Snack Empire Holdings Limited
快餐帝國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1843

2024/2025
ANNUAL REPORT

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BOARD OF DIRECTORS

Executive Directors

Mr. Daniel Tay
Mr. Melvyn Wong *(Chief Executive Officer)*

Independent non-executive Directors

Mr. Fok Chee Khuen *(Chairman)*
Mr. Jong Voon Hoo
Ms. Tan Chiu Yang

AUDIT COMMITTEE

Mr. Fok Chee Khuen *(Chairman)*
Mr. Jong Voon Hoo
Ms. Tan Chiu Yang

REMUNERATION COMMITTEE

Ms. Tan Chiu Yang *(Chairlady)*
Mr. Jong Voon Hoo
Mr. Fok Chee Khuen
Mr. Daniel Tay
Mr. Melvyn Wong

NOMINATION COMMITTEE

Mr. Jong Voon Hoo *(Chairman)*
Ms. Tan Chiu Yang
Mr. Fok Chee Khuen

COMPANY SECRETARY

Ms. Tung Wing Yee Winnie

AUTHORISED REPRESENTATIVES

Mr. Melvyn Wong
Ms. Tung Wing Yee Winnie

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

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PRINCIPAL BANKER

Oversea-Chinese Banking Corporation Limited
65 Chulia Street
Singapore 049513

INDEPENDENT AUDITOR

Forvis Mazars LLP
Certified Public Accountants
Registered Public Interest Entity Auditor
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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
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KY1-1111, Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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2103B, 21st Floor
148 Electric Road
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LEGAL ADVISER AS TO HONG KONG LAW

Robertsons, Solicitors
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Hong Kong

LISTING INFORMATION

Place of Listing

The Main Board of The Stock Exchange of Hong Kong Limited

Stock Code

1843

Board Lots

4,000

Message to Shareholders

Dear Shareholders,

On behalf of the Board, I am pleased to announce the Group's audited annual results for the Year.

YEAR IN REVIEW

The Year was a year of continued expansion for the Group. The number of Self-operated Outlets and Restaurants increased from (i) 19 outlets to 22 outlets for Shihlin in Singapore, (ii) 2 outlets to 5 outlets for Eat Pizza in Singapore and (iii) nil to 2 outlets for Eat Pizza in Malaysia, respectively. The Group has also secured and opened 2 franchise Outlets for Eat Pizza in Singapore towards the end of the Year. In addition, some of the Self-operated Outlets and Restaurants which opened in the Year 2023/2024 clocked in full-year revenue in this Year. The increase in the Self-operated Outlets and Restaurants over the last 2 years contributed to an increase in the Group's outlet revenue by about 24%.

Notwithstanding the topline performance, the Group recorded a net loss of about S$483 thousand for the Year as compared to a net profit of about S$180 thousand in Year 2023/2024. This was mainly attributable to:

- expenses incurred for the operational setup of the central kitchen ("CK") in Singapore to go into operation;
- increase in manpower costs for both office and outlets; and
- expenses incurred in relation to our new brand, Eat Pizza.

The CK has started to produce items for onward sales to corporate outlets towards the end of the Year. It is expected that the CK will be building up its capacity to increase the Group's revenue via the catering stream in the coming year.

There is also an increase in the selling & distribution costs of about 37% due to higher manpower costs, utilities expenses and depreciation of right-of-use assets and equipment.

While our new brand, Eat Pizza, contributed to the Group's topline, the expenses incurred from certain underperforming Outlets and the establishment of new Outlets in Singapore and Malaysia have weighed on the Group's overall bottom-line performance.

During the Year, the Group has undertaken the following initiatives to enhance topline and bottom-line performance, which are expected to realise the full impact in the upcoming year:

(i) A new master franchisee was secured in the Philippines, with initial setup activities expected to commence in the upcoming year.

(ii) New menu items were available across all Outlets and Restaurants with the contribution from the CK.

On the Group's digitalisation journey, we have implemented the ERP system for Singapore and will be rolling out to Malaysia in the upcoming year in phases. As such, the expected completion timeline will be delayed until the end of financial year 2025/2026.

OUTLOOK

Looking ahead, the Group expects the operating environment to remain challenging. Nonetheless, we will continue to pursue business expansion through the acquisition of more franchisees.

Message to Shareholders

ACKNOWLEDGEMENTS

In closing, on behalf of the Board, I would like to take this opportunity to express our sincere appreciation to the management team and all staff of Snack Empire Holdings Limited for their dedication and hard work throughout the Year. I would also like to extend our heartfelt thanks to our Shareholders, customers and business partners for their continued trust, valuable feedback and unwavering support.

Mr. Fok Chee Khuen
Chairman and Independent Non-Executive Director

Singapore, 28 July 2025

Management Discussion and Analysis

BUSINESS REVIEW

During the Year, the Group continued with the expansion of both brands via (i) Self-operated model and (ii) franchise and license model. The Group has a network of 236 Shihlin Outlets and Restaurants in Singapore, Malaysia, Indonesia, United States and Egypt. The Group has secured a new Master Franchisee in Philippines this Year for Shihlin.

It has also expanded Eat Pizza from 2 Self-operated Outlets in Singapore to 5 Self-operated Outlets and 1 franchise Outlet in Singapore and 2 Self-operated Outlets in Malaysia during the Year.

To enhance customer experience, self-ordering kiosks will be implemented for Shihlin in Singapore in the upcoming year.

FINANCIAL REVIEW

Revenue

The Group's revenue was mainly generated from (i) Outlet and Restaurant sales; (ii) sales of food ingredients to Franchisees/Licensee; (iii) franchise fees; (iv) royalty income; and (v) advertising and promotion fees. The table below sets forth the Group's revenue breakdown by nature for the years ended 31 March 2025 and 2024.

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Sale of goods		
— Outlet and Restaurant sales	**20,571**	16,626
— Franchisees/Licensee	**7,455**	6,960
Royalty	**922**	841
Franchise fees	**350**	521
Advertising and promotion fees	**270**	212
	29,568	25,160

The Group's revenue increased by approximately S$4.4 million or approximately 18% from approximately S$25.2 million for the Year 2023/2024 to approximately S$29.6 million for the Year. The increase in revenue was as a result of the following:

(i) An increase in Self-operated Outlets and Restaurants' revenue of approximately S$2.5 million from Shihlin, of which Singapore segment accounted for approximately S$0.9 million while Malaysia segment accounted for approximately S$1.6 million.

The increase was due to the opening of new Outlets during the Year as well as the generation of full year revenue of the Outlets opened in the Year 2023/2024. There was also an increase in revenue from existing Outlets.

(ii) An increase in Self-operated Outlets and Restaurants' revenue of approximately S$1.4 million from Eat Pizza, of which Singapore segment accounted for approximately S$1.2 million while Malaysia segment accounted for approximately S$0.1 million.

The number of Self-operated Outlets have been increased from 2 to 5 in Singapore and the Group has ventured to open 2 new Self-operated Outlets in Malaysia in the third quarter and fourth quarter of the Year.

(iii) An increase in the number of franchise Outlets in the network from 185 as at 31 March 2024 to 192 as at 31 March 2025, thereby increasing the revenue of sales of goods, advertising & promotion fees as well as royalty income from the Franchisees/Licensee.

Management Discussion and Analysis

Cost of sales

Cost of sales relates to the cost of food ingredients, beverages and packagings consumed in the Group's Self-operated Outlets and Self-operated Restaurants in Singapore and Malaysia for our retail sales, and the cost of food ingredients, beverages and packagings sold to our Franchisees and Licensee in Singapore, Malaysia, Indonesia, United States and Egypt.

The increase in cost of sales during the Year is in line with the increase in revenue with gross profit margin, staying relatively constant at approximately 61%–63%.

Gross profit

The Group's gross profit (which is equivalent to revenue subtracting the cost of sales) for the Year was approximately S$18.7 million, representing an increase of approximately 20% from approximately S$15.6 million for the Year 2023/2024 which was generally in line with the increase in revenue.

Human resources and remuneration policy

As at 31 March 2025, the Group employed 231 employees. The Group's staff costs increased by approximately S$1.2 million from approximately S$9.8 million for the Year 2023/2024 to approximately S$11.0 million for the Year. As the Group continues to face manpower crunches in both Singapore and Malaysia, the Group has increased salaries and offered certain incentives for the Outlet employees during the Year according to the performance of the employees and the industry's level to attract and retain talents. The Group has also increased the number of office staff in preparation for the expansion of business to be brought about by the new brand and the central kitchen.

Remuneration packages are generally determined by reference to market norms, individual qualifications, relevant experience and performance. The Group periodically reviews the remuneration and performance of its employees and will make increments to the base salary of its staff based on market norms and their performance for the Year.

In addition, the Company adopted the Share Option Scheme as incentives or rewards to eligible persons for their contributions or potential contributions to the Group. No share option has been granted under the Share Option Scheme since the Listing Date.

Selling and distribution expenses

The Group's selling and distribution expenses increased by approximately S$2.5 million or approximately 37% from approximately S$6.7 million in Year 2023/2024 to approximately S$9.2 million for the Year. This was mainly due to the higher manpower costs and depreciation of plant and equipment and right-of-use assets due to the opening of new Outlets.

Administrative expenses

Administrative expenses increased by approximately S$0.9 million or approximately 10% from approximately S$9.2 million for the Year 2023/2024 to approximately S$10.1 million for the Year.

The increase was due to (i) an increase in overall payroll costs for the office expansion and the yearly increments for existing staff of approximately S$0.2 million; (ii) an increase in legal & professional fees relating to purchase of Malaysia warehouse of approximately S$0.2 million; and (iii) the expenses incurred in relation to the new brand of approximately S$0.1 million.

Finance Income/(cost) — net

Finance income/(cost) — net decreased by approximately S$0.08 million or approximately 62% from approximately S$0.12 million for the Year 2023/2024 to approximately S$0.05 million for the Year.

The decrease in finance income/(cost) — net was mainly due to (i) the drop in fixed deposit interest rate during the Year and (ii) increase in interest on lease liabilities due to opening of new Outlets.

Management Discussion and Analysis

Liquidity, financial resources and capital structure

The Group financed its business with internally generated cash flows and the proceeds received from the Listing. There has been no change in the Company's capital structure since the Listing Date. The capital structure of the Group comprises of issued share capital and reserves.

As at 31 March 2025, the Group had cash and cash equivalents amounting to approximately S$18.0 million, representing a decrease of approximately S$4.1 million from approximately S$22.1 million as at 31 March 2024. Most of the Group's bank deposits and cash were denominated in MYR, HKD and SGD. As at 31 March 2025, the Group's total current assets and current liabilities were approximately S$23.4 million (31 March 2024: approximately S$25.8 million) and S$5.9 million (31 March 2024: approximately S$5.4 million), respectively, while the current ratio calculated by dividing the total current assets over the total current liabilities was approximately 4.0 times (31 March 2024: approximately 4.8 times).

As at 31 March 2025, the Group recorded interest-bearing bank borrowings of approximately S$1.3 million (31 March 2024: S$2.0 million). The interest-bearing bank borrowings were secured and denominated in SGD and bore interest at 4.4% per annum (31 March 2024: 4.8% per annum). During the Year, no financial instruments were used for hedging purposes. Details of the bank borrowings of the Group are set out in note 23 to the consolidated financial statements.

As at 31 March 2025, the Group's gearing ratio, calculated based on the sum of interest-bearing bank borrowings, and lease liabilities divided by the equity attributable to owners of the Company, was approximately 23% (31 March 2024: approximately 22%).

Material acquisitions and disposals

On 26 August 2024, STSS Concepts Sdn. Bhd., an indirect wholly-owned subsidiary of the Company, entered into the letter of offer for the purchase of properties in Kuala Lumpur, Malaysia, at the consideration of RM9,000,000 (equivalent to SGD2,722,500) in aggregate (the "Malaysia Acquisition"). The Group has received approval from the Malaysia State Authority on 3 March 2025 and the Malaysia Acquisition is expected to be completed within 4 months from the approval date. The Group has further received updates that the completion date will be by end August 2025. Please refer to the Company's announcements dated 21 October 2024 and 12 March 2025 for details.

