessations #	(5,954)	(477)	(193)	(96)	(6,720)
As at 30 September 2024	276,202	8,276	4,428	2,118	291,024
<b>Accumulated depreciation and impairment</b>					
As at 1 October 2022	96,690	2,831	829	470	100,820
Depreciation charge for the year	35,237	1,649	566	203	37,655
Cessations #	(11,399)	(331)	-	-	(11,730)
Impairment loss	285	-	-	-	285
As at 30 September 2023 and 1 October 2023	120,813	4,149	1,395	673	127,030
Depreciation charge for the year	36,573	2,140	641	261	39,615
Cessations #	(5,954)	(427)	(129)	(96)	(6,606)
As at 30 September 2024	151,432	5,862	1,907	838	160,039
<b>Net carrying amount</b>					
As at 30 September 2024	124,770	2,414	2,521	1,280	130,985
As at 30 September 2023	68,962	2,101	1,014	535	72,612

\* Modifications relate to change in lease term for certain leases.

# Cessations relate to derecognition at the end of lease term and early termination of leases.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 16. LEASES (CONT'D)

### Group as a lessee (cont'd)

#### (b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed as below:

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

\* Modifications relate to change in lease term for certain leases.

# Cessations relate to derecognition of leases due to early termination of leases.

The maturity analysis of lease liabilities of the Group at each reporting period is disclosed in Note 32(b).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 16. LEASES (CONT'D)

### Group as a lessee (cont'd)

#### (c) Amounts recognised in profit or loss

The following are the amounts recognised in profit or loss:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Depreciation of right-of-use assets:		
- Cost of sales	37,209	35,796
- Administrative expenses	2,406	1,859
Gain on derecognition of right-of-use assets and lease liabilities	(1)	(115)
Impairment loss recognised on right-of-use assets	-	285
Interest expense on lease liabilities	3,738	3,272
Lease expenses not capitalised in lease liabilities:		
- Expenses relating to low value assets	333	289
- Expenses relating to short-term leases:		
- Lease expense	1,116	2,356
- Rental relief	(4)	(1)
- Expenses relating to variable lease payments:		
- Contingent rental	2,015	954
- Rental relief	(109)	(179)
<b>Total amount recognised in profit or loss</b>	<b>46,703</b>	<b>44,516</b>

The Group had total cash outflows for leases (including lease expenses not capitalised in lease liabilities) of \$46,532,000 (2023: \$43,914,000) for the financial year ended 30 September 2024. The Group also had non-cash changes to right-of-use assets and lease liabilities of \$91,382,000 and \$97,987,000 (2023: \$3,160,000 and \$8,455,000) respectively in the financial year ended 30 September 2024.

Future minimum rental payable for lease contract which has not yet commenced as at 30 September 2024 and 2023 are as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	628	387
Less than one year but not later than five years	2,538	1,911
More than five years	1,859	62
	<b>5,025</b>	<b>2,360</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 16. LEASES (CONT'D)

### *Group as a lessor*

The Group has entered into operating leases for its portfolio of coffee shops, food courts, restaurants, and retail shops. These leases have terms ranging between one to five years.

Future minimum rental receivables under non-cancellable operating leases as at 30 September 2024 and 2023 are as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	7,363	9,013

## 17. INVESTMENT IN SUBSIDIARIES

	<b>Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Unquoted equity shares, at cost	122,778	122,778
Issuance of shares for acquisition of non-controlling interests in subsidiaries	116,519	116,519
	239,297	239,297

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 17. INVESTMENT IN SUBSIDIARIES (CONT'D)

### (a) *Composition of the Group*

The Group has the following investment in subsidiaries as at the financial years ended 30 September:

Name of subsidiaries	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			2024	2023
<b><i>Held by the Company:</i></b>				
Kimly Food Holdings Pte. Ltd. <sup>(a)</sup>	Singapore	Manufacture of cooked food preparations	100	100
Chodee Food Holdings Pte. Ltd. <sup>(a)</sup>	Singapore	Provision of management services	100	100
LHL Group Pte. Ltd. <sup>(a)</sup>	Singapore	Provision of management services	100	100
Jin Wei Food Holdings Pte. Ltd. <sup>(a)</sup>	Singapore	Letting and operating of coffee shops	100	100
Kimly Food Products Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of restaurants	100	100
Jin Wei Investments Pte. Ltd. <sup>(a)</sup>	Singapore	Provision of management services	100	100
Hawkermania Pte. Ltd. <sup>(a)</sup>	Singapore	Letting and operating of coffee shop	100	100
<b><i>Held through Kimly Food Holdings Pte. Ltd.</i></b>				
Kimly Makan Place Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
Kimly MVR Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
Kimly Seafood Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
<b><i>Held through Chodee Food Holdings Pte. Ltd.</i></b>				
Kimly Dim Sum Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
Klovex Holdings Pte. Ltd. <sup>(a)</sup>	Singapore	Provision of cleaning services	60	60
<b><i>Held through Jin Wei Food Holdings Pte. Ltd.</i></b>				
Choh Dee (S204) Food House Pte. Ltd. <sup>(b)</sup>	Singapore	Letting and operating of coffee shop	100	-
Choh Dee (Y110) Food House Pte. Ltd. <sup>(b)</sup>	Singapore	Letting and operating of coffee shop	100	-
Choh Dee (TW143) Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Letting and operating of coffee shops	100	100
Wei Sheng Holdings Pte. Ltd. <sup>(a)</sup>	Singapore	Letting and operating of coffee shops	100	100
Din Yun Pte Ltd <sup>(a)</sup>	Singapore	Letting and operating of coffee shops	100	100
Northstar (2001) Pte. Ltd. <sup>(a)</sup>	Singapore	Investment holding	100	100



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 17. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) *Composition of the Group (cont'd)*

Name of subsidiaries	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			2024	2023
<i>Held through Kimly Makan Place Pte. Ltd.</i>				
881 Hougang Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
147 Serangoon Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shop	100	100
BN123 Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shop	100	100
Chai Chee 29 Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shop	100	100
Choh Dee Place (163A) Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
Choh Dee Place (346A) Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
Gourmet Express Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
Jurong West 651 Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shop	100	100
Park (E) Crescent Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
Park Reservoir Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
PP146 Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
Sengkang 266 Food House Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shop	100	100
Tampines West Food Court Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
CDP Kimly Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
Yong Yun Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
Foodclique (Capeview) Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shop	100	100
Foodclique Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	100	100
Kedai Kopi Pte. Ltd. <sup>(a)</sup>	Singapore	Operating of coffee shops	51	51

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 17. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) *Composition of the Group (cont'd)*

Name of subsidiaries	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			2024	2023
<b><i>Held through Jin Wei Investments Pte. Ltd.</i></b>				
Tenderfresh Group Pte. Ltd. <sup>(a)</sup>	Singapore	Investment holding	75	75
<b><i>Held through Kimly MVR Pte. Ltd.</i></b>				
Kimly MVR Central Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
Kimly MVR East Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
Kimly MVR West Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
<b><i>Held through Kimly Seafood Pte. Ltd.</i></b>				
Kimly Seafood Central Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
Kimly Seafood East Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
Kimly Seafood West Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
<b><i>Held through Kimly Dim Sum Pte. Ltd.</i></b>				
Kimly Dim Sum East Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
Kimly Dim Sum West Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	100	100
Kimly Food Manufacturing Pte. Ltd. <sup>(a)</sup>	Singapore	Central food processing centre	100	100
<b><i>Held through Tenderfresh Group Pte. Ltd.</i></b>				
Ke Ai Ji F&B Pte. Ltd. <sup>(a)</sup>	Singapore	Provision of management services	75	75
Tenderbest Restaurants Pte. Ltd. <sup>(a)</sup>	Singapore	Provision of management services	75	75
Tenderfresh Fried & BBQ Chicken Pte.Ltd. <sup>(a)</sup>	Singapore	Central food processing centre	75	75

