



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

**UNAUDITED CONDENSED INTERIM
FINANCIAL STATEMENTS**

**For the six months and full financial year
ended 31 December 2023**

[Table of Content](#)

A. Condensed interim consolidated statement of comprehensive income	1
B. Condensed interim statements of financial position	2
C. Condensed interim statements of changes of equity	3
D. Condensed interim consolidated statement of cash flows	5
E. Notes to the condensed interim consolidated financial statements	7
F. Other Information Required by Appendix 7C of the Catalist Rules.....	19

A. Condensed interim consolidated statement of comprehensive income

	Note	The Group			The Group		
		6 months ended		Change %	12 months ended		Change %
		31-Dec-23 (Unaudited) S\$'000	31-Dec-22 (Unaudited) S\$'000		31-Dec-23 (Unaudited) S\$'000	31-Dec-22 (Audited) S\$'000	
Revenue	E4	32,313	29,444	9.7	61,949	56,207	10.2
Other Income		91	661	(86.2)	979	1,569	(37.6)
Expenses:							
- Purchases and related costs		(8,219)	(7,811)	5.2	(15,801)	(14,457)	9.3
- Change of inventories		225	7	NM	154	(238)	NM
- Employee benefits		(8,187)	(6,851)	19.5	(16,411)	(13,840)	18.6
- Depreciation of property, plant and equipment		(4,914)	(4,212)	16.7	(9,506)	(8,511)	11.7
- Other expenses		(8,927)	(8,690)	2.7	(17,934)	(15,320)	17.1
- Finance costs		(711)	(428)	66.1	(1,284)	(692)	85.5
Total expenses		<u>(30,733)</u>	<u>(27,985)</u>	9.8	<u>(60,782)</u>	<u>(53,058)</u>	14.6
Profit before income tax		1,671	2,120	(21.2)	2,146	4,718	(54.5)
Income tax expense	E7	<u>(693)</u>	<u>(207)</u>	234.8	<u>(743)</u>	<u>(397)</u>	87.2
Net profit, representing total comprehensive income for the financial period/year¹		<u>978</u>	<u>1,913</u>	<u>(48.9)</u>	<u>1,403</u>	<u>4,321</u>	<u>(67.5)</u>
Net profit attributable to:							
Equity holders of the Company		922	1,940	(52.5)	1,297	4,297	(69.8)
Non-controlling interests		<u>56</u>	<u>(27)</u>	<u>(307.4)</u>	<u>106</u>	<u>24</u>	<u>341.7</u>
		<u>978</u>	<u>1,913</u>	<u>(48.9)</u>	<u>1,403</u>	<u>4,321</u>	<u>(67.5)</u>
Earnings per share ("EPS") for net profit attributable to equity holders of the Company:							
Basic and diluted (in cents) ²		<u>0.22</u>	<u>0.55</u>	<u>(60.0)</u>	<u>0.31</u>	<u>1.21</u>	<u>(74.4)</u>

NM denotes "Not Meaningful"

Notes:

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

² The earnings per share have been calculated based on the net profit attributable to equity holders of the Company and post-placement share capital of 425,000,000 shares (FY2022 pre-placement share capital of 355,000,000). The fully diluted earnings per share and basic earnings per share are the same because there is no dilutive share.

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		As at		As at	
		31-Dec-23 (Unaudited) S\$'000	31-Dec-22 (Audited) S\$'000	31-Dec-23 (Unaudited) S\$'000	31-Dec-22 (Audited) S\$'000
ASSETS					
Current assets					
Cash and bank balances		17,202	4,659	5,487	318
Trade and other receivables	E10	4,813	6,381	8,684	2,400
Inventories		899	745	-	-
		<u>22,914</u>	<u>11,785</u>	<u>14,171</u>	<u>2,718</u>
Non-current assets					
Investment in subsidiary corporations		-	-	2,761	2,451
Property, plant and equipment		24,249	17,437	-	-
Intangible assets		132	156	-	-
		<u>24,381</u>	<u>17,593</u>	<u>2,761</u>	<u>2,451</u>
Total Assets		<u>47,295</u>	<u>29,378</u>	<u>16,932</u>	<u>5,169</u>
LIABILITIES					
Current liabilities					
Trade and other payables	E12	5,496	5,848	147	623
Borrowings	E13	2,498	3,665	-	-
Lease liabilities	E13	5,956	5,289	-	-
Current income tax liabilities		610	783	-	-
		<u>14,560</u>	<u>15,585</u>	<u>147</u>	<u>623</u>
Non-current liabilities					
Lease liabilities	E13	14,428	7,977	-	-
Provisions		1,114	877	-	-
		<u>15,542</u>	<u>8,854</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>30,102</u>	<u>24,439</u>	<u>147</u>	<u>623</u>
Net assets		<u>17,193</u>	<u>4,939</u>	<u>16,785</u>	<u>4,546</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	E14	15,505	2,159	15,505	2,159
Retained profits		1,723	2,539	1,280	2,387
		<u>17,228</u>	<u>4,698</u>	<u>16,785</u>	<u>4,546</u>
Non-controlling interests		(35)	241	-	-
Total equity		<u>17,193</u>	<u>4,939</u>	<u>16,785</u>	<u>4,546</u>