On 20 January 2025, STSS Integrated Pte. Ltd., an indirect wholly-owned subsidiary of the Company, exercised the option to purchase which resulted in its acquisition of a property in Singapore at the consideration of SGD7,785,500 plus goods and services tax of SGD700,695 (the "Singapore Acquisition"). The Singapore Acquisition was completed on 15 April 2025. Please refer to the Company's announcements dated 20 January 2025, 7 February 2025, 11 March 2025, 12 March 2025 and 17 March 2025, and circular dated 28 March 2025 for details.

Save for the above, the Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Year and the Year 2023/2024.

Management Discussion and Analysis

Use of proceeds from the Share Offer

The Company issued 200,000,000 Shares at HK$0.65 per Share pursuant to the Share Offer. The net proceeds from the Share Offer were approximately S$13.0 million or equivalent to HK$74.8 million (after deducting underwriting fees and related listing expenses). Having considered the impact brought about by the COVID-19 Pandemic, the Board has resolved to change the use of the unutilised net proceeds as set out in the announcements of the Company dated 27 November 2020 and 6 March 2023 (collectively, the "Change of UOP Announcements"). For details of the changes in use of net proceeds, please refer to the Change of UOP Announcements. The use of the net proceeds from the Listing up to 31 March 2025 was as follows:

Use of net proceeds	Revised percentage of net proceeds	Revised allocation of net proceeds (S$'000)	Amount utilised as at 1 April 2024 (S$'000)	Amount utilised during the Year (S$'000)	Amount remaining as at 31 March 2025 (S$'000)	Expected timeline of full utilisation of the revised net proceeds
New Self-operated Outlets in Singapore	9.8%	1,280	(992)	(288)	—	—
New Self-operated Outlets in West Malaysia	9.4%	1,228	(977)	(18)	233	March 2026
Expansion of Non-self-operated Outlets and Restaurants network	5.5%	720	(238)	(80)	402	March 2026
Refurbishment of Self-operated Outlets and Restaurants	5.8%	752	(316)	(22)	414	March 2026
Strengthening manpower	8.2%	1,060	(1,014)	(46)	—	—
Marketing and promotional initiatives	5.4%	700	(556)	(144)	—	—
Upgrade our IT infrastructure, data management and franchise management system	8.2%	1,060	(231)	(204)	625	March 2027
General working capital	47.7%	6,200	(6,200)	—	—	—
	100.0%	13,000	(10,524)	(802)	1,674	

As no suitable locations have been identified for the Group's new Self-operated Outlets in West Malaysia during the Year, the Group will extend the usage of the net proceeds for new Self-operated Outlets in West Malaysia by one year.

Management Discussion and Analysis

Foreign currency exposure

The Group is exposed to foreign currency risk on certain income, expenses, monetary assets, mainly cash and cash equivalents and trade and other receivables that are denominated in currencies other than the functional currencies of the respective entities in the Group. The Group holds certain cash amounts in MYR and HKD. There are also monetary assets and liabilities which are denominated in MYR and HKD, for which they will be exposed to foreign currency exposure risks. Currently the Group does not use derivative financial instruments to hedge its foreign currency risk. The Group will continue to closely monitor its exposure to foreign currency movements and will take measures when needed to ensure the foreign currency exposure risks are manageable.

Contingent liabilities

As at 31 March 2024 and 2025, the Group does not have any material contingent liabilities.

Charge on the Group's assets

As at 31 March 2025, the Group did not have any other banking charges except secured bank borrowings of approximately S$1.3 million (31 March 2024: S$2.0 million) secured by properties held for own use by the Group with carrying values of approximately S$2.9 million (31 March 2024: S$3.0 million).

Training and continuing development

During the Year, comprehensive training programs and development initiatives pertaining to operational and occupational safety as well as customer services were provided to relevant employees in order to enhance the quality of services expected from customer-facing staff. The Company's lawyer provides updates from time to time on Directors' duties and responsibilities under statutory and regulatory requirements as well as updates to the amendments on the Listing Rules to the senior management who are the Directors.

Significant investments held by the Group

The Group did not have any significant investments as at 31 March 2024 and 2025.

Future plans for material investments or capital assets

Apart from the use of proceeds from the Share Offer, the Group did not have any plan for material investment and capital asset as at 31 March 2024 and 2025.

ESG performance

The Group continually reviews its ESG efforts, corporate governance and risk management practices with an aim to create and deliver sustainable value to all its key stakeholders. The Group is constantly exploring more efficient opportunities to reduce the consumption of resources in order to reduce its impact on the environment.

For more information regarding the Group's ESG performance for the Year, please refer to the section headed "Environmental, Social and Governance Report" (the "ESG Report") on pages 26 to 49.

Outlook

Moving forward, the Group will (i) continue its journey to digitalise and automate in order to achieve operational efficiency; (ii) look for suitable locations to expand the outlet network; (iii) improve the menu offerings to consumers and (iv) explore additional revenue streams to enhance value for our Shareholders.

Biographies of Directors and Senior Management

EXECUTIVE DIRECTORS

Mr. Daniel Tay, aged 47, is the co-founder of the Group and has been with us since 4 June 2003. He was appointed as a Director on 2 February 2018. On 11 September 2018, Mr. Daniel Tay was re-designated as an executive Director and appointed as the Chairman of the Board. On 1 April 2023, Mr. Daniel Tay ceased to be the Chairman and remained as an executive Director. He is also a member of the Remuneration Committee. Mr. Daniel Tay is a director of Brilliant Stride, a Controlling Shareholder. He is also a director of all of the Company's subsidiaries. Mr. Daniel Tay is responsible for the overall management, financial performance and business development of the Group.

Mr. Daniel Tay obtained a Bachelor of Arts degree in August 2002 and completed a Bachelor of Social Sciences in Economics degree programme in June 2003, both from The National University of Singapore. Upon graduation, Mr. Daniel Tay co-founded the Group with Mr. Melvyn Wong in June 2003 and has been the Group's director for business development.

Save as disclosed herein, Mr. Daniel Tay did not hold in the past three years any directorship in other public listed companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Melvyn Wong (黃志達), aged 46, is the co-founder of the Group and has been with the Group since 4 June 2003. He was appointed as a Director on 2 February 2018. He was re-designated as an executive Director and appointed as the chief executive officer on 11 September 2018. He is also a member of the Remuneration Committee. Mr. Melvyn Wong is a director of Brilliant Stride, a Controlling Shareholder. He is also a director of all of the Company's subsidiaries. Mr. Melvyn Wong is responsible for overseeing the execution of strategic planning and supervising the operations of the Group.

Mr. Melvyn Wong obtained a Bachelor of Engineering (Mechanical Engineering) degree from The National University of Singapore in June 2003. Upon graduation, Mr. Melvyn Wong co-founded the Group with Mr. Daniel Tay in June 2003 and has been the Group's director for operations.

Save as disclosed herein, Mr. Melvyn Wong did not hold in the past three years any directorship in other public listed companies the securities of which are listed on any securities market in Hong Kong or overseas.

INEDS

Mr. Jong Voon Hoo (楊文豪) ("Mr. Jong"), aged 52, was appointed as an INED on 23 September 2019. Mr. Jong is currently a director of Global Invest & Advisory Pte. Ltd., an investment consultancy and advisory firm, since October 2015. Mr. Jong is the chairman of the Nomination Committee, member of the Audit Committee and the Remuneration Committee, providing independent judgement on issues of strategy, policy, accountability and standard of conduct.

Mr. Jong has over 25 years of experience in accounting and auditing. Mr. Jong joined Arthur Andersen LLP in July 1996 as a staff accountant in the assurance & business advisory division. He was promoted to senior in September 1998 and further promoted to manager in September 2001 until he left the firm in June 2002. Mr. Jong served as a manager of Deloitte & Touche LLP and engaged in audit work from November 2002 to June 2004, and subsequently promoted to senior manager in July 2004 until he left the firm in September 2004. He was a chief financial officer of Green Build Technology Limited (formerly known as Youcan Foods International Limited and Youyue International Limited), a company listed on the Singapore Exchange (stock code: Y06), from October 2004 to August 2015.

Mr. Jong obtained a Bachelor of Accountancy degree from the Nanyang Technological University in Singapore in June 1996. He has been a Chartered Accountant of Singapore and a member of the Institute of Singapore Chartered Accountants since September 1999.

Biographies of Directors and Senior Management

Mr. Jong has been an independent non-executive director of SingAsia Holdings Limited (stock code: 8293), a company whose shares are listed on GEM of the Stock Exchange, since June 2016 and he has stepped down from the position with effect from 08 December 2023. He has been an independent director of Sheng Siong Group Ltd., a company listed on the Singapore Exchange (stock code: OV8) from June 2011 to December 2021. He has been a lead independent director of Reclaims Global Limited, a company listed on the Singapore Exchange (stock code: NEX), since January 2019. Mr. Jong was appointed as independent non-executive director of Nam Lee Pressed Metal Industries Limited, a company listed on the Singapore Exchange (stock code: G0I), with effect from 15 March 2023. He has been appointed as a lead independent non-executive director of Overseas Education Limited, a company listed on the Singapore Exchange (stock code: RQ1), with effect from 25 April 2024. Mr. Jong Voon Hoo has become a shareholder of Pro 1 Management Consultants Pte Ltd and Squarebook Advisory Pte Ltd, holding 50% of the shares in each company, with effect from 5 March 2025. Save as disclosed herein, Mr. Jong did not hold in the past three years any directorships in other public listed companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Fok Chee Khuen (霍志權) ("Mr. Fok"), aged 46, was appointed as an INED and the Chairman on 27 August 2021 and 1 April 2023, respectively. Mr. Fok is the co-founder and director of Quality Accountants Pte Ltd and FE Advisory Pte Ltd since August 2017.

Mr. Fok has 24 years of audit, accounting and inspection experience. Mr. Fok joined KPMG Singapore in the assurance unit in August 2002. He left the firm in September 2006 as an audit assistant manager. He joined UBS AG as a business analyst from September 2006 to June 2007. Mr. Fok served as an audit manager in Mazars Moores Rowland LLP and engaged in audits of listed corporations in Singapore and United States from June 2007 to December 2008. He joined Accounting & Corporate Regulatory Authority (ACRA) in December 2008 in the Practice Monitoring Department and left in June 2013 as a senior lead audit inspector. Mr. Fok was an associate director in quality control and audit with Foo Kon Tan LLP from June 2013 to April 2015. He re-joined ACRA in April 2015 and left as the Head of Practice Monitoring Department in August 2017. Mr. Fok was appointed as an independent non-executive director of Rectitude Holdings Limited, a company listed on Nasdaq (stock code: RECT), since 21 June 2024. Save as disclosed herein, Mr. Fok did not hold in the past three years any directorships in other public listed companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Fok obtained a Bachelor of Accountancy Degree (1st Class Honours) from the Nanyang Technological University in Singapore in June 2002. He is a Chartered Accountant of Singapore and a member of the Institute of Singapore Chartered Accountants.

Ms. Tan Chiu Yang (陳秋燕) ("Ms. Tan"), aged 45, was appointed as an INED on 29 August 2022. Ms. Tan is currently the Chief Operating Officer (COO) at HSBC Singapore, leading technology, operations, transformation, chief data office and corporate services in the location. Ms. Tan has over 18 years of experiences running large scale transformation programs in Financial Services. In her career, she has rolled out new products, setting up new markets, led post-merger integration, built client platforms, improved operations efficiencies and spearheaded digitalisation. She has built her skillset across different roles ranging from technologist, data architect, client relationship manager, operations manager and product/platform lead which have created a unique advantage for her to lead complex transformation successfully and created lasting business impact. Prior to joining HSBC Singapore, Ms. Tan spent more than 15 years at JPMorgan Chase, where she was the global head for the center of excellence for Intelligent Automation for Asset and Wealth Management business. Ms. Tan is the chairlady of the Remuneration Committee, member of the Audit Committee and the Nomination Committee, providing independent judgement on issues of strategy, policy, accountability and standard of conduct.