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 17. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Composition of the Group (cont'd)

Name of subsidiaries	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			2024	2023
<b><i>Held through Ke Ai Ji F&amp;B Pte. Ltd.</i></b>				
Ke Ai Ji (North) Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	75	75
Ke Ai Ji (East) Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	75	75
Ke Ai Ji (West) Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	75	75
<b><i>Held through Tenderbest Restaurants Pte. Ltd.</i></b>				
Tenderbest (East) Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	75	75
Tenderbest (West) Pte. Ltd. <sup>(a)</sup>	Singapore	Sale of food products	75	75
<b><i>Held through Tenderfresh Fried &amp; BBQ Chicken Pte. Ltd.</i></b>				
Caterfresh Pte. Ltd. <sup>(a)</sup>	Singapore	Provision of food catering service	75	75
Sultan Burger Enterprise Pte. Ltd. <sup>(a)</sup>	Singapore	Wholesale of livestock, meat, poultry, eggs and seafood	75	75
TDF Food Pte. Ltd. <sup>(a)</sup>	Singapore	Manufacturing and processing of premix flour, premix seasoning and spices	75	75

(a) Audited by Ernst & Young LLP, Singapore

(b) Incorporated during the financial year ended 30 September 2024

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 17. INVESTMENT IN SUBSIDIARIES (CONT'D)

### (b) Summarised financial information about subsidiaries with material non-controlling interests

Summarised financial information based on the subsidiaries' financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on consolidation are as follows:

*Summarised consolidated statement of financial position*

	<b>Tenderfresh Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Assets	21,239	19,064
Liabilities	(14,996)	(13,089)
Net current assets	6,243	5,975
<b>Non-current</b>		
Assets	23,514	18,005
Liabilities	(10,545)	(6,415)
	12,969	11,590
Net assets	19,212	17,565

*Summarised consolidated statement of comprehensive income*

	<b>Tenderfresh Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue	78,049	74,029
Profit before income tax	10,543	9,500
Income tax expense	(1,396)	(1,469)
Profit after tax, representing total comprehensive income	9,147	8,031
<i>Other summarised financial information</i>		
Net cash flows from operations	19,534	15,228
Net cash flows used in investing activities	(2,409)	(984)
Net cash flows used in financing activities	(12,026)	(11,187)
Dividend paid on ordinary shares	(7,500)	(7,500)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 18. INVESTMENT IN AN ASSOCIATE

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Investment in an associate	6,030	6,035
Investment in joint ventures (Note 19)	6,027	6,550
Investment in an associate and joint ventures	12,057	12,585

The Group's investment in an associate represents 25% interest in North View Investments LLP, which is involved in the letting of coffee shop. The Group's interest in North View Investments LLP is accounted for using equity method in the consolidated financial statements. The associate is audited by Ernst & Young LLP, Singapore.

The summarised information of the Group's investment in North View Investments LLP is set out below:

### *Summarised statement of financial position*

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Current assets	2,903	2,900
Non-current assets	29,601	30,048
Current liabilities	(709)	(679)
Non-current liabilities	(7,630)	(8,056)
Equity	24,165	24,213
Group's share in equity - 25% (2023: 25%)	6,041	6,053
Other adjustment	(11)	(18)
Carrying amount of the investment	6,030	6,035

### *Summarised statement of comprehensive income*

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue	1,260	1,233
Profit for the year	267	437
Total comprehensive income	267	437
Group's share of profit for the year, pre-tax	67	109
Taxation	(12)	(19)
Group's share of profit for the year, after-tax	55	90
Dividends received during the year	60	95

The associate had no contingent liabilities or capital commitments as at 30 September 2024 and 2023.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 19. INVESTMENT IN JOINT VENTURES

The Group's investment in joint ventures is summarised below:

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Da Sun Food House Pte. Ltd. ("Da Sun")	1,044	1,108
Hong Kah Food Place Pte. Ltd. ("Hong Kah")	1,001	1,110
Jin Yuan 134 Food House Pte. Ltd. ("Jin Yuan")	674	701
Joo Seng Food Place Pte. Ltd. ("Joo Seng")	800	908
Sin Tong Hong Eating House Pte. Ltd. ("Sin Tong Hong")	968	1,030
Zhen Wei Food House Pte. Ltd. ("Zhen Wei")	1,540	1,693
	<b>6,027</b>	<b>6,550</b>

The Group's interest in the joint ventures is accounted for using equity method in the consolidated financial statements.

Details of the joint ventures are as follows:

Name of joint ventures	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			<b>2024</b>	<b>2023</b>
<b><i>Held through Kimly Makan Place Pte. Ltd.</i></b>				
Da Sun Food House Pte. Ltd. <sup>(1)</sup>	Singapore	Operating of coffee shop	49	49
Hong Kah Food Place Pte. Ltd. <sup>(1)</sup>	Singapore	Operating of coffee shop	49	49
Jin Yuan 134 Food House Pte. Ltd. <sup>(1)</sup>	Singapore	Operating of coffee shop	49	49
Joo Seng Food Place Pte. Ltd. <sup>(1)</sup>	Singapore	Operating of coffee shop	49	49
Sin Tong Hong Eating House Pte. Ltd. <sup>(1)</sup>	Singapore	Operating of coffee shop	49	49
Zhen Wei Food House Pte. Ltd. <sup>(1)</sup>	Singapore	Operating of coffee shops	49	49

(1) Audited by Ernst & Young LLP, Singapore

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 19. INVESTMENT IN JOINT VENTURES (CONT'D)

*Summarised statements of financial position*

	<b>Da Sun</b>	<b>Hong Kah</b>	<b>Jin Yuan</b>	<b>Joo Seng</b>	<b>Sin Tong Hong</b>	<b>Zhen Wei</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2024</b>							
Cash and cash equivalents	538	412	710	764	949	940	4,313
Trade receivables	1	9	-	3	1	1	15
Other current assets	53	131	83	64	53	91	475
<b>Current assets</b>	<b>592</b>	<b>552</b>	<b>793</b>	<b>831</b>	<b>1,003</b>	<b>1,032</b>	<b>4,803</b>
Non-current assets	136	327	20	47	-	222	752
<b>Total assets</b>	<b>728</b>	<b>879</b>	<b>813</b>	<b>878</b>	<b>1,003</b>	<b>1,254</b>	<b>5,555</b>
Current liabilities	156	324	205	231	324	407	1,647
Non-current liabilities	43	26	22	49	35	71	246
<b>Total liabilities</b>	<b>199</b>	<b>350</b>	<b>227</b>	<b>280</b>	<b>359</b>	<b>478</b>	<b>1,893</b>
Equity	529	529	586	598	644	776	3,662
Proportion of the Group's ownership	49%	49%	49%	49%	49%	49%	49%
Group's share in equity	259	259	287	293	316	381	1,795
Other adjustments:							
Lease assignment fees, net	785	793	387	562	646	1,159	4,332
Others	-	(51)	-	(55)	6	-	(100)
<b>Carrying amount of the investments</b>	<b>1,044</b>	<b>1,001</b>	<b>674</b>	<b>800</b>	<b>968</b>	<b>1,540</b>	<b>6,027</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 19. INVESTMENT IN JOINT VENTURES (CONT'D)

Summarised statements of financial position (cont'd)