C. Condensed interim statements of changes of equity

Attributable to equity holders of
the Company

	Note	Share Capital S\$'000	Retained Profits S\$'000	Total S\$'000	Non- controlling Interests S\$'000	Total Equity S\$'000
<u>The Group</u>						
2023 (Unaudited)						
Balance as at 1 January 2023		2,159	2,539	4,698	241	4,939
Issue of new shares	E14	14,000	-	14,000	-	14,000
Share issue expenses	E14	(654)	-	(654)	-	(654)
Incorporation of subsidiary corporations		-	-	-	3	3
Total comprehensive income - Net profit for the financial year		-	1,297	1,297	106	1,403
Acquisition of non-controlling interests of subsidiary corporations		-	55	55	(385)	(330)
Dividends declared	E8	-	(2,168)	(2,168)	-	(2,168)
Balance as at 31 December 2023		15,505	1,723	17,228	(35)	17,193

The Group

2022 (Audited)

Balance as at 1 January 2022		1,890	13,963	15,853	537	16,390
Total comprehensive income - Net profit for the financial year		-	4,297	4,297	24	4,321
Issuance of new ordinary shares - Incorporation of subsidiary corporations		261	-	261	40	301
Issuance of new ordinary shares		8	-	8	-	8
Struck-off a subsidiary corporation		*	-	*	-	*
Dividends declared	E8	-	(15,721)	(15,721)	(360)	(16,081)
Balance as at 31 December 2022		2,159	2,539	4,698	241	4,939

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

	Note	Share Capital S\$'000	Retained Profits S\$'000	Total Equity S\$'000
<u>The Company</u>				
2023 (Unaudited)				
Balance as at 1 January 2023		2,159	2,387	4,546
Issue of new shares		14,000	-	14,000
Share issue expenses	E14	(654)	-	(654)
Total comprehensive income - Net profit for the financial year		-	1,061	1,061
Dividend declared	E8	-	(2,168)	(2,168)
Balance as at 31 December 2023		15,505	1,280	16,785
2022 (Audited)				
At date of incorporation		-	-	-
Issue of new shares		2,159	-	2,159
Total comprehensive income - Net profit for the financial period		-	2,387	2,387
Balance as at 31 December 2022		2,159	2,387	4,546

* Less than S\$1,000

D. Condensed interim consolidated statement of cash flows

	Note	The Group	
		12 months ended	
		31-Dec-23 (Unaudited)	31-Dec-22 (Audited)
		S\$'000	S\$'000
Cash flows from operating activities			
Profit before income tax		1,403	4,321
Adjustment for:			
- Amortisation of intangible assets		24	25
- Depreciation of property, plant and equipment	E6	9,506	8,511
- Gain on termination of leases		(5)	(258)
- Loss/(Gain) on disposal of property, plant and equipment	E6	19	(133)
- Interest expense		1,284	692
- Income tax expense		743	397
		<u>12,974</u>	<u>13,555</u>
Change in working capital:			
- Inventories		(154)	238
- Trade and other receivables		1,567	(2,385)
- Trade and other payables		(483)	488
		<u>13,904</u>	<u>11,896</u>
Cash generated from operations		13,904	11,896
Income tax paid		(916)	(269)
		<u>12,988</u>	<u>11,627</u>
Net cash provided by operating activities			
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment	E11	68	684
Additions to property, plant and equipment	E11	(2,292)	(1,741)
Acquisition of non-controlling interests of subsidiary corporation		(330)	*
		<u>(2,554)</u>	<u>(1,057)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from issuance of shares, net of issuance expenses	E14	13,346	269
Proceeds from issuance of ordinary shares to non-controlling interests		3	40
Dividend paid to equity holders of the Company	E8	(2,168)	(15,721)
Dividend paid to non-controlling interests		-	(360)
Proceeds from borrowings		388	6,187
Repayments of borrowings		(1,555)	(2,522)
Principal repayment of lease liabilities		(6,621)	(6,713)
Interest paid		(1,284)	(692)
		<u>2,109</u>	<u>(19,512)</u>
Net cash provided by/(used in) financing activities			
		<u>12,543</u>	<u>(8,942)</u>
Net increase/(decrease) in cash and bank balances			
Cash and bank balances			
Beginning of the financial year		4,659	13,601
End of the financial year		<u>17,202</u>	<u>4,659</u>

* Less than S\$1,000

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

Reconciliation of liabilities arising from financing activities

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

	1 January 2022	Proceeds from borrowings	Principal and interest payment	Interest expense	Additions	<u>Non-cash changes</u>		31 December 2022
						Lease Modification	Lease Termination	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Bank borrowings	-	6,187	(2,570)	48	-	-	-	3,665
Lease liabilities	8,602	-	(7,357)	644	11,782	-	(405)	13,266

E. Notes to the condensed interim consolidated financial statements

1. General Information

1.1 The Company

The Company was incorporated in Singapore on 8 August 2022 as an exempt private company limited by shares under the name of “YKGI Pte. Ltd.”. On 23 December 2022, the Company was converted into a public company limited by shares. In connection with such conversion, the Company changed its name to “YKGI Limited”. The address of its registered office is at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712.