Save as disclosed herein, Ms. Tan did not hold in the past three years any directorships in other public listed companies the securities of which are listed on any securities market in Hong Kong or overseas.

SENIOR MANAGEMENT

Our senior management consists of all of the executive Directors. For the biographical details of our executive Directors who are our senior management, please refer to the paragraph headed "Executive Directors" in this section.

Biographies of Directors and Senior Management

COMPANY SECRETARY

Ms. Tung Wing Yee Winnie (董穎怡) ("Ms. Tung") is a senior corporate secretarial manager of Boardroom Corporate Services (HK) Limited. Ms. Tung has extensive experience in the corporate secretarial field, audit and assurance, financial management and corporate finance, gained from her working experience with an international accounting firm and certain listed companies in Hong Kong. She is a fellow member of The Hong Kong Institute of Certified Public Accountants and a Fellow Certified Practising Accountant of the CPA Australia. Ms. Tung obtained a master's degree in business administration from the University of Western Sydney, Australia in 2002 and a bachelor's degree in commerce from the University of Canberra, Australia in 1994.

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving and maintaining a high standard of corporate governance that properly protects and promotes the interest of its Shareholders and devotes considerable effort to identifying and formalising good corporate governance practices. The Company has adopted and adhered to the principles in the CG Code. The corporate governance principles of the Company place strong emphasis on an effective board with a high level of integrity, proper internal controls, as well as a high degree of transparency and accountability, which not only maximise the corporate value for the Shareholders but also protect the long-term sustainability of the Group as a whole.

During the Year, the Company has complied with all the mandatory disclosure requirements and all the provisions as set out in the section headed "Part 2 — Principles of good corporate governance, code provisions and recommended best practices" of the CG Code.

The Board periodically reviews and continues to abide by the Company's corporate governance policies to ensure compliance with the CG Code.

CORPORATE CULTURE AND VALUES

The Group's vision is to bring authentic street cuisine to its customers worldwide. The Directors and senior management are committed to bringing Shihlin to countries where it has yet to have a presence in, by actively participating in exhibitions to attract franchisees, as well as bringing Eat Pizza to Singapore and Malaysia where the franchise rights are signed for.

With the vision in mind, its innovation team also continues to work on adding new menu offerings.

There are four core values which form the Group's commitment and belief:

a) Serve in a welcoming and sincere manner — be it the front-line Outlet and Restaurants employees or back-end office employees, the Group strongly believes that good customer service will earn us loyalty in our customers.

b) Taste — the Group's employees put in the efforts to ensure the authenticity and food quality remains consistent across the Outlets and Restaurants.

c) Standard of service — the Group endeavours to perform at a top-grade standard in everything we do.

d) Synergy — the Group is committed to working as a team to make the work environment productive and conducive for all employees in the Group.

The Directors and employees uphold the values by maintaining consistency in quality and level of services delivered at the Outlets and Restaurants. Trainings are given to the employees to enable them to perform their work with quality and the service standards of our employees. The Group and the Board strongly believe that by prioritizing good service and quality, the customers' needs will be met.

The Group inculcates the corporate culture in its employees by including the values as part of its new employee's orientation as well as continuously reminding the existing employees during internal get-together sessions.

The Group recognise that a comprehensive corporate governance management structure is crucial in helping the Company to implement its strategies and policies effectively and consistently throughout the Group, and safeguard the long-term interests of its Shareholders. Accordingly, the Company has established the following policies and mechanism and has continuously reviewed them to ensure that the Group meets the requirements of the applicable laws and regulations:

- Board Diversity Policy
- Mechanisms Ensuring Independent Views Available to the Board
- Anti-corruption Policy
- Whistleblowing Policy

Corporate Governance Report

BOARD DIVERSITY POLICY

The Board adopts a board diversity policy (the "Board Diversity Policy") which conforms with the requirement set out in Rule 13.92 of the Listing Rules. The Board Diversity Policy recognises and embraces the benefits of diversity in the composition of the Board. It requires that all Board appointments and selection of candidates shall be based on merits and a range of diversity factors. The Company believes that a diversity of perspectives can be achieved through a number of factors, including but not limited to knowledge, gender, age, skills, functional expertise, cultural and educational background as well as professional experience and qualifications. In reviewing the Board Diversity Policy, the Company will also take into account of factors based on its own business model and specific needs from time to time as well as the merits and contributions that the selected candidates will bring to the Board.

The Board currently has one female Director and as such has achieved gender diversity in respect of the Board. We will continue to strive to enhance female representation and achieve an appropriate balance of gender diversity with reference to the Shareholders' expectations and international and local recommended best practices.

The Nomination Committee will review the Board Diversity Policy at least annually to ensure that its continued effectiveness, and where necessary, will make revisions that may be required and recommend any such revision to the Board for consideration and approval.

At the meeting held on 30 June 2025, the Nomination Committee reviewed the implementation and effectiveness of the Board Diversity Policy during the Year. After considering the nature of the food and catering industry and the characteristics of the Group's business model, the Nomination Committee has opined that the current composition of the Board maintains an appropriate range and reflects the balance of skills, educational background, experience and diversity of perspectives desirable for the effective management of the Company. The Nomination Committee also considered that the existing gender diversity in respect of the Board is sufficient, and that the nomination policy of the Company can ensure that there will be a pipeline of potential successors to the Board which continues the existing gender diversity in the Board.

Workforce Diversity

As at 31 March 2025, the gender ratio the Group's workforce (including senior management) (calculated by dividing the no. of female staff by the no. of male staff) was 1.1 female per 1 male. The Group's hiring is merit-based and non-discriminatory. The Board is satisfied that the Group has achieved gender diversity in its workforce.

The Group plans to offer all-rounded trainings to all employees whom we consider to have the suitable experience, skills and knowledge of our operation and business, including but not limited to, business operation, management, accounting and finance, legal and compliance and research and development.

INDEPENDENT VIEWS OF THE BOARD

In compliance with code provision B.1.4 of the CG Code, the Company has established mechanisms to ensure that a strong independent element on, and independent views and input are available to the Board (the "Mechanisms").

The Mechanisms cover the composition of the Board and Board Committees, the independence assessment of the INED, Board decision making progress and guideline of policy implementation review.

The Board will review the implementation and effectiveness of the Mechanisms annually. At the meeting held on 27 June 2024, the Board has reviewed the implementation and effectiveness of the Mechanisms during the Year and considered that the existing Mechanisms is sufficient and effective.

The Board have also taken into account the respective contributions of the INEDs to the Board and their firm commitments to their independent roles. During the Year, all the INEDs do not hold any cross-directorships or have any significant links with other Directors through involvement in other companies or bodies that could give rise to conflicts of interest in their roles as INEDs and they are not involved in the daily management of the Company nor in any relationships or circumstances which would affect the exercise of their independent judgment. They continue to demonstrate their ability to provide an independent, balanced and objective view to the affairs of the Company.

ANTI-CORRUPTION POLICY

To outline the Company's expectations and requirements on prevention, detection, reporting and investigation of any suspected fraud, corruption and other similar irregularities; and to provide information and guidance on recognizing and dealing with bribery and corruption, the Company has established its group-wise anti-corruption policy that complies with code provision D.2.7 of the CG Code.

Our staff can anonymously report any suspected corrupt incident directly to the Financial Controller of the Group, who will review the complaints and determine the appropriate mode of investigation and subsequent corrective action. Where the matter is deemed potentially serious it will be promptly reported to the Chief Executive Officer, the Chairman of the Audit Committee, and where appropriate, to the Chairman of the Board.

Upon completion of investigation, the results of investigation together with corrective action plans (if any) will be communicated to the senior management of the Company. No incident of fraud or misconduct was considered to have material effect on the Group's consolidated financial statements or overall operations for the Year. The anti-corruption policy is reviewed and updated periodically to align with the applicable laws and regulations as well as the industry best practice.

WHISTLEBLOWING POLICY

The Group is committed to achieving and maintaining the highest standards of openness, probity and accountability, the Company has established a whistleblowing policy which forms an important part of its effective risk management and internal control systems.

The whistleblowing policy is applicable to all stakeholders, including employees, Shareholders, customers and suppliers. The system allows stakeholders to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Company. The whistleblowers who wish to report a concern can send the relevant information to the Chairman of the Audit Committee directly by email or by phone call.

The whistleblowing policy is reviewed and updated periodically to align with the applicable laws and regulations as well as the industry best practice.

The Group strictly adheres to the rules and regulations relating to anti-corruption and fraudulent behaviors set out by the relevant authorities. At the same time, the Group maintains a high standard of business integrity throughout its operations. We require our employees to follow our employee manual and code of business conduct and ethics, negligence and corruption. We also carry out regularly on-the-job compliance training for our senior management and employees to maintain a healthy corporate culture and enhance their compliance perception and responsibility.

DIRECTORS

The Board

The Board, led by the Chairman, is responsible for the leadership and control of the Company and is vested with the overall management of the Group's business. The Board is collectively responsible for promoting the success of the Company, by making decisions objectively, having regard to the best interests of the Company at all times. The Board has delegated the authority and responsibility for the day-to-day management and operation of the Group to the senior management team of the Company. Such responsibilities include implementing the decisions of the Board, directing and co-ordinating day-to-day operations, managing the Group in accordance with the strategies and plans as approved by the Board, as well as supervising and monitoring the control systems. In addition, the Board has established the Board committees and has delegated various responsibilities to these Board committees as set out in their respective terms of reference.

The Board undertakes responsibility for its decision for all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies, internal control and risk management systems, material transactions (in particular those that may involve a conflict of interest), financial information, appointment of Directors and other significant financial and operational matters.

Corporate Governance Report

With the assistance of the Company Secretary, the Chairman has sought to ensure that all Directors were properly consulted on all major matters relating to the Company. The Directors are provided with monthly operating information which contains up-to-date performance of the Group and information of the Company. The Directors were sufficiently briefed on issues raised during Board meetings and that all relevant information had been received in a timely manner. To the extent that any of the Directors required independent professional advice, this would be met by the Group, at the Group's expense, upon the Director having made a reasonable request to the Board.

Board Meetings and General Meeting

During the Year, five Board meetings and an AGM were held. The attendance record of each Director is set out below:

Name of Directors	Number of Board meeting(s) attended/eligible to attend	Number of AGM attended/ eligible to attend
Executive Directors:		
Mr. Daniel Tay	5/5	1/1
Mr. Melvyn Wong *(Chief Executive Officer)*	4/5	1/1
INEDs:		
Mr. Jong Voon Hoo	5/5	1/1
Mr. Fok Chee Khuen *(Chairman)*	5/5	1/1
Ms. Tan Chiu Yang	4/5	1/1

Board Composition

As at 31 March 2025, the Board comprised five Directors, including two executive Directors and three INEDs as below:

Name of Directors	Membership of Board Committee(s)
Executive Directors:	
Mr. Daniel Tay	Member of the Remuneration Committee
Mr. Melvyn Wong *(Chief Executive Officer)*	Member of the Remuneration Committee
INEDs:	
Mr. Fok Chee Khuen *(Chairman)*	Chairman of the Audit Committee
	Member of the Remuneration Committee
	Member of the Nomination Committee
Mr. Jong Voon Hoo	Chairman of the Nomination Committee
	Member of the Audit Committee
	Member of the Remuneration Committee
Ms. Tan Chiu Yang	Chairlady of the Remuneration Committee
	Member of the Audit Committee
	Member of the Nomination Committee

Corporate Governance Report

The Board has maintained the necessary balance of skills and experience appropriate for the business requirements and objectives of the Group and for the exercise of independent judgement. During the Year, the Company had three INEDs and the number of INEDs met the requirements at least one-third of the Board under Rules 3.10(1) and 3.10A of the Listing Rules. In addition, pursuant to Rule 3.10(2) of the Listing Rules, the Board ensured that at least one of the INEDs possess appropriate professional qualifications, or accounting or related financial management expertise. Mr. Jong Voon Hoo and Mr. Fok Chee Khuen are fellow members of the Institute of Singapore Chartered Accountants, while Ms. Tan Chiu Yang is the Chief Operating Officer of HSBC Singapore.