	<b>Da Sun</b>	<b>Hong Kah</b>	<b>Jin Yuan</b>	<b>Joo Seng</b>	<b>Sin Tong Hong</b>	<b>Zhen Wei</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2023</b>							
Cash and cash equivalents	341	623	616	682	883	572	3,717
Trade receivables	-	29	-	11	2	1	43
Other current assets	73	209	51	122	67	133	655
<b>Current assets</b>	<b>414</b>	<b>861</b>	<b>667</b>	<b>815</b>	<b>952</b>	<b>706</b>	<b>4,415</b>
Non-current assets	260	505	81	61	4	462	1,373
<b>Total assets</b>	<b>674</b>	<b>1,366</b>	<b>748</b>	<b>876</b>	<b>956</b>	<b>1,168</b>	<b>5,788</b>
Current liabilities	179	757	147	259	346	334	2,022
Non-current liabilities	13	75	62	6	10	77	243
<b>Total liabilities</b>	<b>192</b>	<b>832</b>	<b>209</b>	<b>265</b>	<b>356</b>	<b>411</b>	<b>2,265</b>
Equity	482	534	539	611	600	757	3,523
Proportion of the Group's ownership	49%	49%	49%	49%	49%	49%	49%
Group's share in equity	236	262	264	299	294	371	1,726
Other adjustments:							
Lease assignment fees, net	872	899	437	664	730	1,322	4,924
Others	-	(51)	-	(55)	6	-	(100)
<b>Carrying amount of the investments</b>	<b>1,108</b>	<b>1,110</b>	<b>701</b>	<b>908</b>	<b>1,030</b>	<b>1,693</b>	<b>6,550</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 19. INVESTMENT IN JOINT VENTURES (CONT'D)

*Summarised statements of comprehensive income*

	<b>Da Sun</b>	<b>Hong Kah</b>	<b>Jin Yuan</b>	<b>Joo Seng</b>	<b>Sin Tong Hong</b>	<b>Zhen Wei</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2024</b>							
Revenue	1,600	1,765	1,329	2,352	2,114	3,217	12,377
Operating expense	(1,335)	(1,383)	(889)	(1,874)	(1,524)	(2,445)	(9,450)
	265	382	440	478	590	772	2,927
Income tax expense	(18)	(37)	(44)	(42)	(46)	(102)	(289)
Profit after tax	247	345	396	436	544	670	2,638
Total comprehensive income	247	345	396	436	544	670	2,638
Group's share of profit for the year	121	169	194	214	267	328	1,293
Other adjustment: Amortisation of lease assignment fees	(86)	(106)	(50)	(102)	(83)	(163)	(590)
Group's share of profit for the year	35	63	144	112	184	165	703
Dividends received during the year	98	172	172	220	245	318	1,225

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 19. INVESTMENT IN JOINT VENTURES (CONT'D)

Summarised statements of comprehensive income (cont'd)

	<b>Da Sun</b>	<b>Hong Kah</b>	<b>Jin Yuan</b>	<b>Joo Seng</b>	<b>Sin Tong Hong</b>	<b>Zhen Wei</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2023</b>							
Revenue	1,554	1,749	1,380	2,407	2,224	3,089	12,403
Operating expense	(1,278)	(1,322)	(999)	(1,895)	(1,638)	(2,432)	(9,564)
	276	427	381	512	586	657	2,839
Income tax expense	(21)	(51)	(50)	(72)	(96)	(110)	(400)
Profit after tax	255	376	331	440	490	547	2,439
Total comprehensive income	255	376	331	440	490	547	2,439
Group's share of profit for the year	125	184	162	216	240	268	1,195
Other adjustment: Amortisation of lease assignment fees	(86)	(106)	(50)	(102)	(83)	(163)	(590)
Group's share of profit for the year	39	78	112	114	157	105	605
Dividends received during the year	49	221	147	220	220	196	1,053

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 20. DEFERRED TAX

Deferred tax as at 30 September relates to the following:

	Consolidated statement of financial position		Consolidated statement of comprehensive income	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Deferred tax (liabilities)/assets</b>				
Differences in depreciation for tax purposes	(408)	(472)	(64)	(134)
Difference in amortisation of intangible assets	-	-	-	(6)
Fair value adjustments on acquisition of businesses	(1,566)	(1,714)	(148)	(148)
Lease liabilities	(17,194)	(8,369)	8,825	(4,694)
Right-of-use assets	17,650	8,864	(8,786)	4,744
Provisions	121	111	(10)	(18)
Unutilised capital allowances	-	-	-	61
	(1,397)	(1,580)		
Deferred tax expense			(183)	(195)
Reflected in the statement of financial position as follows:				
Deferred tax assets	147	233		
Deferred tax liabilities	(1,544)	(1,813)		
Deferred tax liabilities, net	(1,397)	(1,580)		

### Tax consequences of proposed dividends

There are no income tax consequences (2023: \$Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 34).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 21. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Trade and other receivables (current)</b>				
Trade receivables	3,515	3,306	-	-
Other receivables				
- Loans to employees	81	80	-	-
- Deposits	4,711	6,818	-	-
- Others	1,791	1,882	-	-
Loans to subsidiaries	-	-	93,878	101,362
GST receivable	-	-	7	5
Amount due from subsidiaries (trade)	-	-	2,539	4,231
Amount due from subsidiaries (non-trade)	-	-	159	483
	10,098	12,086	96,583	106,081
<b>Other receivables (non-current)</b>				
Loans to employees	30	65	-	-
Deposits	5,299	3,404	-	-
	5,329	3,469	-	-
Total trade and other receivables (current and non-current)	15,427	15,555	96,583	106,081
Add:				
Cash and cash equivalents (Note 23)	98,492	89,062	33,680	32,183
Less: GST receivable	-	-	(7)	(5)
Total financial assets carried at amortised cost	113,919	104,617	130,256	138,259

A floating charge has been placed on rental receivables with carrying amounts of \$9,000 (2023: \$19,000) from lease of certain leasehold, freehold, and investment properties that had been pledged to a bank for bank facilities granted as disclosed in Note 26.

### Trade receivables

Trade receivables are non-interest bearing and are generally on 7 to 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

### Amounts due from subsidiaries (trade)/(non-trade)

Amounts due from subsidiaries (trade)/(non-trade) are unsecured, non-interest bearing and are to be settled in cash.

### Loans to subsidiaries

Loans to subsidiaries are unsecured, bear interest at 1.48% (2023: 1.48%) per annum, repayable on demand and to be settled in cash.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 21. TRADE AND OTHER RECEIVABLES (CONT'D)

### *Other receivables*

Loans to employees are unsecured, interest-free and are to be settled in cash.

Deposits placed with lessors are unsecured and non-interest bearing. These deposits are refundable upon termination of the leases.

### *Expected credit losses ("ECL")*

As at 30 September 2024 and 30 September 2023, there is no allowance for expected credit loss of trade receivables computed based on lifetime ECL.

## 22. INVENTORIES

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Consolidated statement of financial position:</b>		
Raw materials and consumables, at cost	2,791	3,392
<b>Consolidated statement of comprehensive income:</b>		
Inventories recognised as an expense in cost of sales	84,924	89,241

During the financial years ended 30 September 2024 and 2023, there has been no inventory written-off or allowance for inventory obsolescence.