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

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

2. Basis of Preparation

The condensed interim financial statements for the six months ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Committee of Accounting and Corporate Regulatory Authority.

The condensed interim financial statements do not include all the information required for a complete set of financial statements and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2022. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the six months ended 30 June 2023.

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

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

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

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

2.1 New and amended standards adopted by the Group

On 1 January 2023, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial period. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

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

2.2 Summary of significant accounting policies

The unaudited interim condensed combined financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies in the Group's audited financial statements for the financial year ended 31 December 2022.

The accounting policies applied in these unaudited interim condensed consolidated financial statements are the same as those applied in the Group's audited financial statements for the financial year ended 31 December 2022.

2.3 Critical accounting estimates, assumptions and judgements

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

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

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

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

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

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

3. Seasonal operations

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

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

4. Segment and revenue information

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

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

(i) Food Court Business

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

(ii) F&B Operations Business

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

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

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

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

(iv) Other segment

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

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

4. Segment and revenue information (Cont'd)

4.1 Reportable segments

The following table below presents the revenue and profit information for the Group's operating segments for the six months ended 31 December 2023 ("2HY2023") and 31 December 2022 ("2HY2022") respectively:

	Food Court Business	F&B Operations Business	Franchise Business	Other segment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2HY2023					
Revenue	4,614	16,629	11,070	-	32,313
Other Income	42	38	11	-	91
Segment profit/(loss)	472	1,507	1,931	(1,528)	2,382
Finance costs	(167)	(258)	(286)	-	(711)
Profit/(loss) before income tax	305	1,249	1,645	(1,528)	1,671
Income tax expense					(693)
Net profit					978
Segment assets	2,582	27,957	14,564	2,192	47,295
Addition to:					
- Property, plant and equipment	1,143	571	295	-	2,009
Segment liabilities	1,558	15,109	10,040	3,395	30,102
	Food Court Business	F&B Operations Business	Franchise Business	Other segment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2HY2022					
Revenue	3,673	14,907	10,864	-	29,444
Other Income	29	179	453	-	661
Segment profit/(loss)	198	1,380	2,026	(1,056)	2,548
Finance costs	(112)	(146)	(168)	(2)	(428)
Profit/(loss) before income tax	86	1,234	1,858	(1,058)	2,120
Income tax expense					(207)
Net profit					1,913
Segment assets	3,397	12,058	11,668	2,255	29,378
Addition to:					
- Property, plant and equipment	20	888	574	455	1,937
Segment liabilities	3,343	9,001	7,615	4,480	24,439

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

4. Segment and revenue information (Cont'd)

4.1 Reportable segments (Cont'd)

The following table below presents the revenue and profit information for the Group's operating segments for the full financial years ended 31 December 2023 ("FY2023") and 31 December 2022 ("FY2022") respectively:

	Food Court Business	F&B Operations Business	Franchise Business	Other segment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FY2023					
Revenue	8,513	31,962	21,474	-	61,949
Other Income	103	805	71	-	979
Segment profit/(loss)	769	3,876	2,877	(4,092)	3,430
Finance costs	(294)	(432)	(462)	(96)	(1,284)
Profit/(loss) before income tax	475	3,444	2,415	(4,188)	2,146
Income tax expense					(743)
Net profit					1,403
Segment assets	2,582	27,957	14,564	2,192	47,295
Addition to:					
- Property, plant and equipment	1,143	571	295	-	2,009
Segment liabilities	1,558	15,109	10,040	3,395	30,102
	Food Court Business	F&B Operations Business	Franchise Business	Other segment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FY2022					
Revenue	6,776	27,911	21,520	-	56,207
Other Income	220	745	604	-	1,569
Segment profit/(loss)	532	3,730	2,757	(1,609)	5,410
Finance costs	(133)	(255)	(302)	(2)	(692)
Profit/(loss) before income tax	399	3,475	2,455	(1,611)	4,718
Income tax expense					(397)
Net profit					4,321
Segment assets	3,397	12,058	11,668	2,255	29,378
Addition to:					
- Property, plant and equipment	20	888	574	455	1,937
Segment liabilities	3,343	9,001	7,615	4,480	24,439

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

4. Segment and revenue information (Cont'd)

4.2 Disaggregation of revenue

	The Group		The Group	
	2HY2023	2HY2022	FY2023	FY2022
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue from contracts with customers				
(i) Sales of food and beverage - point in time				
- F&B operations business	16,629	14,907	31,962	27,911
- Franchise business	11,070	10,864	21,474	21,520
- Food court business	1,973	1,413	3,553	2,598
	<u>29,672</u>	<u>27,184</u>	<u>56,989</u>	<u>52,029</u>
(ii) Management service - over time				
- Food court business	972	909	1,989	1,801
	<u>30,644</u>	<u>28,093</u>	<u>58,978</u>	<u>53,830</u>
Rental income	1,669	1,351	2,971	2,377
	<u><u>32,313</u></u>	<u><u>29,444</u></u>	<u><u>61,949</u></u>	<u><u>56,207</u></u>

4.3 A Breakdown of sales

	The Group		
	FY2023	FY2022	Increase / (Decrease)
	S\$'000	S\$'000	%
Sales reported for the first half year	29,636	26,763	10.7
Operating profit after tax before deducting non-controlling interest reported for first half year	425	2,408	(82.4)
Sales reported for second half year	32,313	29,444	9.7
Operating profit after tax before deducting non-controlling interest reported for second half year	978	1,913	(48.9)

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

5. Financial assets and financial liabilities

The following information set out below is an overview of the financial assets and financial liabilities as at 31 December 2023 and 2022 respectively.