The Company has received a confirmation in writing from each of the INEDs of their independence pursuant to Rule 3.13 of the Listing Rules. The Board is not aware of any circumstance which would affect the independence and exercise of impartial judgment from the INEDs. As such, the Board notes that all the INEDs are independent.

In compliance with the Listing Rules, the Directors believe that there are no family, financial or business relationship that requires to be disclosed.

Chairman and Chief Executive

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Year, Mr. Fok Chee Khuen acted as the Chairman and Mr. Melvyn Wong acted as the chief executive officer of the Company. The roles of the Chairman and the chief executive officer have been separated and assumed by different individuals to ensure a balance of power and authority so that power is not concentrated in any member of the Board.

Directors' Liabilities Insurance

During the Year, an appropriate and adequate directors' and officers' liability insurance is in place to protect the Directors from legal action arising from the performance of their duties as a Director. Such insurance coverage will be reviewed and renewed on an annual basis. No claims under the insurance policy have been made during the Year.

Appointment and Re-election of Directors

In compliance with the Listing Rules, and in accordance with the Articles of Association, (i) all Directors should be subject to retirement by rotation at least once every three years and are eligible for re-election, and (ii) any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office until the first AGM after his/her appointment and be subject to re-election at such meeting.

Continuous Professional Development

On the first occasion of each Director's appointment, the Company will arrange a comprehensive, formal and detailed introduction to each Director to ensure that he/she has a proper understanding of the Company's operations and business and is fully aware of the Director's responsibilities under statutory and common law, the Listing Rules, other legal and regulatory requirements and the Company's business and governance policies.

During the Year, all Directors have participated in continuous professional development to develop, refresh and update their knowledge and skills. All Directors are also encouraged to attend relevant training courses at the Company's expense and they have been requested to provide the Company with their training records.

Corporate Governance Report

A summary of the training received by the Directors for the Year is set out below:

Name of Directors	Type of trainings
Executive Directors:	
Mr. Daniel Tay	A & B
Mr. Melvyn Wong *(Chief Executive Officer)*	A & B
INEDs:	
Mr. Fok Chee Khuen *(Chairman)*	A & B
Mr. Jong Voon Hoo	A & B
Ms. Tan Chiu Yang	A & B

A: attending in-house training/external seminars/briefings/conference/forums and workshops

B: reading newspapers, journals and updates relating to the economy, general business, corporate governance and directors' duties and responsibilities

Directors' Securities Transactions

The Company has adopted the Model Code as its own code of conduct governing the Directors' securities transactions in the Shares.

Following the specific enquiries made to them by the Company, all Directors confirmed that they had complied with the Model Code for the Year.

BOARD COMMITTEES

The Board has established the Nomination Committee, Remuneration Committee and Audit Committee to oversee particular aspects of the Company's affairs. Each of these committees has specific written terms of reference setting out its duties and authority and is available on the respective websites of the Company and the Stock Exchange. The committees have sufficient resources to execute their requisite duties and enjoy the support of management. To the extent that any independent professional advice is required, the committees have access as necessary at the Group's expense.

Nomination Committee

The primary duties of the Nomination Committee are (a) reviewing the structure, size and composition of the Board; (b) assessing the independence of INEDs; (c) identifying suitably qualified candidates to become members of the Board and giving adequate consideration to the Board Diversity Policy; (d) making recommendations to the Board on any proposed changes to the Board or selection of individuals nominated for directorships, or on the appointment or re-appointment of Directors; (e) developing and reviewing the Board Diversity Policy and measurable objectives for implementing such policy from time to time and reviewing the progress on achieving the objectives; and (f) making disclosure on the Board Diversity Policy in the Company's annual report and considering other topics, as defined by the Board. The current members of the Nomination Committee are Mr. Jong Voon Hoo, Ms. Tan Chiu Yang and Mr. Fok Chee Khuen, all being INEDs. Mr. Jong Voon Hoo is the chairman of the Nomination Committee.

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures, internal control and risk management procedures of the Group so as to achieve effective accountability.

The Nomination Committee will continue to review the Board Diversity Policy from time to time to ensure its continued effectiveness.

Nomination Policy

The Nomination Committee will recommend to the Board for the selection, appointment and re-appointment of a Director including an INED in accordance with the following procedures and process:

i The Nomination Committee will, giving due consideration to the current composition and size of the Board, develop a list of desirable skills, perspectives and experience at the outset to focus the search effort;

ii The Nomination Committee may consult any source it considers appropriate in identifying or selecting suitable candidates, such as referrals from existing Directors, advertising, recommendations from a third party agency firm and proposals from the Shareholders with due consideration given to the criteria which include, but are not limited to:

(a) Diversity in the aspects of, amongst others, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service;

(b) Commitment for responsibilities of the Board in respect of available time and relevant interest (details of the Board Diversity Policy are set out above);

(c) Qualifications, both academic and professional, including accomplishment and experience in the relevant industries in which the business(es) of the Company and its subsidiaries is/are involved;

(d) Independence (for INEDs);

(e) Reputation for integrity;

(f) Potential contributions that the individual can bring to the Board; and

(g) Plan(s) in place for the orderly succession of the Board.

iii The Nomination Committee may adopt any process it considers appropriate in evaluating the suitability of the candidates, such as interviews, background checks, presentations and third party reference checks;

iv The Nomination Committee will consider a broad range of candidates who are in and outside of the Board's circle of contacts;

v Promptly after considering a candidate's suitability for the directorship, the Nomination Committee will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment;

vi The Nomination Committee will provide the relevant information of the selected candidate to the Remuneration Committee for consideration of the remuneration package of such selected candidate;

vii The Nomination Committee will thereafter make the recommendation to the Board in relation to the proposed appointment, and where a non-executive Director is considered, the Remuneration Committee will make the recommendation to the Board on the policy and structure for the remuneration;

viii The Board may arrange for the selected candidate to be interviewed by the members of the Board, who are not members of the Nomination Committee and the Board will thereafter deliberate and decide on the appointment as the case may be; and

ix All appointment of Directors will be confirmed by the filing of the consent to act as Director of the relevant Director (or any other similar filings requiring the relevant Director to acknowledge or accept the appointment as Director, as the case may be) to be filed with the relevant regulatory authorities, if required.

During the Year, the Nomination Committee held two meetings. All members, namely, Mr. Jong Voon Hoo (Chairman), Ms. Tan Chiu Yang and Mr. Fok Chee Khuen attended the meeting.

Corporate Governance Report

The work performed by the Nomination Committee is summarised as follows:

1. reviewed the structure and size of the Board;

2. reviewed the Board Diversity Policy and the measurable objectives for implementing such policy as well as the progress on achieving the objectives;

3. reviewed the independence of the INEDs; and

4. recommended to the Board the re-election of retiring Directors at the AGM held on 19 August 2024.

Remuneration Committee

The primary duties of the Remuneration Committee include (a) evaluating the performance and making recommendations to the Board on the Company's policies and structure for the remuneration of all of the Directors and senior management of the Company; (b) establishing a formal and transparent procedure for developing a policy on remuneration; (c) determining specific remuneration packages for all Directors and senior management in the manner specified in its terms of reference; (d) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time; and (e) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules. The current members of the Remuneration Committee are Ms. Tan Chiu Yang, Mr. Jong Voon Hoo, and Mr. Fok Chee Khuen, all being INEDs, and Mr. Daniel Tay and Mr. Melvyn Wong, both being executive Directors. Ms. Tan Chiu Yang is the chairlady of the Remuneration Committee.

During the Year, one Remuneration Committee meeting was held. All members, namely Ms. Tan Chiu Yang (Chairlady), Mr. Jong Voon Hoo, Mr. Fok Chee Khuen, Mr. Daniel Tay and Mr. Melvyn Wong attended the meetings.

The work performed by the Remuneration Committee is summarised as follows:

1. evaluated the performance of all Directors;

2. made recommendations to the Board on the remuneration packages of the Directors; and

3. reviewed matters relating to share option scheme under Chapter 17 of the Listing Rules.

Audit Committee

The primary duties of the Audit Committee are to make recommendations to the Board on the appointment, re-appointment and removal of the external auditor, review the Company's financial information and significant financial reporting judgment in respect of financial reporting and oversee the financial reporting system, risk management and internal control procedures of the Company. The current members of the Audit Committee are Mr. Fok Chee Khuen, Mr. Jong Voon Hoo and Ms. Tan Chiu Yang, all being INEDs. Mr. Fok Chee Khuen is the chairman of the Audit Committee. This Annual Report has been reviewed by the Audit Committee.

During the Year, the Audit Committee held four meetings. All members, namely Mr. Fok Chee Khuen (Chairman), Mr. Jong Voon Hoo and Ms. Tan Chiu Yang attended the meetings.

The work performed by the Audit Committee is summarised as below:

1. reviewed the 2023/2024 Annual Report and interim report for the six months ended 30 September 2024, consolidated financial statements and the related results announcements, documents and other matters or issues raised by external auditor;

2. reviewed the findings from the external auditor;

3. reviewed the independence and the appointment of an external auditor;

4. reviewed the internal audit plans, the internal controls, the development in accounting standards and its effects on the Group, financial reporting and risk management matters;

Corporate Governance Report

5. reviewed the adequacy of resources, staff qualifications, training programmes and budget of the Company, and training programmes of the Company, the Groups' accounting and financial reporting functions;

6. reviewed the Group's financial and accounting policies and practices;

7. approved the current external audit plan, and reviewed and monitored the level of financial control as well as the effectiveness of the Group's risk management and internal control systems (including those relating to the Group's Environmental, Social and Governance risk, performance and reporting); and

8. reviewed the appointment of an internal auditor of the Group.

Corporate Governance Function

The Board is responsible for ensuring that the Company maintains and implements comprehensive corporate governance practices and procedures. During the Year, the Board:

(1) reviewed the corporate governance policies and practices of the Company as well as made relevant recommendations;

(2) reviewed and monitored the training and continuous professional development of the Directors and senior management of the Group;

(3) reviewed and monitored the policies and practices of the Company to ensure compliance with relevant legal and regulatory requirements;

(4) reviewed compliance with the CG Code and made necessary disclosure in the 2024/2025 Annual Report; and

(5) reviewed and approved the ESG report for the Year 2023/2024.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Pursuant to code provision E.1.5 of the CG Code, the remuneration for the Year of the members of the senior management which are the two executive Directors whose particulars are contained in the section headed "Biographies of Directors and Senior Management" in this Annual Report. The particulars of the Directors' remuneration for the Year are set out in note 10 to the consolidated financial statements.

ACCOUNTABILITY AND AUDIT

All Directors acknowledge their responsibilities in publishing annual and interim reports with a clear and an accurate assessment of the results and operations of the Group, as well as price-sensitive or inside information and relevant disclosures by way of announcements as required under the Listing Rules. The Directors also acknowledge their responsibilities for the preparation of the Group's financial statements and confirm the true and fair depiction of the Group's state of affairs therein. The Independent Auditor's statement regarding its reporting responsibilities in respect of the consolidated financial statements of the Group is set out in the independent auditor's report on pages 59 to 61 of the 2024/2025 Annual Report. The Directors, having made the relevant enquiries, confirm that there are no material uncertainties relating to events which may affect the Company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REMUNERATION

For the Year, Forvis Mazars LLP was engaged as the Group's independent auditor and the fees paid or payable to the Independent Auditor are set out as follows:

	Fees paid/payable S$'000
Audit service — Annual audit	150
Non-audit service	35
	185

Corporate Governance Report

RISK MANAGEMENT AND INTERNAL CONTROL

The Company believes that an effective corporate governance structure allows the Company to have a better understanding of, and to evaluate and manage, risks and opportunities (including ESG risks and opportunities).

The Board acknowledges its responsibility for overseeing the Group's risk management and internal control systems and reviewing their effectiveness at least annually. The Audit Committee assists the Board in fulfilling its oversight and corporate governance roles in the Group's financial, operational, compliance, risk management and internal control system. An external consultant was engaged to review the Group's risk management and internal control systems during the Year.