## 23. CASH AND CASH EQUIVALENTS

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cash at banks and on hand	62,567	57,573	336	694
Short-term deposits	35,925	31,489	33,344	31,489
	98,492	89,062	33,680	32,183

Cash at banks earn interest at floating rate. Short-term deposits are made for varying periods of between one to twelve months (2023: one to twelve months), depending on the immediate cash requirements of the Group and the Company, and earn interests at the respective short-term deposits rates. The weighted average effective interest rates as at 30 September 2024 for the Group and the Company were 3.31% (2023: 3.42%). Cash and short-term deposits are denominated in SGD.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 24. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Trade and other payables (current)</b>				
Trade payables	9,946	10,396	-	-
Amount due to an associate (non-trade)	750	750	-	-
Amounts due to the then-existing shareholders of subsidiaries (non-trade)	7,517	7,517	-	-
Amount due to subsidiaries (non-trade)	-	-	25,952	35,459
Deposits from tenants	1,812	1,607	-	-
GST payable	3,679	3,484	-	-
Other payables	4,071	3,800	1	72
	27,775	27,554	25,953	35,531
<b>Other payables (non-current)</b>				
Deposits from tenants	1,128	1,114	-	-
Total trade and other payables	28,903	28,668	25,953	35,531
Add:				
Interest-bearing loans and borrowings (Note 26)	16,906	17,692	-	-
Accrued operating expenses (Note 25)	17,554	16,016	654	626
Less:				
GST payable	(3,679)	(3,484)	-	-
Total financial liabilities carried at amortised cost	59,684	58,892	26,607	36,157

There are no trade and other payables denominated in foreign currencies as at 30 September 2024 and 2023.

Trade and other payables are unsecured and non-interest bearing. Trade payables and other payables are generally on 30 days' terms.

Deposits from tenants are unsecured and non-interest bearing. These deposits are repayable upon termination or on expiration of the leases.

### Related party balances

Amount due to subsidiaries/an associate is unsecured, interest-free, repayable on demand and is to be settled in cash.

Amounts due to the then-existing shareholders of subsidiaries are unsecured, interest-free and has no fixed repayment terms. Any repayment will be subjected to review and approval by the Audit Committee, taking into account the financial position of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 25. OTHER LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Accrued operating expenses	17,554	16,016	654	626
Deferred revenue	71	84	-	-
	17,625	16,100	654	626

## 26. INTEREST-BEARING LOANS AND BORROWINGS

		Group	
		2024	2023
		\$'000	\$'000
Current		5,253	786
Non-current		11,653	16,906
		16,906	17,692

	Maturity	2024	2023
		\$'000	\$'000
<b>Bank loans</b>			
Bank loan 1	2039	4,716	4,991
Bank loan 2	2040	2,430	2,530
Bank loan 3	2040	3,633	3,786
Bank loan 4	2040	3,305	3,444
Bank loan 5	2040	2,822	2,941
Total interest-bearing loans and borrowings		16,906	17,692

All the bank loans are Singapore Dollars loans with effective interest rates ranging from 1.48% to 4.78% per annum (2023: 1.48% to 3.50% per annum).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 26. INTEREST-BEARING LOANS AND BORROWINGS (CONT'D)

Bank loan 1 bears interest at 1.48% per annum for the first three years, and SORA in-advance + 3% per annum from fourth year onwards till maturity (2023: 1.48% per annum for the first three years, and SORA in-advance + 3% per annum from fourth year onwards till maturity). The Group fully settled the bank loan of \$4,716,000 on 29 November 2024.

Bank loan 2 to Bank loan 4 bear interest at SORA in-advance + 1% per annum for the first two years, and SORA in-advance + 3% per annum from third year onwards till maturity (2023: SORA in-advance + 1% per annum for the first two years, and SORA in-advance + 3% per annum from third year onwards till maturity).

Bank loan 5 bears interest at 4.38% for the first two years, and SORA in-advance + 3% per annum from third year onwards till maturity (2023: 4.38% for the first two years, and SORA in-advance + 3% per annum from third year onwards till maturity).

### *Bank loan 1*

The bank loan is repayable in 240 equal monthly instalments commencing in December 2019. It is secured by corporate guarantee by the Company, mortgage of leasehold property and assignment of rental proceeds from the leasehold property.

### *Bank loan 2*

The bank loan is repayable in 240 equal monthly instalments commencing in September 2020. It is secured by corporate guarantee by the Company, mortgage of leasehold property and assignment of rental proceeds from the leasehold property.

### *Bank loan 3*

The bank loan is repayable in 240 equal monthly instalments commencing in July 2020. It is secured by corporate guarantee by the Company, mortgage of certain properties and assignment of rental proceeds from the properties.

### *Bank loan 4*

The bank loan is repayable in 240 equal monthly instalments commencing in July 2020. It is secured by corporate guarantee by the Company, mortgage of a leasehold property and assignment of rental proceeds from the leasehold property.

### *Bank loan 5*

The bank loan is repayable in 240 equal monthly instalments commencing in October 2020. It is secured by corporate guarantee by the Company, mortgage of a leasehold property and assignment of rental proceeds from the leasehold property.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 26. INTEREST-BEARING LOANS AND BORROWINGS (CONT'D)

The reconciliation of liabilities arising from financing activities are as follows:

	<b>2023</b>	<b>Cash flows</b>	<b>Other</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Interest-bearing loans and borrowings				
- Current	786	(786)	5,253	5,253
- Non-current	16,906	-	(5,253)	11,653
Total	17,692	(786)	-	16,906

	<b>2022</b>	<b>Cash flows</b>	<b>Other</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Interest-bearing loans and borrowings				
- Current	1,138	(1,114)	762	786
- Non-current	22,107	(4,439)	(762)	16,906
Total	23,245	(5,553)	-	17,692

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings to current due to the passage of time.

### Letters of guarantee

As at 30 September 2024, the Company has issued letters of guarantee amounting to \$310,000 on behalf of its subsidiaries. These letters of guarantee serve as security for contractual obligations between the subsidiaries and a supplier and are valid until 29 August 2025.

The likelihood of a claim being made under these letters of guarantee has been assessed as remote. Accordingly, no provision has been recognised in respect of this obligation. The maximum exposure to credit risk under this contingent liability is limited to \$310,000.

## 27. PROVISION FOR RESTORATION COSTS

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
At 1 October	1,083	1,225
Provision for/(reversal of) restoration costs, net	281	(142)
At 30 September	1,364	1,083
Current	280	573
Non-current	1,084	510
	1,364	1,083

Provision for restoration costs relates to the estimated costs to reinstate the Group's leased premises to their original state upon expiry of the leases.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 28. SHARE CAPITAL, TREASURY SHARES AND SHARE-BASED COMPENSATION RESERVE

### (a) *Share capital*

	<b>Group and Company</b>			
	<b>2024</b>		<b>2023</b>	
	<b>No. of shares '000</b>	<b>\$'000</b>	<b>No. of shares '000</b>	<b>\$'000</b>
<b><i>Issued and fully paid ordinary shares:</i></b>				
At 1 October and 30 September	1,250,003	316,145	1,250,003	316,145

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

### (b) *Treasury shares*

	<b>Group and Company</b>			
	<b>2024</b>		<b>2023</b>	
	<b>No. of shares '000</b>	<b>\$'000</b>	<b>No. of shares '000</b>	<b>\$'000</b>
At 1 October	8,617	2,520	6,849	1,818
Treasury shares transferred on vesting of share awards granted under the Kimly Performance Share Plan	(2,401)	(691)	(2,004)	(547)
Purchase of treasury shares	2,259	703	3,772	1,249
At 30 September	8,475	2,532	8,617	2,520

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

The Company transferred 2,400,631 (2023: 2,003,759) treasury shares during the year pursuant to the Kimly Performance Share Plan at a weighted average price of approximately \$0.29 (2023: \$0.27) each.

### (c) *Share-based compensation reserve*

Share-based compensation reserve represents the fully paid share awards granted to employees (Note 9). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of share awards and reduced by forfeiture or vesting of the share awards.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 29. OTHER RESERVES

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Merger reserve	(120,591)	(120,591)
Deemed contribution from shareholders of subsidiary under common control	468	468
	(120,123)	(120,123)

### *Merger reserve*

This represents the difference between the consideration paid and the share capital of the subsidiaries when entities under common control are accounted for by applying the pooling of interests method, as described in Note 2.4 of the financial statements.