	The Group		The Company	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial assets at amortised cost</u>				
- Cash and bank balances	17,202	4,659	5,487	318
- Trade and other receivables	3,867	4,250	8,674	2,400
	<u>21,069</u>	<u>8,909</u>	<u>14,161</u>	<u>2,718</u>
<u>Financial liabilities at amortised cost</u>				
- Trade and other payables	5,145	5,291	147	623
- Borrowings	2,498	3,665	-	-
- Lease liabilities	20,384	13,266	-	-
	<u>28,027</u>	<u>22,222</u>	<u>147</u>	<u>623</u>

6. Profit before income tax

6.1 Significant items

	The Group		The Group	
	6 months ended		12 months ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Income</u>				
Government grant	241	262	543	720
Rental concession income	22	-	36	172
Gain on disposal of property, plant and equipment	-	3	-	133
<u>Expenses</u>				
Purchase and related costs	8,219	7,811	15,801	14,457
Employee benefits	8,187	6,851	16,411	13,840
Depreciation of property, plant and equipment	4,914	4,212	9,506	8,511
Cleaning fees	772	657	1,495	1,262
Franchise and royalty fees	240	217	471	435
Foreign worker levies	457	249	863	699
IPO and related expenses	-	-	1,243	-
License fees	321	714	1,139	1,316
Loss on disposal of property, plant and equipment	19	-	19	-
Rental expenses-short-term leases and variable rental	1,339	627	2,459	1,785
Repair and maintenance	629	1,001	1,358	1,220
Transaction and service charges	1,840	1,730	3,473	3,527
Utilities	1,118	1,003	2,163	1,920

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

6. Profit before income tax (Cont'd)

6.2 Related party transactions

- (a) Miscellaneous fees payable/paid to directors and related parties in consideration for their efforts in running the food outlets.

	The Group		The Group	
	6 months ended		12 months ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000
- Directors	-	8	-	33
- Related parties	-	14	-	55
	-	22	-	88

- (b) Key management personal compensation, representing remuneration of the directors and key management of the Company.

	The Group		The Group	
	6 months ended		12 months ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000
Salaries and wages	1,173	818	2,108	1,199
Employer's contribution to defined contribution plan	83	63	149	110
	1,256	881	2,257	1,309

7. Income tax

The Group calculates the income tax expense for the financial period using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	The Group		The Group	
	6 months ended		12 months ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Tax expenses attributable to profit is made up of:</u>				
Current income tax – profit for the financial period/year	448	209	498	399
Under/(over) provision of current income tax in prior financial years	245	(2)	245	(2)
	693	207	743	397

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

8. Dividends

	The Group	
	31-Dec-23	31-Dec-22
	S\$'000	S\$'000
Final one tier exempt dividends declared in respect of the previous financial year of 0.51 cents per share	2,168	-
Final one tier exempt dividends declared by the subsidiaries to the shareholders prior to the completion of the restructuring exercise	-	15,721

9. Net asset value

	The Group		The Company	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	S\$	S\$	S\$	S\$
Net assets per ordinary share (cents)	4.05	1.32	3.95	1.28

Net assets per ordinary share is calculated based on the number of issued 425,000,000 shares (excluding treasury shares) as at 31 December 2023 (2022: pre-placement number of ordinary of ordinary shares of 355,000,000 (excluding treasury shares)).

10. Trade and other receivables

	The Group		The Company	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables - Non-related parties	281	444	-	-
Refundable security deposits	3,563	3,806	-	-
Prepayments	946	1,027	10	-
Deferred IPO expenses	-	1,104	-	-
Dividends receivables from subsidiaries	-	-	2,600	2,400
Amount due from subsidiaries	-	-	6,074	-
Other receivables – Non-related parties	23	-	-	-
	<u>4,813</u>	<u>6,381</u>	<u>8,684</u>	<u>2,400</u>

Included in the prepayments as at 31 December 2023 were advance payment to a supplier for the purchase raw materials of S\$399,000 (2022: S\$672,000).

Amount due from subsidiaries are unsecured, interest free and repayable on demand.

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

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

During the financial year ended 31 December 2023, the Group acquired PPE amounted to S\$9,714,000 (2022: S\$13,583,000) and disposed of assets amounted to S\$87,000 (2022: S\$551,000).