The outsourced consultant is an independent service provider that reports directly to the Audit Committee. It provides independent, objective, assurance and consulting services on risk management and internal control. The Company does not have an internal audit department. The internal audit function is provided by the outsourced consultant who has unrestricted access to information that allows it to review all aspects of the Company's risk management, control and governance processes. On a regular basis, it conducts audits on financial, operational and compliance controls, and the risk management functions of the Group. The outsourced internal audit team produces an annual internal audit plan for the Audit Committee's approval. The internal audit plan is prepared based on the risk assessment to ensure that business activities with higher risks are covered. The plan is executed by the outsourced internal audit team, and the outsourced internal audit team reports directly to the Audit Committee.

The Audit Committee reviewed the internal control review report issued by the outsourced consultant and the Company's risk management and internal control systems in respect of the Year and considered that they are effective and adequate. The Board assessed the effectiveness of internal control systems by considering the internal control review report and reviews performed by the Audit Committee and concurred the same.

The Group has yet to establish its internal audit function during the Year as required under code provision D.2.5 of the CG Code. The Audit Committee and the Board, have considered the internal control review report prepared by the outsourced consultant and communications with the Company's external auditor in respect of any material control deficiencies identified during the course of the financial statements audit to form the basis to review the adequacy and effectiveness of the Group's risk management and internal control systems (including ESG risks and opportunities). The Audit Committee and the Board will continue to review the need for an internal audit function on an annual basis.

INSIDE INFORMATION

Policies, procedures and controls for handling and dissemination of inside information has been set out internally to enhance information management of the Group and to ensure the authenticity, accuracy, completeness and timeliness of information disclosed to the public while protecting the legitimate rights and interests of the Company and its Shareholders, creditors and other stakeholders as a whole.

DISSEMINATION OF INSIDE INFORMATION

With respect to the procedures and internal controls for the handling and dissemination of price-sensitive information, the Company acknowledges its responsibilities under Part XIVA of the SFO and the Listing Rules and the overriding principle that inside information should be announced promptly. The Company has established a policy for the disclosure of inside information (the "Inside Information Disclosure Policy") with close regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission in Hong Kong.

The Inside Information Disclosure Policy includes, among other things:

(a) only designated persons are authorised to communicate the Company's corporate matters with investors, analysts, the media or other members of the investment community;

(b) Directors or senior management shall report to the chief executive officer any potential/suspected inside information as soon as practicable so that he can consult (if appropriate) the Board thereafter for determining the nature of developments and, if required, making appropriate disclosure;

(c) disclosure of inside information must be made in a manner that can provide for equal, timely and effective access by the public to the disclosed inside information; and

(d) inside information must be kept strictly confidential until a public announcement is made and shall be disseminated in accordance with the requirements of the Listing Rules before it is released via other means.

DELEGATION BY THE BOARD

In general, the Board oversees the Company's strategic development and determines the objectives, strategies and policies of the Group. The Board also monitors and controls operating and financial performance and sets appropriate policies for risk management in pursuit of the Group's strategic objectives. The Board delegates the implementation of strategies and day-to-day operation of the Group to the management.

COMPANY SECRETARY

Ms. Tung Wing Yee Winnie was appointed as the Company Secretary on 30 November 2020 and since then, has been providing certain corporate secretarial services to the Company pursuant to an engagement letter entered into between the Company and Boardroom Corporate Services (HK) Limited. The primary person at the Company with whom Ms. Tung contacted during the Year was Ms. Goh Mei Xian, the Group's financial controller, in respect of company secretarial matters.

Ms. Tung has taken no less than 15 hours of relevant professional training during the Year pursuant to Rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS

Shareholders' Communication Policy

The Board believes the importance of maintaining transparent, timely and effective communication with the Shareholders and investors of the Company. The Board also believes that effective communication with the Company's investors is critical in establishing investor confidence and attracting new investors. Therefore, the Group has adopted a Shareholders' communication policy with the objective of maintaining a high degree of transparency to ensure that the Shareholders and investors of the Company will receive accurate, clear, comprehensive and timely information through annual reports, interim reports, announcements, circulars, AGMs and EGMs. The Company also publishes all corporate communications on its website.

The Board has reviewed the implementation and effectiveness of the Shareholders' communication policy during the Year including the steps taken at the general meetings, the handling of queries received (if any) and the multiple channels of communication and engagement in place. It is considered that the policy is effectively implemented.

SHAREHOLDERS' RIGHTS

1. Procedures for Shareholders to Convene an EGM

Pursuant to article 58 of the Articles of Association, EGMs shall be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital (excluding treasury shares, if any) of the Company carrying the right of voting at general meetings of the Company on a one vote per share basis. Such requisition shall be made in writing to the Board or the Company Secretary for the purpose of requiring an EGM to be called by the Board for the transaction of any business or resolution specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself/herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Any requisition to convene an EGM should be lodged to the Company's principal place of business in Hong Kong at 57th Floor, The Center, 99 Queen's Road Central, Hong Kong marked for the attention of the Company Secretary.

Corporate Governance Report

2. Procedures for Making Enquiries

Shareholders may direct their queries regarding their shareholdings, share transfer/registration, payment of dividend and change of correspondence address to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited:

Address: 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong
Email: ir@snackemp.com
Tel: (852) 2153 1688
Fax: (852) 3020 5058

Shareholders may make enquiries in respect of the Company at the following correspondence address, email address and fax number of the Company for the attention of the Company Secretary:

Address: 57th Floor, The Center, 99 Queen's Road Central, Hong Kong
Email: ir@snackemp.com
Fax: (852) 2598 7500

3. Procedures for Putting Forward Proposals at Shareholders' Meetings

(i) Proposal for election of a person other than a Director as a Director: Pursuant to article 85 of the Articles of Association, a Shareholder who wishes to propose a person other than a retiring Director for election to the office of Director at any general meeting should lodge (i) a notice in writing by him/her/it (other than the person to be proposed) of his/her/its intention to propose that person for election as a Director; and (ii) a notice in writing by that person of his/her willingness to be elected, at either (a) the principal place of business of the Company in Hong Kong at 57th Floor, The Center, 99 Queen's Road Central, Hong Kong, or (b) the Company's branch share registrar and transfer office in Hong Kong at 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong. The period for lodgement of the notices mentioned above will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

(ii) Other proposals: If a Shareholder wishes to make other proposals (the "Proposal(s)") at a general meeting, he/she/it may lodge a written request, duly signed, at the principal place of business of the Company in Hong Kong at 57th Floor, The Center, 99 Queen's Road Central, Hong Kong marked for the attention of the Company Secretary.

The identity of the Shareholder and his/her/its request will be verified with the Company's branch share registrar and transfer office in Hong Kong and upon confirmation by the branch share registrar that the request is proper and in order, and is made by a Shareholder, the Board will in its sole discretion decide whether the Proposal(s) may be included in the agenda for the general meeting to be set out in the notice of meeting.

The notice period to be given to all the Shareholders for consideration of the Proposal(s) made by the Shareholders concerned at the general meeting varies according to the nature of the Proposal as follows:

(1) Notice of not less than 21 clear days in writing if the Proposal(s) require(s) approval in an AGM.

(2) Notice of not less than 14 clear days in writing if the Proposal(s) require(s) approval by way of an ordinary resolution in an EGM.

DIVIDEND POLICY

The Company has adopted a dividend policy, pursuant to which the Company may declare and distribute dividends to the Shareholders.

The payment and the amount of any dividends will be at the discretion of the Directors, taking into account, inter alia, the following factors when deciding whether to propose a dividend and in determining the dividend amount: (i) operating and financial results; (ii) cash flow situation; (iii) business conditions and strategies; (iv) future operations and earnings; (v) taxation consideration; (vi) interim dividend paid, if any; (vii) capital requirement and expenditure plans; (viii) interests of shareholders; (ix) statutory and regulatory restrictions; (x) any restrictions on payment of dividends; and (xi) any other factors that our Board may consider relevant. It is also subject to the approval of the Shareholders, the Companies Act, the Articles of Association as well as any applicable laws.

Subject to the factors described above, the Board may recommend at the AGM that dividends of not less than 40% of the net profit for each financial year be recommended for payment as dividend. Unless the Board determines otherwise, cash dividends on the shares of the Company, if any, will be paid in Hong Kong dollars. Other distributions, if any, will be paid to the Shareholders by any means which the Directors consider legal, fair and practicable.

The dividend policy will be reviewed from time to time and there is no assurance that a dividend will be proposed or declared in any specific periods.

CONSTITUTIONAL DOCUMENTS

During the Year, there was no change in the Memorandum of Association and the Articles of Association. The Memorandum of Association and the Articles of Association is available on the respective websites of the Company and the Stock Exchange.

The Company proposes to amend the Articles of Association in order to comply with the amended Listing Rules that came into effect on 10 February 2025. For details, please refer to the announcement of the Company dated 28 July 2025.

Environmental, Social and Governance Report

BOARD STATEMENT

The Board (the "Board") of Directors (the "Directors") of Snack Empire Holdings Limited (the "Company", together with its subsidiaries, the "Group") is pleased to present the annual Environmental, Social and Governance Report (the "Report") for the financial year ended 31 March 2025 ("Year").

The Group is a food and beverage ("F&B") enterprise operating under the Shihlin Taiwan Street Snacks® brand, specialising in authentic Taiwanese snacks and beverages. Established in 2003, the brand was founded with the vision of introducing the genuine flavours of Taiwanese night markets to the international stage. The Group operates through both self-managed and franchised outlets and has, over the course of 22 years, expanded to over 200 locations globally, including in Singapore, Malaysia, Indonesia, Egypt, and the United States.

During the year, the Group implemented an Enterprise Resource Planning system at its headquarters, aiming to streamline operations and enhance overall efficiency. As the Group grows its operations, it remains committed to contributing positively to society, upholding human rights, minimising environmental impact, and fostering sustainable business practices.

Throughout the year, the Group strengthened its focus on the health, safety, and well-being of employees across both its outlets and office premises. Food safety and quality continue to be the Group's highest operational priorities. The Board remains actively involved in identifying, assessing, and managing Environmental, Social, and Governance ("ESG") risks and opportunities. It oversees the implementation of appropriate risk management and internal control systems, establishes ESG strategies, monitors performance against defined metrics and targets, and approves the disclosures within this report.

Looking ahead, the Group is determined to advance its sustainability journey by deepening initiatives across various environmental and social aspects of its operations.

Yours faithfully,
For and on behalf of the Board

Fok Chee Khuen
Chairman and Independent Non-Executive Director

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ABOUT THE REPORT

The Report presents a summary of the Group's approaches, measures and performances related to its environmental, social and governance issues for the financial year ended 31 March 2025. The key performance indicator ("KPI") data and contents presented within this ESG Report, disclosed in good faith and to the best of our knowledge, demonstrates the key approaches and practices to address the Group's material ESG aspects and discloses the future performance targets on the Group's ESG performances.

SCOPE OF REPORTING

The Report covers the Group's operating activities under direct management control, including its office and self-operated outlets in Singapore and Malaysia.

REPORTING FRAMEWORK

The Report has been prepared in accordance with the ESG Reporting Code ("ESG Code") as set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

LANGUAGE

Should there be any inconsistency between the English version of the Report and the Chinese version of the Report, the English version of the Report shall prevail. Names of any laws and regulations, governmental authorities, institutions, persons or entities which have been translated into Chinese in the Report for which no official translation exists are for your reference only.

ESG GOVERNANCE STRUCTURE

The Board continues to provide strategic direction for the Group's ESG initiatives and evaluates performance in this domain. The Group's ESG taskforce comprises key management personnel from core departments. This team is responsible for the regular identification, prioritisation, and assessment of material ESG issues, the review of ESG performance, and the evaluation of the adequacy and effectiveness of internal controls and risk management processes related to ESG matters. The taskforce also oversees the collection of ESG data for the preparation of this Report.

An annual meeting is convened by the Board to review the Group's ESG risks and opportunities, as well as to assess progress made towards its ESG goals and targets, with the support of the ESG taskforce. To further strengthen the quality and objectivity of this Report, the Group has engaged an independent professional consultant to assist with its preparation.