### *Deemed contribution from shareholders of subsidiary under common control*

During the financial year ended 30 September 2014, the shareholders of one of the Group's subsidiaries had provided loans amounting to \$1,560,000 for payment of the subsidiary's lease assignment fees and working capital needs. During the financial years ended 30 September 2015 and 2016, the subsidiary had made partial repayments amounting to \$520,000 to the shareholders. On 30 September 2016, the remaining amount owing to the Controlling Shareholder of \$468,000 was waived by the Controlling Shareholder.

## 30. FAIR VALUE OF ASSETS AND LIABILITIES

### *Fair value hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety at the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

At the end of the reporting period, the Group does not have any financial instruments carried at fair value.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 30. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### *Fair value hierarchy (cont'd)*

- (a) **Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value**

*Cash and cash equivalents, trade and other receivables and trade and other payables*

The carrying amount of the financial assets and liabilities are reasonable approximation of fair values, due to their short-term nature. The Group does not anticipate the carrying amount at the end of the reporting period would be significantly different from the value that would eventually be received or settled.

- (b) **Assets and liabilities not measured at fair value, for which fair value is disclosed**

		<b>2024</b>	
		<b>Carrying amount</b>	<b>Fair value measurement using significant unobservable inputs (Level 3)</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>Group</b>	<b>Note</b>		
<b>Assets</b>			
Investment properties	14	6,510	6,700
<b>Liabilities</b>			
Interest-bearing loans and borrowings	26	16,906	16,906
		<b>2023</b>	
		<b>Carrying amount</b>	<b>Fair value measurement using significant unobservable inputs (Level 3)</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>Group</b>	<b>Note</b>		
<b>Assets</b>			
Investment properties	14	6,653	6,700
<b>Liabilities</b>			
Interest-bearing loans and borrowings	26	17,692	18,168

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 30. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

### (b) *Assets and liabilities not measured at fair value, for which fair value is disclosed (cont'd)*

#### *Determination of fair value*

Management estimates the fair values of the investment properties based on inputs provided by a financial institution. Management corroborated the fair values by obtaining the valuation from an independent valuer on a sample basis for properties owned by the Group. The independent valuer used the direct comparison method as well as the income approach using inputs such as location, tenure, age, size, design, layout, exposure to shoppers' traffic condition and standard of finishes.

The fair values of the Group's interest-bearing loans and borrowings are determined by using the discounted cash flows method using discount rate that reflects the Group's borrowing rate as at the end of the reporting period.

## 31. SEGMENT INFORMATION

### *Business segments*

For management purpose, the Group is organised into three operating business segments, namely:

#### (a) *Outlet management*

Outlet management segment involved in the leasing of food outlet premises to tenants as the master leaseholder, the sale of food, beverages and tobacco products, the provision of cleaning and utilities services to tenants, and the provision of management services to third party coffee shops.

#### (b) *Food retail*

Food retail segment is primarily involved in retailing of food directly to consumers through the stalls, restaurants and kiosks operated by the Group such as Mixed Vegetable Rice stalls, Rice Garden stalls, Dim Sum stalls, Seafood "Zi Char" stalls, Teochew Porridge stalls, Western food stalls, Tonkichi restaurants, Tenderbest restaurants and food kiosks. Food retail segment is also engaged in manufacturing, processing and sale of food products to customers.

#### (c) *Outlet investment business*

Outlet investment business segment involved in investment in properties (freehold or leasehold) in order to benefit from rental income and/or capital growth.

#### (d) *Others*

Others segment includes the provision of management, finance, human resource services, treasury, information technology and administrative services.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 31. SEGMENT INFORMATION (CONT'D)

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the consolidated financial statements.

### ***Allocation basis***

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

### ***Geographical information***

The Group operates mainly in Singapore with revenue generated in Singapore. Accordingly, analysis of revenue and assets of the Group by geographical distribution has not been presented.

### ***Information about major customers***

There is no single major customer that contributed more than 5% of the Group's total revenue. The revenue is spread over a broad base of customers.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 31. SEGMENT INFORMATION (CONT'D)

	2024	Outlet management \$'000	Food retail \$'000	Outlet investment business \$'000	Others \$'000	Adjustments and eliminations \$'000	Note	Group \$'000
<b>Revenue</b>								
Revenue from external customers	127,114	184,988	7,278	-	-	-		319,380
Inter-segment revenue	35,196	75,697	1,946	55,362	(168,201)	A		-
Total revenue	162,310	260,685	9,224	55,362	(168,201)			319,380
<b>Results:</b>								
Amortisation of intangible assets	(543)	(1,028)	-	-	-	-		(1,571)
Depreciation of investment properties	-	-	(143)	-	-	-		(143)
Depreciation of property, plant and equipment	(2,953)	(1,941)	(1,242)	(500)	-	-		(6,636)
Depreciation of right-of-use assets	(31,339)	(8,083)	(72)	(121)	-	-		(39,615)
Employee benefits expenses	(34,455)	(55,752)	(1,461)	(5,836)	-	-		(97,504)
Finance costs								
- Lease liabilities	(2,936)	(756)	(5)	(41)	-	-		(3,738)
- Loans and borrowings	-	-	(646)	-	-	-		(646)
- Obligations under finance lease	(1)	-	-	-	-	-		(1)
Gain on derecognition of right-of-use assets and lease liabilities	1	-	-	-	-	-		1
Gain on disposal of property, plant and equipment	-	29	-	13	-	-		42
Government grants	908	222	43	76	-	-		1,249
Interest income from short-term deposits	186	361	19	1,259	-	-		1,825
Rental expense on short-term leases and low-value assets, net of rental rebates received	(1,360)	(1,927)	(59)	(5)	-	-		(3,351)
Share-based payment expenses (Kimly Performance Share Plan)	(171)	(234)	-	(286)	-	-		(691)
Share of profit of an associate and joint ventures	703	-	55	-	-	-		758
Write-off of property, plant and equipment	-	(58)	-	-	-	-		(58)
Segment profit/(loss)	14,116	32,558	958	(5,989)	-	-		41,643
Segment assets	157,288	121,659	76,428	45,141	-	-		400,516
Segment liabilities	(139,790)	(46,220)	(13,624)	(10,813)	-	-		(210,447)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 31. SEGMENT INFORMATION (CONT'D)

	2023	Outlet management \$'000	Food retail \$'000	Outlet investment business \$'000	Others \$'000	Adjustments and eliminations \$'000	Note	Group \$'000
<b>Revenue</b>								
Revenue from external customers	122,766	183,832	7,254	-	-	-		313,852
Inter-segment revenue	21,359	64,549	969	53,127	(140,004)	A		-
Total revenue	144,125	248,381	8,223	53,127	(140,004)			313,852
<b>Results:</b>								
Amortisation of intangible assets	(550)	(1,028)	-	-	-	-		(1,578)
Depreciation of investment properties	-	-	(143)	-	-	-		(143)
Depreciation of property, plant and equipment	(2,470)	(1,734)	(1,297)	(509)	-	-		(6,010)
Depreciation of right-of-use assets	(30,477)	(7,017)	(50)	(111)	-	-		(37,655)
Employee benefits expenses	(30,039)	(54,183)	(1,372)	(5,899)	-	-		(91,493)
Finance costs								
- Lease liabilities	(2,835)	(393)	(3)	(41)	-	-		(3,272)
- Loans and borrowings	-	-	(483)	-	-	-		(483)
Gain on derecognition of right-of-use assets	111	4	-	-	-	-		115
Gain on disposal of Confectionary business	-	2,514	-	-	-	-		2,514
Gain on disposal of property, plant and equipment	154	-	-	-	-	-		154
Government grants	1,621	432	84	19	-	-		2,156
Impairment loss on right-of-use assets	(285)	-	-	-	-	-		(285)
Interest income from short-term deposits	125	220	10	1,045	-	-		1,400
Rental expense on short-term leases and low-value assets, net of rental rebates received	(1,492)	(1,842)	(81)	(4)	-	-		(3,419)
Reversal of impairment loss on property, plant and equipment	-	185	-	-	-	-		185
Share-based payment expenses (Kimly Performance Share Plan)	(188)	(146)	-	(213)	-	-		(547)
Share of profit of an associate and joint ventures	604	-	91	-	-	-		695
Write-off of property, plant and equipment	-	(2)	-	-	-	-		(2)
Segment profit/(loss)	17,569	35,526	1,206	(7,129)	-	-		47,172
Segment assets	108,979	107,054	75,209	42,588	-	-		333,830
Segment liabilities	(85,074)	(35,303)	(19,880)	(10,993)	-	-		(151,250)

### Note

A Inter-segment revenues and income are eliminated on consolidation.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk. Management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. It is, and has been throughout the current and previous financial year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

### (a) **Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor;
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (a) *Credit risk (cont'd)*

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the debtor;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- There is a disappearance of an active market for that financial asset because of financial difficulty.