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

	The Group	
	12 months ended	
	31-Dec-23	31-Dec-22
	S\$'000	S\$'000
<u>Purchase of PPE</u>		
Total additions in the financial year	9,714	13,583
Less: Acquired under lease liabilities	(7,054)	(11,782)
Less: Movement in reinstatement cost	(368)	(60)
Net cash outflow	<u>2,292</u>	<u>1,741</u>
<u>Proceed from disposal of PPE</u>		
Total net book value of disposal in the financial year	87	551
Add: Gain on disposal of PPE	-	133
Less: Loss on disposal of PPE	(19)	-
Net cash inflow	<u>68</u>	<u>684</u>

12. Trade and other payables

	The Group		The Company	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables - Non-related parties	1,148	1,484	-	-
Non-trade payables				
- Directors	-	320	-	-
- Associated company	-	-	-	-
- Subsidiaries	-	-	33	623
- Non-related parties	1,119	718	46	-
	<u>1,119</u>	<u>1,038</u>	<u>79</u>	<u>623</u>
Goods and services tax payable	351	557	-	-
Accrued expenses	2,597	2,480	68	-
Deposit from tenants	281	289	-	-
	<u>5,496</u>	<u>5,848</u>	<u>147</u>	<u>623</u>

The non-trade payables due to directors and subsidiaries are unsecured, interest-free and payable on demand.

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

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

	The Group	
	31-Dec-23	31-Dec-22
	S\$'000	S\$'000
<u>Secured bank loan</u>		
Amount repayable in one year or less, or on demand	2,498	3,665
Amount repayable after one year	-	-
	<u>2,498</u>	<u>3,665</u>

Details of any collaterals:

As at the end of the financial year, the Group's secured bank term loans of S\$2,498,000 (2022: S\$3,665,000) are secured by the mortgage over a leasehold property of the Group and deed of guarantee and indemnity for all monies from YKGI Limited (2022: joint and several guarantee by a director and a key management of the Group).

	The Group	
	31-Dec-23	31-Dec-22
	S\$'000	S\$'000
<u>Secured lease liabilities</u>		
Amount repayable in one year or less, or on demand	217	47
Amount repayable after one year	316	160
	<u>533</u>	<u>207</u>

Unsecured lease liabilities

Amount repayable in one year or less, or on demand	5,739	5,242
Amount repayable after one year	14,112	7,817
	<u>19,851</u>	<u>13,059</u>

Details of any collaterals:

As at the end of the financial year, the Group's secured lease liabilities of S\$533,000 (2022: S\$207,000) are secured by the office equipment and motor vehicles of subsidiaries.

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

14. Share Capital

	The Group and The Company			
	31-Dec-23		31-Dec-22	
Issued and fully paid	No. of shares	S\$'000	No. of shares	S\$'000
Beginning of financial year	355,000,000	2,159	-	-
On date of incorporation	-	-	100	*
Issue of shares pursuant to the Restructuring Exercise and the Share Swap	-	-	2,151,116	2,151
Issue of new shares	70,000,000	14,000	67,534	8
Shares issuance expenses	-	(654)	-	-
Share split	-	-	352,781,250	-
End of financial year	425,000,000	15,505	355,000,000	2,159

* Less than S\$1,000

The Company was incorporated on 8 August 2022 in Singapore in accordance with the Companies Act as a private company limited by shares with an issued and paid-up share capital of S\$100 comprising 100 Shares held by Seah & Family.

The Company entered into share swap agreements dated 21 December 2022 with each of the sellers set out below to acquire all of the issued and paid-up share capital of each of the corresponding subsidiaries set out below for an aggregate purchase consideration of S\$2,151,116, based on a willing-buyer willing-seller basis based on the share capital of each relevant subsidiary. The consideration for the acquisition of these subsidiaries was satisfied by the issue and allotment of an aggregate of 2,151,116 new Shares to each of the sellers, who all nominated Seah & Family to hold such new Shares. Arising from the share swap, the issued and paid up share capital of our Company increased to 2,151,216 comprising 2,151,216 Shares, all of which are held by Seah & Family, with the consideration satisfied by the allotment and issue by the Company of an aggregate of 2,151,116 new Shares to Seah & Family.

On 23 December 2022, the Company issued 67,534 Shares to Seah & Family, for a consideration of S\$7,534. Following such issuance of Shares, the issued and paid-up share capital of our Company became S\$2,158,750, comprising 2,218,750 Shares.

On 23 December 2022, the Share Split was effected and each of the Company's Shares were subdivided into 160 Shares. Pursuant to the Share Split, the issued and paid-up share capital of the Company became S\$2,158,750, comprising 355,000,000 Shares.

On 26 January 2023, the Company distributed the Placement Shares Application Form in respect of 82,750,000 Placement Shares comprising 53,750,000 New shares and 29,000,000 Vendor Shares at S\$0.20 for each by way of placement, payable in full on application and application monies received for these Placement Shares amounted to S\$16,550,000.

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

Pursuant to the IPO on 6 February 2023, IPO expenses after deducting Grant for Equity market Singapore (GEMS) amounted to S\$1,897,000 of which S\$654,000 has been capitalised against share capital while the remaining amounts to S\$1,243,000 has been included in other expenses in the consolidated statement of profit or loss and other comprehensive income.

15. Subsequent events

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

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

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

The condensed interim statements of financial position of YKGI Limited and its subsidiaries as at 31 December 2023 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period ended 31 December 2023 and certain explanatory notes have not been audited or reviewed.