APPROACHES TO ESG REPORTING

This Report has been prepared in accordance with the principles of "Materiality", "Quantitative", "Balance", and "Consistency". The Board has determined the material ESG issues through an annual materiality assessment exercise, conducted in collaboration with the ESG taskforce. KPIs related to ESG are presented using clear and measurable data. The Group remains committed to ensuring that the information disclosed in this Report is accurate, transparent, and trustworthy.

Reporting principle	The Group's response
Materiality	The Group addresses issues that have notable impacts on the environment and society, as well as significance for stakeholders and investors. These concerns, along with the Group's management strategies, are outlined in the report.
Quantitative	The Group ensures that KPIs are quantifiable, with established quantitative targets. These targets are accompanied by a narrative explaining their purpose, impacts, and calculation methodology.
Balance	The Group is committed to preparing its performance on an unbiased basis, ensuring the inclusion of both its achievements and challenges.
Consistency	The Group is committed to adopting consistent methodologies in future reports to enable meaningful comparisons of the Group's ESG performance.

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STAKEHOLDER ENGAGEMENT

Throughout FY2024, the Group has maintained consistent engagement with its key stakeholders — employees, customers, business partners, communities, and government bodies — through both formal and informal channels. These stakeholders were identified based on their influence, impact, expectations, and level of dependency on the Group's operations.

Recognising the value of transparent communication, the Group actively seeks to understand stakeholder expectations and concerns. This ongoing engagement supports the development of strong, long-term relationships and ensures that stakeholder perspectives are incorporated into the Group's sustainable business strategies.

The following table outlines the Group's stakeholder engagement activities, including the key sustainability concerns raised by each stakeholder group and the channels used for ongoing dialogue.

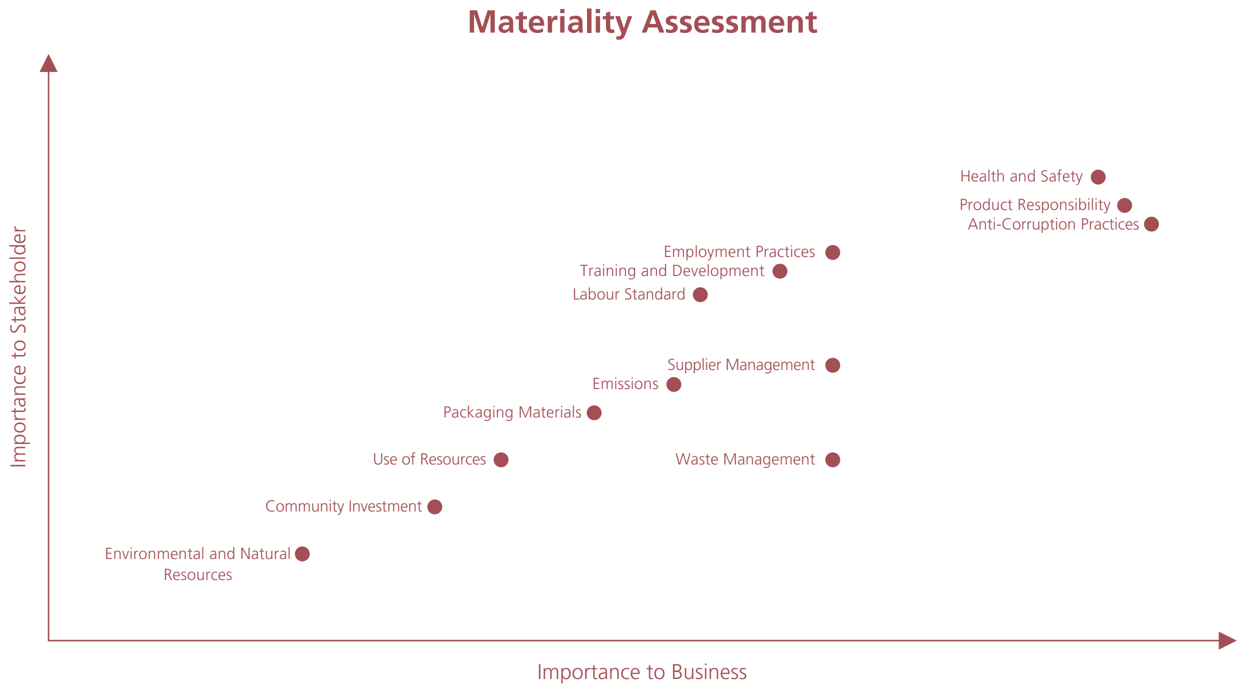
Stakeholders	Communication Channels	Key Concerns
Investors and shareholders	Annual General Meeting and other shareholder meetings Annual and interim reports Announcements and circulars	• Sustainable profitability and shareholder return • Long term business growth • Transparent and timely disclosure of financial and material information • Strong corporate governance
Customers	Physical outlets and restaurants Customer service hotline Social media Company website	• Food safety • Product and service quality • Timely response to feedback and complaints
Franchisees/Licensees	Performance review Regular online meetings and teleconferences	• Brand image and portfolio • Timeliness of product supply • Business plan and performance
Suppliers	Regular meetings and teleconferences Email and text message correspondences	• Fair and equal treatment • Timely payments
Employees	Regular management meetings Trainings and development programmes Orientation programme for new employees	• Occupational health and safety • Remuneration and benefits • Career development • Inclusive and collaborative working environment
Regulators	Correspondences through emails, letters and calls Site visits and inspections	• Compliance with relevant laws and regulations, including the Listing Rules
Community, NGOs and Media	Media releases Donation or fundraising activities ESG report	• Giving back to society • Environmental protection • Ethical business practices

MATERIALITY ASSESSMENT

The Group conducts an annual materiality assessment to identify and prioritise key ESG" issues relevant to its stakeholders and business operations. This process is led by the ESG taskforce, which considers the potential impact of each topic on the business, the economy, the environment, and society at large.

The identified ESG topics are validated by the Board and serve as a foundation for shaping the Group's sustainability strategy, initiatives, and objectives. Each topic is subsequently placed and ranked on a materiality matrix, reflecting its relative significance to both stakeholders and the Group's operations. The material areas are evaluated according to their importance to stakeholders and their impact on the Group's business activities.

For FY2024, no changes have been identified in the Group's material ESG topics. The materiality matrix for the reporting period is presented below:



Legend:

Environmental Areas	Social Areas
• Emissions	• Employment Practices
• Waste Management	• Health and Safety
• Use of Resources	• Training and Development
• Packaging Materials	• Labour Standard
• Environmental and Natural Resources	• Supplier Management
	• Product Responsibility
	• Anti-Corruption Practices
	• Community Investment

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ENVIRONMENTAL ASPECTS

The Group's operations have had a minimal environmental impact in the regions where its F&B outlets are located. The main sources of air pollution were indirect greenhouse gas ("GHG") emissions arising from electricity consumption, while the majority of non-hazardous waste generated comprised food waste. The Group continues to implement environmentally responsible practices across its operations and promotes greater awareness among employees regarding the prudent use of electricity and water.

Throughout the reporting period, there were no instances of illegal or hazardous discharges into the air, water, or land. Climate-related issues did not have a significant impact on the Group's operations during the year. Furthermore, the Group was not made aware of any breaches of applicable environmental legislation, including the Environmental Protection and Management Act ("EPMA") and the Environmental Public Health Act ("EPHA") in Singapore, as well as the Environmental Quality Act in Malaysia.

Material Area 1: Emissions

As the Group's operations are primarily focused on F&B outlets, it does not operate motor vehicles nor utilise fossil fuels within its core business activities. As such, the Group did not generate any air pollutants or direct GHG emissions classified under Scope 1.

The Group's emissions primarily arise from indirect GHG emissions (Scope 2), which are attributable to electricity consumption across its F&B outlets and office premises. The following section presents the Group's Scope 2 emissions data for the reporting year, alongside comparative figures from the two preceding reporting periods.

Indicator	Unit	Emission (FY2025)	Emissions[1] (FY2024)	Emissions[2] (FY2023)
Direct GHG emissions (Scope 1)	tCO_2e[3]	—	—	—
Energy indirect GHG emissions (Scope 2)	tCO_2e	1,054.83	800.08	752.88[4]
GHG emissions intensity[5]	tCO_2e/million revenue	35.67	31.80	28.51

During the Year, there was an approximate 12% rise in the intensity of Scope 2 GHG emissions, primarily driven by higher electricity usage in both Singapore and Malaysia. This surge in electricity consumption can be attributed to an increase in outlets in both Singapore and Malaysia. As a result of the opening of new outlets, the new staff hired has yet to achieve optimum efficiency as they needed to adapt to the energy savings procedures the Group has in place.

Target setting:

Reduce the Group's GHG emission intensity by 3% by FY2028, with the financial year ended at 31 March 2023 as the base year (The GHG emission intensity was 28.51 tCO_2e/million revenue in FY2023).

1 GHG emissions data is presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "Table of Contents for Singapore Energy Statistics 2022" issued by Energy Market Authority, and "2017 CDM Electricity Baseline for Malaysia" issued by Malaysian Green Technology Corporation.

2 GHG emissions data is presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "List of Grid Emission Factors 2023" issued by Institute for Global Environmental Strategies (IGES).

3 tCO_2e is defined as tonnes of carbon dioxide equivalent.

4 The Scope 2 GHG emissions were restated from 686.05 tCO_2e to 752.88 tCO_2e to reflect the latest grid emission factor, ensuring comparability and data accuracy.

5 For the financial year ended 31 March 2024, the Group's total revenue was approximately SGD25,160,000. This data will also be used for calculating other intensity data in the Report.

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Material Area 2: Waste Management

The Group remains committed to fulfilling its environmental responsibilities to the best of its ability. While waste generation is an unavoidable aspect of its F&B and office operations, the Group seeks to minimise its impact by actively promoting opportunities for reuse and recycling.

Hazardous Waste

The Group did not generate any hazardous waste from its F&B outlet operations in Singapore and Malaysia. In the unlikely event that such waste is produced, the Group will engage licensed third-party service providers to manage its collection and disposal, ensuring full compliance with the relevant hazardous waste management laws and regulations of the respective local authorities.

Non-hazardous Waste

The waste generated by the Group's F&B establishments predominantly comprises non-hazardous food waste. The Group is committed to minimising such waste through careful procurement planning and the efficient use of ingredients during food preparation. A range of measures has been implemented across its F&B outlets to ensure that food waste is kept to a minimum:

- Adopt "first-in-first-out" method in the storage and utilisation of food ingredients;
- Implement "just-in-time" inventory management, where the purchases from suppliers are frequent to reduce overstocking of fresh ingredients;
- Food wastes are segregated from other type of wastes;
- Practice recycling of waste oils;
- Require each outlet to record and report the daily food wastes (i.e., chicken and mee sua) due to unsold and expired food products; and
- Periodically review the food waste statistics reported by the outlets. Follow-up actions shall be carried out by the outlets that report food wastage higher than the acceptable level (i.e., 3% to 5% of sold quantities).

At the corporate office, paper continues to be the main source of waste generated. To reduce paper consumption and minimise wastage, the Group has implemented the following measures:

- Reuse scrap paper and advocate double-sided printing;
- Remind employees to only print necessary work materials to reduce paper usage;
- Implement electronic systems to minimise paperwork; and
- Cultivate a paperless office culture.

The Group's non-hazardous waste data for the reporting period, along with comparative figures from the two preceding reporting years, are presented as follows:

Non-hazardous waste type	Unit	Disposal (FY2025)	Disposal (FY2024)	Disposal (FY2023)
Food waste	kg	15,433	12,285	13,571
Paper waste	kg	220	215	175
Non-hazardous waste intensity	kg/million revenue	529.40	496.82	520.58

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In FY2025, the intensity of non-hazardous waste has increased by approximately 6.56%, primarily due to the increase in food waste in both Singapore and Malaysia as well as increase in paper waste in Malaysia. This is mainly attributed to the addition of new staff for our new outlets, needs some time to adapt to the food preparation methods, resulting in remakes.