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written-off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

#### Trade receivables

For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL by using a provisional matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix. ECL on trade receivables is insignificant.

#### *Exposure to credit risk*

At the end of the reporting period, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

#### *Credit risk concentration profile*

At the end of the reporting period, the Group has no significant concentration of credit risk.

#### *Financial assets that are neither past due nor impaired*

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits are placed with reputable financial institutions with high credit ratings and no history of default. They are neither past due nor impaired.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (b) *Liquidity risk*

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds.

To manage liquidity risk, the Group monitors its net operating cash flow and maintains an adequate level of cash and cash equivalents and secured committed funding facilities from financial institutions. In assessing the adequacy of these funding facilities, management reviews its working capital requirements regularly.

#### *Analysis of financial instruments by remaining contractual maturities*

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	<b>1 year or less</b>	<b>2 to 5</b>	<b>Over</b>	<b>Total</b>
	<b>\$'000</b>	<b>years</b>	<b>5 years</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Group</b>				
<b>2024</b>				
<b><i>Financial assets:</i></b>				
Trade and other receivables	10,098	5,226	499	15,823
Cash and short-term deposits	98,492	-	-	98,492
<b>Total undiscounted financial assets</b>	<b>108,590</b>	<b>5,226</b>	<b>499</b>	<b>114,315</b>
<b><i>Financial liabilities:</i></b>				
Trade and other payables	24,096	1,128	-	25,224
Accrued operating expenses	17,554	-	-	17,554
Interest-bearing loans and borrowings	7,012	4,495	12,550	24,057
Lease liabilities	41,636	90,617	18,427	150,680
<b>Total undiscounted financial liabilities</b>	<b>90,298</b>	<b>96,240</b>	<b>30,977</b>	<b>217,515</b>
<b>Total net undiscounted financial assets/(liabilities)</b>	<b>18,292</b>	<b>(91,014)</b>	<b>(30,478)</b>	<b>(103,200)</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) **Liquidity risk (cont'd)**

*Analysis of financial instruments by remaining contractual maturities (cont'd)*

	<b>1 year or less</b>	<b>2 to 5</b>	<b>Over</b>	<b>Total</b>
	<b>\$'000</b>	<b>years</b>	<b>5 years</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Group</b>				
<b>2023</b>				
<b>Financial assets:</b>				
Trade and other receivables	12,086	3,403	452	15,941
Cash and short-term deposits	89,062	-	-	89,062
Total undiscounted financial assets	101,148	3,403	452	105,003
<b>Financial liabilities:</b>				
Trade and other payables	24,070	1,114	-	25,184
Accrued operating expenses	16,016	-	-	16,016
Interest-bearing loans and borrowings	1,419	6,690	19,771	27,880
Lease liabilities	37,672	40,360	62	78,094
Total undiscounted financial liabilities	79,177	48,164	19,833	147,174
Total net undiscounted financial assets/(liabilities)	21,971	(44,761)	(19,381)	(42,171)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (b) *Liquidity risk (cont'd)*

*Analysis of financial instruments by remaining contractual maturities (cont'd)*

	<b>1 year or less</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Company</b>		
<b>Financial assets:</b>		
Trade and other receivables	96,576	106,076
Cash and short-term deposits	33,680	32,183
Total undiscounted financial assets	130,256	138,259
<b>Financial liabilities:</b>		
Trade and other payables	25,953	35,531
Accrued operating expenses	654	626
Total undiscounted financial liabilities	26,607	36,157
Total net undiscounted financial assets	103,649	102,102

### (c) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from their interest-bearing loans and borrowings from financial institution. The Group currently does not use any derivative financial instruments to manage its exposure to changes in interest rates and the Group's policy is to obtain the most favourable interest rates available.

*Sensitivity analysis for interest rate risk*

At the end of the reporting period, if SGD interest rates had been 4.57% (2023: 4.75%) with all other variables held constant, the Group's profit before tax would have been \$198,000 (2023: \$257,000) lower, arising mainly as a result of higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility as in prior years.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2024

## 33. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

Capital comprises equity attributable to the owners of the Company.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 September 2024 and 2023.

## 34. DIVIDENDS

	<b>Group and Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><i>Declared and paid during the financial year:</i></b>		
<i>Dividends on ordinary shares:</i>		
- Final exempt (one-tier) dividend for 2023: 1.12 (2022: 1.12) cents per share	13,911	13,936
- Interim exempt (one-tier) dividend for 2024: 1.00 (2023: 0.56) cents per share	12,421	6,958
	<b>26,332</b>	<b>20,894</b>
<b><i>Proposed but not recognised as a liability as at 30 September:</i></b>		
<i>Dividends on ordinary shares, subject to shareholders' approval at the AGM:</i>		
- Final exempt (one-tier) dividend for 2024: 1.00 (2023: 1.12) cents per share	12,415	13,895

## 35. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 30 September 2024 were authorised for issue in accordance with a resolution of the directors on 7 January 2025.

# STATISTICS OF SHAREHOLDINGS

As at 12 December 2024

## SHARE CAPITAL

Number of Ordinary Shares in Issue (excluding treasury shares and subsidiary holdings)	:	1,241,502,540
Number of treasury shares held	:	8,500,581 (0.68%)*
Number of subsidiary holdings	:	-
Class of Shares	:	Ordinary
Voting Rights	:	One vote for each ordinary shares held

\* Percentage is calculated based on the total number of issued shares, excluding treasury shares

## DISTRIBUTION OF SHAREHOLDINGS

<b>SIZE OF SHAREHOLDINGS</b>	<b>NO. OF SHAREHOLDERS</b>	<b>%</b>	<b>NO. OF SHARES</b>	<b>%</b>
1 - 99	7	0.28	198	0.00
100 - 1,000	179	7.11	122,756	0.01
1,001 - 10,000	1,014	40.25	5,910,640	0.47
10,001 - 1,000,000	1,251	49.66	109,341,522	8.81
1,000,001 AND ABOVE	68	2.70	1,126,127,424	90.71
<b>TOTAL</b>	<b>2,519</b>	<b>100.00</b>	<b>1,241,502,540</b>	<b>100.00</b>