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

- a) Updates on the efforts taken to resolve each outstanding audit issue.**
- b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

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

Not applicable.

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

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

Revenue

The Group's revenue increased by approximately S\$5.7 million or 10.2% from S\$56.2 million in FY2022 to S\$61.9 million in FY2023. This increase was mainly attributed to:

- (i) an increase of S\$4.0 million contribution from our F&B Operations due to the expansion of operational stores in FY2023. The increase in product prices throughout the year also played a role in this upward trend;
- (ii) an increase of S\$1.8 million from our Food Court Business due to the higher demand as well as the opening of one new food court located at Changi City Point in the end of April 2023 although this is partially offset by the closure of one existing food court at KPCC in November 2023; and
- (iii) offset by a decrease of S\$0.1 million contribution from our Franchise Business due to all our franchise business were GST registered in FY2023 with no corresponding adjustment in price and decrease in the online sales with the lifting of Community Safe Management Measures in October 2022.

Other income

Other income decreased by S\$0.6 million or 37.6% from S\$1.6 million in FY2022 to S\$1.0 million in FY2023. This decrease was due to the tapering off of government grants received by our Group in relation to COVID-19.

Purchases and related costs

Purchases and related costs increased by S\$1.3 million or 9.3% from S\$14.5 million in FY2022 to S\$15.8 million in FY2023 mainly due to the sales growth and the impact of inflation.

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

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

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

Changes in inventories

Changes in inventories of S\$0.2 million as at 31 December 2023 compared to 31 December 2022 was due to timing of purchases and consumption of inventories.

Employee benefits

Employee benefits increased by S\$2.6 million or 18.6% from S\$13.8 million in FY2022 to S\$16.4 million in FY2023 mainly because of the higher compensation package in FY2023 in order to retain and attract workers in a tight labour market as well as the new service agreement and employment contract of the directors and key management effective from 1 November 2022.

Depreciation of property, plant and equipment

Depreciation expenses increased by S\$1.0 million or 11.7% from S\$8.5 million in FY2022 to S\$9.5 million in FY2023 mainly due to the renewal of existing outlets at higher rental capitalised as right-of-use assets and addition of other property, plant and equipment items during FY2023.

Other expenses

Other expenses increased by S\$2.6 million or 17.1% from S\$15.3 million FY2022 to S\$17.9 million in FY2023 mainly due to: (i) one-time IPO expenses of S\$1.2 million; and (ii) increase in lease expenses related to variable rental and short-term leases S\$0.7 million; cleaning fees of S\$0.2 million; repair and maintenance expenses of S\$0.1 million, utilities of S\$0.2 million and others of S\$0.2 million.

Finance costs

Finance costs increased by S\$0.6 million or 85.5% from S\$0.7 million in FY2022 to S\$1.3 million in FY2023 due to the higher interest expenses on lease liabilities for new outlets and the utilisation of the bank facility during FY2023.

Profit before income tax

Profit before income tax decreased by approximately S\$2.6 million or 54.5% from S\$4.7 million in FY2022 to S\$2.1 million in FY2023 as a result of lower other income and higher costs and expenses as elaborated the above.

The decrease in profit before income tax of our Franchise Business from S\$2.5 million in FY2022 to S\$2.4 million in FY2023 is due to more Franchise Business were GST registered during the year and the decrease in the online sales in FY2023 which is partially offset by upward adjustment in the selling prices of our beverages. The other income for our Franchise Business also decreased by S\$0.5 million from S\$0.6 million in FY2022 to S\$0.1 million in FY2023 due to the tapering off of the government grants received by our Franchise Business in relation to COVID-19. The decrease in profit before income tax of our F&B Operation Business from S\$3.5 million in FY2022 to S\$3.3 million in FY2023 is due to the increase in operation costs despite the increase in sales of our F&B Operation Business segment by S\$4.1 million from S\$27.9 million in FY2022 to S\$32.0 million in FY2023.

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

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

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

Non-current assets

As at 31 December 2023, the Group's non-current assets of approximately S\$24.4 million accounted for approximately 51.6% of the Group's total assets. The Group's non-current assets comprise property, plant and equipment and intangible assets.

Property, plant and equipment as at 31 December 2023 amounted to approximately S\$24.2 million or 99.5% of total non-current assets. It comprises mainly cold room and equipment, computers, furniture and fittings, leasehold property, motor vehicles, office equipment, renovation and drinks and food stalls. Property, plant and equipment increased by about S\$6.8 million compared to FY2022, mainly because the Group recognised additional right-of-use assets for new and renewal of leases in FY2023, amounted to approximately S\$13.6 million, partially off-set by the depreciation expenses of S\$7.1 million.

Current assets

As at 31 December 2023, the Group's current assets of S\$22.9 million accounted for approximately 48.4% of the Group's total assets. The Group's current assets consisted of cash and bank balances, trade and other receivables and inventories.