Target setting:

Reduce the Group's non-hazardous waste intensity by 3% by FY2028, with the financial year ended at 31 March 2024 as the base year (The non-hazardous waste intensity was 496.82 kg/million revenue in FY2024).

Material Area 3: Use of Resources

The Group recognises that investing in resource conservation not only reduces its carbon footprint but also leads to cost efficiencies. As such, it remains committed to implementing initiatives aimed at minimising overall resource consumption and improving energy efficiency to lessen the environmental impact of its operations.

Energy Management

Electricity consumption within the Group's operations primarily occurs at its self-operated F&B outlets in Singapore and Malaysia. Employees are encouraged to adopt energy-efficient and responsible electricity usage practices. In addition, to further reduce energy consumption and improve energy efficiency, the Group has implemented the following measures across its F&B outlets:

- Turn off cooking appliances and cleaning devices when they are not in use;
- Install energy-saving fixtures and fittings, such as LED lights and motion sensors;
- Purchase energy efficient electrical appliances at the newly opened outlets;
- Regular maintenance of kitchen equipment to ensure they are in good condition;
- Turn off the air conditioners when the outlets are not in operating hours;
- Post energy-saving messages on the outlet's board as a constant reminder for employees; and
- Keep the refrigerators' doors closed at all times to prevent electricity wastage.

The Group's electricity consumption data for the reporting period, along with comparative figures from the two preceding reporting years, are presented as follows:

Energy type	Unit	Consumption (FY2025)	Consumption (FY2024)	Consumption (FY2023)
Indirect energy — Electricity	kWh	1,758,711	1,412,788	1,325,833
Energy consumption intensity	kWh/million revenue	59,480	56,152	50,211

Water Management

The Group acknowledges that its operations require considerable water usage and recognises water as a scarce and finite global resource. Water is essential to the Group's F&B outlets, particularly for cleaning and food preparation activities. The Group does not face any challenges in obtaining water for its office premises or self-operated F&B outlets in Singapore and Malaysia.

To promote responsible water use, the Group has taken proactive steps to educate employees and encourage positive water conservation habits. In addition, the following water-saving measures have been implemented across the Group's F&B outlets to reduce overall consumption:

- Install filters to the water taps in the outlets;
- Regular inspection of the water pipes and taps, and repair leakages timely to minimise water wastages;
- Use water intensive machines efficiently (e.g., use dish washers only when it is fully loaded); and
- Post water-saving messages in the outlet's kitchen, washroom and sink areas as constant reminders for employees.

The Group's water consumption data for the reporting period, along with comparative figures from the two preceding years, are presented as follows:

Indicator	Unit	Consumption (FY2025)	Consumption (FY2024)	Consumption (FY2023)
Water consumption	m^3	17,789.60	14,278.83	12,991.07
Water consumption intensity	m^3/million revenue	601.65	567.52	491.99

During the year, the Group recorded a 6% increase in both water and electricity consumption intensity. This was primarily attributed to higher water usage in Malaysia and an overall rise in electricity consumption across both Singapore and Malaysia. The increase in resource consumption is contributed by the hiring of new staff for our new outlets in both Singapore and Malaysia.

Target setting:

Reduce the Group's energy and water consumption intensity by 3% by FY2028, with the financial year ended at 31 March 2023 as the base year (The energy and water consumption intensity was 50.21 MWh/million revenue, and 491.99 m^3/million revenue respectively in FY2023).

Material Area 4: Packaging Materials

The Group primarily uses plastic and/or paper packaging materials for customer takeaways, such as food bowls, paper wraps, beverage containers, and carrier bags. To reduce reliance on plastic packaging across its F&B outlets, the Group has adopted the following practices:

- Plastics material in product packaging are used only when necessary (e.g., cover lids of Mee Sua food bowls, carrier bags, drink containers are made of plastics to avoid spillage);
- Purchase from suppliers for packaging materials that are recyclable, compostable/biodegradable and or sustainably manufactured.

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The Group's packaging material consumption data during the reporting period, along with comparative figures from the two preceding reporting years, are presented as follows:

Indicator	Unit	Consumption (FY2025)	Consumption (FY2024)	Consumption (FY2023)
Total packaging materials	tonnes	63.73	57.00	54.24
Total packaging materials intensity	tonnes/million revenue	2.16	2.27	2.05

Target setting:

Reduce the Group's total packaging materials intensity by 10% by FY2028, with the financial year ended at 31 March 2023 as the base year (The total packaging materials intensity was 2.05 tonnes/million revenue in FY2023).

Material Area 5: Environmental and Natural Resources

The Group's F&B operations have a limited impact on the environment and natural resources. Nevertheless, the Group recognises its social responsibility to support environmental sustainability within the communities it serves. As such, it continuously assesses the environmental risks associated with its business activities and adopts eco-friendly practices aimed at mitigating air pollution, reducing resource consumption, minimising waste generation, and limiting the use of plastic.

Indoor Air Quality

The Group has adopted the following air quality control measures across its F&B outlets:

- Smoking is strictly prohibited, where disciplinary actions including possible employment termination are to be taken against any employees who are found to be smoking in the outlets;
- Exhaust emission systems (e.g., mechanical ventilation equipment) which help to minimise oil fume emission and odour nuisance have been installed in the outlets; and
- Regular cleaning of air condition systems for filtering of pollutants, contaminants and dust particles.

Perpetual Target setting:

Continue implementing effective measures to ensure good indoor air quality in all F&B outlets, such as strictly enforce no-smoking policies, maintain exhaust emission systems, and regularly clean air conditioning systems.

SOCIAL ASPECTS

The Group regards its employees as the foundation of a resilient and sustainable organisation, acknowledging that recruitment and talent development play a vital role in driving long-term growth. It is committed to cultivating a positive and supportive work environment that enables employees to thrive. Key aspects such as career progression, recognition, personal development, and competitive remuneration are recognised as essential for attracting and retaining talent. In addition, ongoing training and development initiatives not only enhance employee capabilities but also contribute to the delivery of high-quality service to customers.

In line with its responsibility to customers and the wider community, the Group places the utmost importance on food safety. It remains committed to providing clean, safe, fresh, and nutritious food and beverages. Furthermore, through its business operations and initiatives, the Group strives to make meaningful contributions to the communities in which it operates.

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Material Area 6: Employment Practices

The Group has established an Employee Handbook and Human Resources Policy to guide staff employment and management practices. These frameworks cover areas including:

- Contracts of employment, such as recruitment, confirmation, and resignation;
- Performance appraisal, bonus, promotion and salary adjustment;
- Payroll processing and disbursement, include overtime and expense reimbursements;
- Attendance and leave benefits, such as medical leave, annual leave, medical benefits;
- Standards of conduct, such as confidentiality, press communication;
- Working hours, rest days, holidays, and overtime pays; and
- Disciplinary procedures, such as employee grievances and termination.

As at 31 March 2025, the Group's total headcount stood at 231 (FY2024: 167). The breakdown of employee profiles for the reporting period, along with comparative figures from the two preceding years, is presented as follows:

	No. of Headcount			Percentage		
Categories	**FY2025**	**FY2024**	**FY2023**	**FY2025**	**FY2024**	**FY2023**
By Gender						
Male	107	75	80	46.3%	44.9%	45.5%
Female	124	92	96	53.7%	55.1%	54.5%
By Employment Type						
Full-time	153	129	122	66.2%	77.2%	69.3%
Part-time	78	38	54	33.8%	22.8%	30.7%
By Geographical Region						
Singapore	116	122	133	50.2%	73.1%	75.6%
Malaysia	115	45	43	49.8%	26.9%	24.4%

During the Year, employee profile breakdown by age group as compared to previous year, is as follows:

	No. of Headcount		Percentage	
Category	**FY2025**	**FY2024**	**FY2025**	**FY2024**
By Age Group				
Less than 30 years old	127	78	55.0%	46.7%
30–50 years old	78	71	33.8%	42.5%
Older than 50 years old	26	18	11.3%	10.8%

During the Year, the Group was not made aware of any reported breaches of employment-related laws and regulations. This includes, but is not limited to, the Employment Act and the Employment of Foreign Manpower Act in Singapore, as well as the Employment Act 1955 in Malaysia.

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Recruitment

In today's competitive landscape, talent acquisition remains a key driver of the Group's competitive advantage. To support ongoing business growth, the Group adopts a fair and merit-based recruitment approach. Its transparent and rigorous hiring processes are designed to assess candidates based on their qualifications, experience, and suitability for the role. The Group is firmly committed to providing equal employment opportunities regardless of race, gender, age, religion, marital status, sexual orientation, pregnancy, political beliefs, or any other legally protected characteristics.

Retention

The Group recognises that long-term business success is closely tied to effective talent retention. To remain competitive in the labour market, the Group conducts regular reviews of its salary structure and offers attractive compensation packages. It places strong emphasis on employee well-being, welfare, and career development, ensuring that promotions and salary adjustments are awarded through fair and transparent evaluations of individual performance and potential.

Furthermore, the Group is committed to fostering a safe, respectful, and inclusive work environment, upholding a strict zero-tolerance policy towards discrimination, abuse, and harassment.

Dismissal

The Group ensures that its dismissal policies comply with applicable local regulations, promoting fairness and due process for all employees. Unjust or unreasonable dismissal is strictly prohibited. Termination of employment is reserved for serious misconduct or breaches of conduct. In cases where employees are reported for misconduct, the Group undertakes appropriate disciplinary procedures — such as counselling, retraining, verbal and written warnings, and investigative actions — prior to making any dismissal decision.

During the year, the Group did not undertake any retrenchment or organisational restructuring activities. A total of 109 employees resigned (FY2024: 76), resulting in a turnover rate of 54.8% (FY2024: 45.5%). The breakdown of employee resignations and turnover rates over the past three reporting years is presented as follows:

	No. of Resigned employees			Turnover rate[6]		
Turnover statistics	**FY2025**	**FY2024**	**FY2023**	**FY2025**	**FY2024**	**FY2023**
By Gender						
Male	57	32	48	28.6%	42.7%	60.0%
Female	52	44	44	26.1%	47.8%	45.8%
By Geographical Region						
Singapore	61	73	51	30.7%	59.8%	38.3%
Malaysia	48	3	41	24.1%	6.7%	95.3%

In FY2025, the breakdown of employee turnover by age group, as compared to the previous year, is presented as follows:

	No. of Headcount		Percentage[6]	
Category	**FY2025**	**FY2024**	**FY2025**	**FY2024**
By Age Group				
Less than 30 years old	80	49	40.2%	62.8%
30–50 years old	23	20	11.6%	28.2%
Older than 50 years old	6	7	3.0%	38.9%

6 The employee turnover rate by gender, age group and geographical region is calculated based on the formula set forth within "Appendix 3: Reporting Guidance on Social KPIs" of the step-by-step guide to ESG Reporting published by the HKEX in March 2020.

Employee feedback and grievance

The Group values open communication and recognises the importance of addressing employee grievances and feedback to maintain a positive working environment. A range of communication channels has been established to enable employees to share their concerns, suggestions, and feedback with the management team, thereby fostering an inclusive and collaborative workplace culture.

Material Area 7: Health and Safety

Workplace safety and health

The Group places a strong emphasis on maintaining a safe and healthy work environment, incorporating hygiene and safety protocols into the Outlet Operations Manual. These guidelines are regularly communicated to F&B outlet employees, and the operations team conducts frequent inspections to ensure adherence. Examples of the Group's workplace health and safety measures at the F&B outlets include:

- Floors and kitchen must be kept dry at all times to prevent slip and fall hazards;
- Mandatory wearing of covered shoes that are slip resistant;
- Wearing of proper personal protective equipment ("PPE") when dealing with boiling waters, heated oils and hot food;
- Cleaning schedule checklists are regularly reviewed by outlet supervisors; and
- Housekeeping inspections of the outlets are conducted regularly by the operation team.

The Group has strategically positioned fire extinguishers and first aid kits across its offices, F&B outlets, and warehouses to effectively manage emergency situations. Furthermore, the Group has implemented protocols to address serious workplace safety incidents, which include immediate response actions, escalation and reporting procedures, investigation processes, and remedial actions.