# STATISTICS OF SHAREHOLDINGS

As at 12 December 2024

## TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	LIM HEE LIAT	493,915,165	39.78
2	PEH OON KEE	99,309,105	8.00
3	DBS NOMINEES (PRIVATE) LIMITED	79,715,206	6.42
4	NG LAY BENG	55,386,866	4.46
5	NG HAN KEOW	48,806,862	3.93
6	NG THIAN HOO	47,423,124	3.82
7	CITIBANK NOMINEES SINGAPORE PTE LTD	41,958,939	3.38
8	CHIA CHER KHIANG (XIE SHUQIANG)	16,513,391	1.33
9	RAFFLES NOMINEES (PTE.) LIMITED	16,472,496	1.33
10	OCBC SECURITIES PRIVATE LIMITED	13,276,624	1.07
11	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	11,728,000	0.94
12	WONG HONG KOON	11,640,860	0.94
13	PHILLIP SECURITIES PTE LTD	11,229,868	0.90
14	NG SONG CHIAW	10,130,800	0.82
15	TAN CHING SAN	10,054,100	0.81
16	ONG EE HAR	9,800,000	0.79
17	KOH WAH TECK	8,000,000	0.64
18	TAN PUAY LING	8,000,000	0.64
19	ANG LAY HIONG (HONG LIXIANG)	7,266,191	0.59
20	OW SOON POOH	6,845,850	0.55
	<b>TOTAL</b>	<b>1,007,473,447</b>	<b>81.14</b>

## SUBSTANTIAL SHAREHOLDERS AS AT 12 DECEMBER 2024

As recorded in the Register of Substantial Shareholders

Name of Shareholder	Direct Interest	%	Deemed Interest	%
LIM HEE LIAT	493,915,165	39.78%	-	-
PEH OON KEE	99,309,105	8.00%	-	-
NG LAY BENG	55,386,866	4.46%	10,300,000 <sup>^</sup>	0.83%

<sup>^</sup> This represents Mr. Ng Lay Beng's direct interest of 10,300,000 shares held in the name of CGS-CIMB Securities (Singapore) Pte Ltd.

## SHARES HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 12 December 2024, 46.68% of the issued ordinary shares of the Company are held by the public and therefore Rule 723 of the Listing Manual, Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited is complied with.



# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM” or “Meeting”) of the Company will be held at The Grassroots’ Club, 190 Ang Mo Kio Avenue 8, Singapore 568046 on Thursday, 23 January 2025 at 3.00 p.m. for the following purposes:

## AS ROUTINE BUSINESS:

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 30 September 2024 and the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a Tax Exempt One-Tier final dividend of 1.00 Singapore cent per ordinary share for the financial year ended 30 September 2024. **(Resolution 2)**
3. To re-elect the following Directors of the Company retiring pursuant to Regulation 112 of the Company’s Constitution:  
  
Mr Wee Tian Chwee Jeffrey **(Resolution 3)**  
Ms Wong Kok Yoong Karen **(Resolution 4)**  
[See Explanatory Note (i)]
4. To approve the payment of Directors’ fees of up to S\$200,000 for the financial year ending 30 September 2025. (FY2024: S\$200,000) **(Resolution 5)**
5. To re-appoint Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**
6. To transact any other routine business which may properly be transacted at an Annual General Meeting.

## AS SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:

### 7. SHARE ISSUE MANDATE

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 Catalist (the “**Rules of Catalist**”) 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

# NOTICE OF ANNUAL GENERAL MEETING

- (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.

[See Explanatory Note (ii)]

(Resolution 7)

## 8. AUTHORITY TO OFFER AND GRANT OPTIONS AND ALLOT AND ISSUE SHARES UNDER THE KIMLY EMPLOYEE SHARE OPTION SCHEME

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

# NOTICE OF ANNUAL GENERAL MEETING

(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.

[See Explanatory Note (iii)]

(Resolution 8)

## 9. AUTHORITY TO OFFER AND GRANT AWARDS AND ALLOT AND ISSUE SHARES UNDER THE KIMLY PERFORMANCE SHARE PLAN

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

[See Explanatory Note (iv)]

(Resolution 9)

# NOTICE OF ANNUAL GENERAL MEETING

## 10. THE PROPOSED RENEWAL OF SHARE BUYBACK MANDATE

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**");

- (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;

# NOTICE OF ANNUAL GENERAL MEETING

“**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
  - (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.

[See Explanatory Note (v)]

(Resolution 10)

## 11. THE PROPOSED RENEWAL OF THE SHAREHOLDERS' GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

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 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.

[See Explanatory Note (vi)]

(Resolution 11)

By Order of the Board

Toh Li Ping, Angela  
Company Secretary

8 January 2025

# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory Notes:

- (i) **Resolution 3** is to re-elect Mr Wee Tian Chwee Jeffrey (“Mr Wee”) as a Director of the Company. Mr Wee, upon re-election, will 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 will be considered independent for the purposes of Rule 704(7) of the Rules of the Catalyst.

**Resolution 4** is to re-elect Ms Wong Kok Yoong Karen (“Ms Wong”) as the Executive Director of the Company. Ms Wong, upon re-election, will remain as Executive Director of the Company and a member of the Nominating Committee of the Company.

The information relating to Mr Wee and Ms Wong as required under Rule 720(5) of the Rules of Catalyst is set out from pages 56 to 60 of the Annual Report.

- (ii) **Resolution 7** proposed in item 7 above, if passed, is to empower the Directors to allot and issue Shares in the capital of the Company and/or Instruments (as defined above). The aggregate number of Shares to be issued pursuant to resolution 7 (including Shares to be issued in pursuance of Instruments made or granted) shall not exceed one hundred per cent. (100%) of the total number of issued Shares excluding subsidiary holdings (as defined in the Rules of Catalyst) and treasury Shares of the Company, with a sub-limit of fifty per cent. (50%) for Shares issued other than on a pro rata basis (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to shareholders with registered addresses in Singapore. For the purpose of determining the aggregate number of Shares that may be issued, the percentage of the total number of issued Shares excluding subsidiary holdings (as defined in the Rules of Catalyst) and treasury Shares of the Company will be calculated based on the total number of issued Shares excluding subsidiary holdings (as defined in the Rules of Catalyst) and treasury Shares of the Company at the time of the passing of resolution 7, after adjusting for new shares arising from the conversion or exercise of any convertible securities or 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 Catalyst; and any subsequent bonus issue, consolidation or subdivision of shares.
- (iii) **Resolution 8** proposed in item 8 above, if passed, is to authorise the Directors to (a) offer and grant Options in accordance with the provisions of the Scheme and pursuant to Section 161 of the Companies Act; 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 always 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 Catalyst) and treasury Shares on the day preceding that date.
- (iv) **Resolution 9** proposed in item 9 above, if passed, is to authorise the Directors to (a) offer and grant Awards in accordance with the provisions of the Share Plan and pursuant to Section 161 of the Companies Act; 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 always 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 of the Company excluding subsidiary holdings (as defined in the Rules of Catalyst) and treasury Shares on the day preceding that date.
- (v) **Resolution 10** proposed in item 10 above, if passed, will empower the Directors from the date of the passing of this Resolution until the date the next annual general meeting is to be held or is required by law to be held, whichever is earlier, to make purchases (whether by way of On-Market Share Purchases or Off-Market Share Purchases on an equal access scheme) from time to time of up to 10% of the total number of issued Shares excluding any Shares which are held as treasury shares of the Company at prices up to but not exceeding the Maximum Price. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate are set out in greater details in the Appendix accompanying this Notice.
- (vi) **Resolution 11** proposed in item 11 above, if passed, will authorise the Interested Person Transactions as described in the Appendix and recurring in the year and will empower the Directors of the Company to do all acts necessary to give effect to the shareholders’ general mandate for interested person transactions. This authority will, unless previously revoked or varied by the Company in a general meeting, expire at 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.