As at 31 December 2023, cash and bank balances amounted to approximately S\$17.2 million or 75.1% of total current assets, increased by approximately S\$12.5 million compared to FY2022 which was mainly attributable to net proceed from issue of new shares of S\$13.3 million from the IPO, offset by payment of dividends of S\$2.2 million to the equity holders of the Company and repayment of bank borrowings of S\$1.6 million.

Trade and other receivables amounted to approximately S\$4.8 million or 21.0% of total current assets, which is mainly made up of refundable deposits related to the deposits placed with landlords for the rental of outlets by our Group. The decrease in trade and other receivables is due to the recognition of deferred IPO expenses of \$1.1 million against share capital and listing expenses in profit or loss upon the listing of the Company.

Non-current liabilities

As at 31 December 2023, the Group's non-current liabilities of S\$15.5 million accounted for approximately 51.6% of the Group's total liabilities. The Group's non-current liabilities consist of lease liabilities and provisions.

As at 31 December 2023, the Group's non-current lease liabilities amounted to approximately S\$14.4 million, or 92.8% of total non-current liabilities as at 31 December 2023.

Total non-current and current portion of lease liabilities increased approximately S\$7.1 million, mainly due to recognition of additional lease liabilities from new and renewal of leases in FY2023 of S\$13.9 million, partially offset by the principal repayment of lease liabilities of S\$6.6 million.

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

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

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

Current liabilities

As at 31 December 2023, the Group's current liabilities of S\$14.6 million accounted for 48.4% of the Group's total liabilities. The Group's current liabilities consisted of trade and other payables, bank borrowings, lease liabilities and current income tax liabilities.

Trade and other payables amounted to S\$5.5 million or approximately 37.7% of the Group's total current liabilities as at 31 December 2023, comprised: trade payables; non-trade payables to non-related parties; accrued expenses and deposits from tenants.

As at 31 December 2023, the Group's current lease liabilities amounted to approximately S\$6.0 million, or 40.9% of total current liabilities as at 31 December 2023.

Statement of cash flows of the Group

In FY2023, the Group recorded net cash provided by operating activities of S\$13.0 million, which was a result of operating profit before reinvestment in working capital of S\$13.0 million, adjusted for working capital inflows of S\$0.9 million and income tax paid of S\$0.9 million. The net cash from working capital of S\$0.9 million was mainly due to a decrease in trade and other receivables of S\$1.6 million; and offset by an increase in trade and other payables of S\$0.5 million a decrease in inventories of S\$0.2 million.

Net cash used in investing activities amounted to S\$2.6 million was attributable to additions of property, plant and equipment of S\$2.3 million and acquisition of NCI of S\$0.3 million.

Net cash flow provided by financing activities amounted to S\$2.1 million, which was mainly attributable to proceeds from issuance of shares and borrowings and offset by repayment of lease liabilities and borrowings, dividends and interest.

As at 31 December 2023, the Group's cash and bank balances were S\$17.2 million.

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

Not applicable

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

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The food and beverage (F&B) industry in Singapore grapples with persistent challenges that significantly impact businesses operating within it, notably, rising costs, encompassing food ingredients, rental, other operating expenses and labour, pose substantial pressure on the profitability of F&B companies. The industry faces ongoing challenges such as a manpower shortage and the implementation of a progressive wage model, mandating increases in minimum wages for workers. Given these obstacles and the heightened competition, the Group anticipates a challenging operating environment within the F&B industry.

In FY2023, the Group strategically expanded its operations by inaugurating a new food court at Changi City Point. This move underscores the Company's commitment to growth. Concurrently, the Group is actively optimizing its store portfolio by closing unprofitable outlets and opening new ones in locations offering abundant business opportunities. As part of its growth strategy, the Group is proactively exploring opportunities to enhance market presence, including considering new outlet locations, expanding product offerings, and diversifying its brand portfolio through strategic partnerships and new brand development initiatives.

On 28 December 2023, the Group announced its wholly owned subsidiary, YKGI Ventures Pte. Ltd. entered into a shareholders' agreement with Hachioji Trading Limited to incorporate a company to carry on the Macau CHICHA Business and the first CHICHA outlet is expected to commence operation in 2HFY2024.

Looking forward, the Group remains resolute in its pursuit of expansion opportunities to broaden its revenue base. Emphasis is placed on strengthening core competencies to enhance operational efficiency and productivity. The Group is committed to navigating the challenging landscape while seeking avenues for growth and improvement over the next reporting period and the ensuing 12 months.

5. If a decision regarding dividend has been made:

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

Name of Dividend: Final

Dividend Type: Cash

Amount per share: 0.26 cents

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

Yes, previously corresponding period: 0.51 cents per share

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

Tax exempt

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

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

d) The date the dividend is payable

17 May 2024 (if approved at the Annual General Meeting to be held).

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

8 May 2024 (if approved at the Annual General Meeting to be held).

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

Not applicable.

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

Not applicable. The Company has not obtained a general mandate from shareholders for Interested Person Transaction ("IPT"). There are no IPTs of S\$100,000 and above during Y2023.

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

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

9. Status of the use of IPO funds raised

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

	Allocation of net proceeds	Amount utilised as the date of this announcement	Balance as at the date of this announcement
	S\$'000	S\$'000	S\$'000
Expansion of our business (including opening new outlets in Singapore and overseas, expanding into more market segments, strengthening our supply chain capabilities, expanding our franchising and sub-franchising operations and undertaking strategic acquisitions and joint venture partnerships)	10,000	603	9,397
Working capital	2,035	2,035 ⁽¹⁾	-
Total	12,035	2,638	9,397

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

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

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

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

Incorporation of Subsidiaries and Joint Venture

During FY2023, the Group established a few new subsidiaries (the "New Subsidiaries") as part of its business growth. Details of the new Subsidiaries are as follows:-

Name of Subsidiary	: Oriental Kopi (Singapore) Pte. Ltd.*
Country of incorporation	: Singapore
Date of incorporation	: 15 August 2023
% of shareholding	: 100%
Principal activity	: Engaged in the business of retail food and beverage outlet(s) operating
Issued and paid-up capital	: S\$10,000

*Oriental Kopi (Singapore) Pte. Ltd. was incorporated on 15 August 2023 as a joint venture which the Group held 70% interest. On 26 January 2024, the joint venture agreement was terminated and the Group acquired the remaining 30% shares. Please refer to the respective announcements on the mentioned dates for more information.

Name of subsidiary	: YKGI Food Court Management Pte. Ltd.
Country of incorporation	: Singapore
Date of incorporation	: 25 September 2023
% of shareholding	: 100%
Principal activity	: Letting and operating of self-owned or leased food courts, coffee shops and canteens (with mainly rental income) and stalls selling cooked food and prepared drinks
Issued and paid-up capital	: S\$10,000

Name of subsidiary	: Yew Kee Group International (Macau) Pte. Ltd.
Country of incorporation	: Macau, SAR of PRC
Date of incorporation	: 28 December 2023
% of shareholding	: 90%
Principal activity	: Engaged in the business of retail food and beverage outlet(s) operating
Issued and paid-up capital	: MOP40,000 (approximate S\$6,940)

Please refer to the Company's earlier announcements released on 15 August 2023, 3 October 2023, 28 December 2023 and 26 January 2024.

The incorporation of the New Subsidiaries is funded through internal resources and is not expected to have any material impact on the net tangible assets or earnings per share of the Group for the current financial period 31 December 2023.

None of the directors, controlling shareholders of the Company, has any interest, whether directly or indirectly, in the transaction, save in respect of their respective shareholdings (if any) in the Company.

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

10. Disclosure on Acquisition and Realisation of Shares pursuant to Catalist Rule 706A (Cont'd)

Consolidation of CHI CHA SAN CHEN business

During FY2023, the Group has undertaken an internal consolidation exercise (the "Consolidation") to consolidate all the CHI CHA SAN CHEN business carried out by its 30 franchise subsidiaries into Yew Kee Two Pte. Ltd. The Board believes the Consolidation of CHI CHA SAN CHEN business will streamline operations with the Group for greater administrative efficiency. In conjunction with this consolidation exercise, the Group is in the process of striking off all 30 CHI CHA SAN CHEN franchise subsidiaries held through Yew Kee Two Pte. Ltd.

Acquisition of Remaining Shares in Fine Food F&B Pte. Ltd. And Fine Food (Nanyang) Pte. Ltd.

The Company's wholly owned subsidiary, Yew Kee Collective Pte Ltd ("Yew Kee Collective") acquired from Mr. Tan Hwee Meng ("THM") the remaining 100,000 shares of Fine Food F&B Pte. Ltd. ("FFF&B") and 40,000 shares of Fine Food (Nanyang) Pte. Ltd. ("FFNY") (the "Sale Shares"), representing 50% and 20% of the total issued and paid-up share capital of FFF&B and FFNY respectively (the "Acquisition") for a total consideration of S\$330,000 on 18 September 2023. Consequent to the completion of the Acquisition, FFF&B and FFNY become wholly-owned subsidiaries of the Group.

The cash consideration was funded by internal resources of the Group. The Acquisition does not have any material impact on the consolidated net tangible assets or earnings per share of the Group for the financial year ending 31 December 2023.

Please refer to the Company's announcement released on 18 September 2023 in relation to this acquisition for more information.

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

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

Name	Age	Family relationship with director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wee Lay Teng	57	Wife of our Executive Chairman and Executive Director, Mr Seah Boon Lock; Mother of our CEO and executive director, Mr. Seah Qin Quan	Chief administrative officer and is responsible for, among others, overall administration of our Group, including human resources, operations and marketing matters since November 2022.	No change
Seah Kun Miao	30	Daughter of our Executive Chairman and Executive Director, Mr Seah Boon Lock; Sister of our CEO and executive director, Mr. Seah Qin Quan	Chief marketing officer and is responsible for, among others, overseeing brand management, integrated marketing campaigns, new product launches and business growth channels since November 2022.	No change

BY ORDER OF THE BOARD

On Behalf of YKGI Limited

Seah Boon Lock
Executive Chairman and Executive Director
27 February 2024

Wong Fook Sung
Lead Independent Director

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., ("**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Mah How Soon - Registered Professional, 36 Robinson Road, #10-06, City House, Singapore 068877, sponsor@rhtgoc.com.