# NOTICE OF ANNUAL GENERAL MEETING

## Notes:

### General

1. The AGM of the Company will be held at The Grassroots' Club, 190 Ang Mo Kio Avenue 8, Singapore 568046 ("Physical Meeting"). Shareholders and other attendees who are feeling unwell on the date of the AGM are advised not to attend the Physical Meeting.
2. Printed copies of this Notice of AGM and the relevant proxy forms will be sent to members, and the electronic copies of which will be posted on the Company's corporate website at the following URL: <https://kimlygroup.sg> and the SGX-ST's website at the following URL: <https://www.sgx.com/securities/company-announcements>.
3. Authenticated shareholders and proxy(ies) will be able to ask questions in person at the Physical Meeting. Arrangements have also been put in place to permit shareholders to submit their questions ahead of the AGM. Please refer to Notes 13 and 14 below for further details.
4. Live voting by poll will be conducted during the AGM for shareholders and proxy(ies) attending the Physical Meeting.

### Voting by proxy

5. A member who is not a relevant intermediary entitled to attend the meeting and vote, is entitled to appoint one (1) or two (2) proxies to attend and vote at the AGM. Where a member who is not a relevant intermediary appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
6. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two (2) proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
  - (b) a person holding a capital markets services licence to provide custodial services under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore (the "CPF Act"), in respect of shares purchased under the subsidiary legislation made under the CPF Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
7. A proxy need not be a member of the Company.
  8. The completed and signed Proxy Form must be submitted to the Company in the following manner:
    - (a) in physical copy by depositing the same at the registered office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
    - (b) by sending a scanned PDF copy by email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com),

in either case, no later than 3.00 p.m. on 20 January 2025 ("Proxy Deadline"), being seventy-two (72) hours before the time appointed for the AGM.

9. A member who wishes to submit a Proxy Form must first **complete and sign the Proxy Form**, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.
10. The Proxy Form must be signed by the appointor or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
11. Investor who holds shares under the Central Provident Fund ("CPF") Investment Scheme and/or the Supplementary Retirement Scheme ("SRS") (as may be applicable) and wishes to appoint the Chairman of the AGM as their proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. 14 January 2025 at 5.00 p.m.).

# NOTICE OF ANNUAL GENERAL MEETING

12. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form (including any related attachment) (such as in the case where the appointor submits more than one (1) Proxy Form). In addition, in the case of Shares entered in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

## Submission of questions prior to the AGM

13. Members (including CPF and SRS Investors) may also submit questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations ahead of the AGM.
14. To do so, all questions must be submitted no later than 3.00 p.m. on 16 January 2025 through any of the following means:
- (a) in physical copy by depositing the same at the registered office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
  - (b) by sending a scanned PDF copy by email to the Company at [investor.relations@kimlygroup.sg](mailto:investor.relations@kimlygroup.sg).

If the questions are deposited in physical copy at the registered office of the Company's share registrar or sent via email, and in either case not accompanied by the completed and executed Proxy Form, the following details must be included with the submitted questions: (i) the member's full name; and (ii) his/her/its identification/company registration number for verification purposes, failing which the submission will be treated as invalid.

15. The Company will address all substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM or the Company's business and operations by publishing its responses to such questions, if any, on the Company's corporate website at the following URL: <https://kimlygroup.sg>, and is made available on SGXNet at the following URL: <https://www.sgx.com/securities/company-announcements> at least forty-eight (48) hours prior to the deadline for submission of Proxy Forms, or otherwise at the AGM. Should there be subsequent clarification sought, or follow-up questions after the deadline of the submission of questions, the Company will address those substantial and relevant questions prior to the AGM through publication on SGXNet, or at the AGM.

## **Personal data privacy:**

By submitting a Proxy Form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



**KIMLY LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 201613903R)

**PROXY FORM**

This form of proxy has also been made available on SGXNet at the following URL:  
<https://www.sgx.com/securities/company-announcements>  
and the Company's website at the following URL:  
<https://kimlygroup.sg>

**IMPORTANT:**

1. A relevant intermediary may appoint more than two (2) proxies to attend the Annual General Meeting ("AGM" of "Meeting" and vote (please see note 4 for the definition of "relevant intermediary").
2. For investors who have used their Central Provident Fund ("CPF") monies to buy the Company's shares, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
3. An investor who holds shares under the CPF Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") and wishes to vote should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes to appoint the Chairman of the AGM, as their proxy, at least seven (7) working days before the AGM (i.e. 14 January 2025 at 5.00 p.m.).
4. **This Proxy Form is not valid for use by CPF Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.**

I/We\*, \_\_\_\_\_ (Name), NRIC/Passport number/Co Regn. No.\* \_\_\_\_\_  
of \_\_\_\_\_ (Address)  
being a member/members of KIMLY LIMITED (the "Company"), hereby appoint(s):

Name	Address	Email Address	NRIC/ Passport No.	Proportion of Shareholdings	
				No. of Shares	%

and/or (delete as appropriate)

Name	Address	Email Address	NRIC/ Passport No.	Proportion of Shareholdings	
				No. of Shares	%

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the AGM of the Company to be held at The Grassroots' Club, 190 Ang Mo Kio Avenue 8, Singapore 568046 on Thursday, 23 January 2025 at 3.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

No.	Ordinary Resolutions relating to:	For**	Against**	Abstain**
1.	Directors' Statement and Audited Financial Statements for the financial year ended 30 September 2024			
2.	Approval of Tax Exempt One-Tier final dividend of 1.00 Singapore cent per ordinary share for the financial year ended 30 September 2024			
3.	Re-election of Mr Wee Tian Chwee Jeffrey as a Director			
4.	Re-election of Ms Wong Kok Yoong Karen as a Director			
5.	Approval of Directors' fees of up to S\$200,000 for the financial year ending 30 September 2025			
6.	Re-appointment of Messrs Ernst & Young LLP as Auditors			
7.	Approval of the Share Issue Mandate			
8.	Authority for Directors to offer and grant options and allot and issue shares under the Kimly Employee Share Option Scheme			
9.	Authority for Directors to offer and grant awards and allot and issue shares under the Kimly Performance Share Plan			
10.	Approval of the Proposed Renewal of Share Buyback Mandate			
11.	Approval of the Proposed Renewal of the Shareholders' General Mandate for Interested Person Transactions			

\* Delete where inapplicable

\*\* If you wish to use all your votes "For", "Against" or "Abstain", please indicate with an "√" within the box provided. Otherwise, please indicate number of votes "For", "Against" or "Abstain" for each resolution within the box provided. If you mark "√" in the "Abstain" box for a particular resolution, you are directing your proxy(ies) not to vote on that resolution.

Dated this \_\_\_\_\_ day of January 2025

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature of Member(s)  
or, Common Seal of Corporate Shareholder

**IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS FORM**

**Notes:**

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the Proxy Form shall be deemed to relate to all the Shares held by you.
2. A member of the Company who is not a relevant intermediary entitled to attend the meeting and vote is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her stead.
3. Where a member who is not a relevant intermediary appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two (2) proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

“Relevant intermediary” means:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
5. The completed and signed Proxy Form must be submitted to the Company in the following manner:
- a. in physical copy by depositing the same at the registered office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
  - b. by sending a scanned PDF copy by email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com),

in either case by no later than 3.00 p.m. on 20 January 2025, being seventy-two (72) hours before the time appointed for the AGM.

A member who wishes to submit a Proxy Form must first complete and sign the Proxy Form, before submitting it by depositing to the address provided above, or scanning and sending it by email to the email address provided above.

6. Completion and return of this Proxy Form shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the Meeting.
7. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the Proxy Form.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967 of Singapore.

**PERSONAL DATA PRIVACY:**

By submitting a Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 8 January 2025.

**GENERAL:**

The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.



## Annual Report 2024

(Incorporated in the Republic of Singapore on 23 May 2016)  
(Company Registration No. 201613903R)

13 Woodlands Link  
Singapore 738725

<https://kimlygroup.sg>