During the reporting year, no work-related fatalities occurred, maintaining the same record as the previous two years. The number of lost days due to work-related injuries was 0 for the Year, compared to 5 days in FY2024 and 0 days in FY2023. Throughout the period, the Group is not aware of any breaches of health and safety laws and regulations, including the Workplace Safety and Health Act in Singapore and the Occupational Safety and Health Act 1994 in Malaysia.

There have been no work-related fatalities over the past three years.

Perpetual Target setting:

- Maintain zero incidents of material non-compliance with all applicable health and safety laws, as well as regulations concerning the health and safety of the operations.
- Maintain zero incidents related to work-related fatalities.

Material Area 8: Training and Development

Training Programmes for Employees

The Group is committed to fostering the growth and development of its staff, recognising their essential role in driving business success and sustainability. We prioritise the implementation of regular and continuous training programmes to ensure that our employees consistently deliver the highest quality food and service to customers.

Internal training initiatives for F&B outlet staff cover a wide range of areas, including induction training for new hires, menu training for food handlers and counter staff, customer service training for existing employees, and refresher courses on food preparation, preservation, hygiene, and quality control. Additionally, our employees and franchisees are required to complete mandatory training courses set by local government authorities, such as the Basic Food Hygiene Course in Singapore and the Food Handler Training Course in Malaysia.

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During the reporting year, a total of 142 employees (FY2024: 118 employees), representing 61.5% of the workforce (FY2024: 71%), participated in training programmes. The training statistics for our employees, compared to the previous two years, are as follows:

	No. of headcount			Percentage[7]		
Employees Receiving Training	**FY2025**	**FY2024**	**FY2023**	**FY2025**	**FY2024**	**FY2023**
By Gender						
Male	57	58	80	40.1%	49.2%	45.5%
Female	85	60	96	59.9%	50.8%	54.5%
By Employment Category						
Directors	1	2	2	0.7%	1.7%	1.1%
Managers	29	25	10	20.4%	21.2%	5.7%
Executive	2	1	35	1.4%	0.8%	19.9%
Staff	110	90	129	77.5%	76.3%	73.3%

During the reporting year, the total employee training hours and average training hours per employee were 1102 hours and 4.77 hours (FY2024: 717 hours and 4.29 hours), respectively. The breakdown of the average training hours per employee, compared to the previous two years, is as follows:

	No. of hours		
Average Employee Training Hours	**FY2025**	**FY2024**	**FY2023**
By Gender			
Male	3.83	3.96	14.75
Female	5.58	4.57	15.59
By Employment Category			
Managers	6.27	8.65	35
Executive	1.45	0.31	35
Staff	4.13	3.85	7.88

During the reporting year, the total employee training hours and average training hours per employee had increased by approximately 53.7% and 11.2% respectively.

Training for Franchisees

To maintain consistency in food and service quality across the Group's brand, ongoing training initiatives are carried out for franchisees. During the reporting year, these programmes included induction training for new franchisees, regular refresher sessions, customer service training for existing franchisees, and product-specific training prior to launches. A total of 446 hours (FY2024: 78.5 hours) were logged for 49 franchisee employees (FY2024: 12). Additionally, master franchisees in overseas markets, such as Indonesia, have appointed certified managers to supervise sub-franchisee operations and deliver training to their employees.

Target setting:

Increase the Group's annual average training hours by 5% each year.

7 The percentage of employees trained by gender and employee category is calculated based on the formula set forth within "Appendix 3: Reporting Guidance on Social KPIs" of the step-by-step guide to ESG Reporting published by the HKEX in March 2020.

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Material Area 9: Labour Standard

Prevention of Child Labour and Forced Labour

The Group strictly prohibits the employment of full-time staff below the age of 18 and part-time staff under the age of 16 across its operations in Singapore and Malaysia. It is also firmly committed to preventing any form of forced labour, coercion, threats, or intimidation within the workplace.

To ensure compliance, the Group exercises due diligence during recruitment to verify the authenticity of applicants' personal information and to prevent the unintentional employment of child labour. As part of this process, personal data — such as identification cards — is collected to confirm the age and identity of candidates. In addition, the management team conducts regular inspections at both self-operated and franchised outlets to identify and address any signs of child or forced labour.

During the reporting year, the Group was not made aware of any breaches of applicable laws and regulations relating to child and forced labour. This includes, but is not limited to, the Employment (Children and Young Persons) Regulations 2000 and the Prevention of Human Trafficking Act 2014 in Singapore, as well as the Children and Young Persons (Employment) Act 1966 and the Anti-Trafficking in Persons and Anti-Smuggling of Migrants Act 2010 in Malaysia.

Perpetual Target setting:

Ensure full compliance with child and forced labour laws and regulations, maintaining a record of zero violations in operations across Singapore and Malaysia.

Material Area 10: Supplier Management

Geographic Span of Suppliers

Effective supply chain management remains a cornerstone of the Group's continued success in the F&B industry. The freshness, safety, and taste of ingredients and semi-processed products sourced from suppliers play a vital role in determining the overall quality of food and beverages delivered under the Group's brand.

As at 31 March 2025, the Group maintained a total of 40 approved food suppliers (FY2024: 40), with the majority located in Singapore. The geographical distribution of these suppliers is presented below, alongside comparative data from the two preceding reporting years:

	No. of approved food suppliers			Percentage of approved food suppliers		
Country	FY2025	FY2024	FY2023	FY2025	FY2024	FY2023
Vietnam	1	1	1	3%	3%	4%
Thailand	1	1	1	3%	3%	4%
Taiwan	3	3	3	8%	8%	11%
Malaysia	21	21	13	53%	53%	46%
Singapore	14	14	10	35%	35%	36%

Supply Chain Management

The Group enforces stringent controls across its supply chain management processes, covering the selection and approval of new suppliers, quality inspection of food ingredients, storage protocols, and ongoing supplier performance evaluations. Suppliers are assessed based on rigorous criteria, including country of origin, freshness, flavour, nutritional content, and food safety.

Prior to formal engagement, the Group's management team conducts on-site assessments to evaluate suppliers' quality control systems and performs sample testing. Upon delivery, receiving personnel are required to inspect batches for any signs of damage or spoilage. Supplier performance is reviewed regularly to ensure compliance with standards relating to product quality, freshness, pricing, and delivery reliability. Suppliers failing to meet these expectations are removed from the approved supplier list.

Environmental, Social and Governance Report

Environmental and Social Risk of Suppliers

The Group gives preference to suppliers that utilise environmentally friendly packaging materials and actively monitors its food suppliers for potential environmental and social risks. Should a supplier be found responsible for environmental violations, illegal employment practices, or serious food safety incidents, the Group will immediately terminate all procurement arrangements with that supplier.

During the reporting year, the Group was not made aware of any suppliers involved in misconduct relating to business ethics, environmental protection, human rights, or employment practices.

Fair and Open Procurement

The Group conducts its procurement activities in a fair and transparent manner, with a strict policy against favouritism towards suppliers that are owned, controlled, or managed by the Group's controlling shareholders, directors, or employees. It upholds a zero-tolerance stance on all forms of bribery, kickbacks, and corrupt practices in dealings with suppliers.

During the reporting year, the Group was not made aware of any material transactions involving conflicts of interest between employees — including members of the management team and directors — and its suppliers.

Target setting:

- Maintain zero incidents of bribery, kick-backs, or corruption in dealings with suppliers.
- Periodically assess and reinforce these standards for a responsible and ethical supply chain.

Material Area 11: Product Responsibility

Food Quality and Safety

Ensuring food quality and safety remains a top priority across the Group's operations. The Group consistently reviews and enforces its food quality control system and safety protocols as outlined in the Outlet Operations Manual. Employees at both self-operated and franchised F&B outlets are required to follow these standards, which cover food handling, processing, packaging, customer service, and hygiene practices. The Operations Team conducts regular inspections to ensure compliance across outlets in Singapore and Malaysia.

All food handlers working at the Group's F&B outlets are required to hold valid food safety and hygiene certificates issued by the relevant local authorities. In addition, the Group has established clear escalation and response procedures for food safety incidents, including customer complaints regarding foodborne illnesses or physical hazards found in food products.

To preserve the freshness and quality of food ingredients and semi-processed products, the Group has implemented appropriate storage methods across its warehouses and F&B outlets, including during transportation to franchised outlets overseas. Upon receiving supplies, employees are required to check product expiry dates, temperature, packaging integrity, and overall freshness. Any defective food items are promptly returned to suppliers for replacement.

During the reporting year, the Group was not made aware of any breaches of applicable laws and regulations concerning health and safety, advertising, labelling, or data privacy. This includes, but is not limited to, the Sale of Food Act and the Personal Data Protection Act in Singapore, as well as the Food Act 1983 and the Personal Data Protection Act 2010 in Malaysia. There were no product recalls related to health or safety concerns during the year.

Customer Services

The Group firmly believes that customer satisfaction is essential to achieving long-term, sustainable success. Understanding and addressing customer complaints is critical in identifying areas for improvement and enhancing service delivery.

To facilitate effective communication with customers, the Group operates various feedback channels, including its corporate website, telephone hotlines, and social media platforms such as Facebook. A dedicated customer service team manages enquiries, feedback, and complaints by recording them systematically, following up with customers for additional details, and, where appropriate, offering complimentary prepaid card vouchers redeemable at any of the Group's F&B outlets. Complaints are then relayed to the relevant departments to initiate corrective actions and prevent recurrence.

During the reporting year, the Group received and resolved 223 customer complaints (FY2024: 212) across its F&B outlets in Singapore and Malaysia, averaging 5.1 cases per outlet annually (FY2024: 5.2). The majority of feedback pertained to waiting times, service attitude, order inaccuracies, and dissatisfaction with food taste and quality. All complaints were addressed promptly in accordance with the Group's established procedures.

Intellectual Property ("IP") Rights

The "Shihlin Taiwan Street Snacks" brand represents a distinctive and valuable asset to the Group, enjoying strong recognition among consumers in both Singapore and Malaysia. As at 31 March 2025, the Group held a total of 22 registered trademarks (FY2024: 12), underscoring the importance of safeguarding its IP rights.

Outside of Singapore and Malaysia, the Group relies on master franchisees and licensees to uphold the proper use and protection of its IP. Any intended use of the Group's IP must receive prior approval before the launch of new overseas outlets. Should franchisees or licensees propose deviations from the agreed usage or act in a manner inconsistent with contractual terms, they are required to seek formal consent from the Group.

During the reporting year, the Group was not made aware of any instances of IP infringement by third parties.

Customer Privacy Protection

The Group collects personal data — such as names, email addresses, and contact numbers — from customers who enrol in its prepaid card membership programme. This information is stored securely within the membership system and is accessible only to authorised personnel. The data is primarily used for marketing purposes, including the distribution of quarterly electronic direct mailers to subscribed members.

Customer data is not retained if the prepaid card expires without renewal or if a customer opts to unsubscribe from the membership programme.

During the reporting year, the Group was not made aware of any breaches of personal data protection laws and regulations in either Singapore or Malaysia.

Advertisement efforts

The Group places strong emphasis on ensuring that all advertisements and promotional content are accurate, fair, and not misleading to customers. Regular promotional campaigns are carried out at outlets during product launches and festive occasions such as Lunar New Year, Christmas, National Day, Father's Day, and Mother's Day.

To strengthen its brand presence, the Group continues to invest in digital marketing by engaging social media influencers and celebrities to promote new products and campaigns. It has also collaborated with other food brands to engage in cross-marketing initiatives across retail outlets and social media platforms. Additionally, the Group partners with shopping malls and delivery service providers to secure advertising spaces for brand and product promotion.

In markets outside of Singapore and Malaysia, advertising and marketing responsibilities lie with the master franchisees and licensees. To maintain brand consistency and integrity, all advertising and promotional materials used by these partners must be reviewed and approved by the Group prior to use.

Target setting:

- Reduce the average number of customer complaints per store per year.
- Maintain zero cases of IP infringements by third parties.
- Maintain zero reported breaches to personal data protection laws and regulations.
- Ensure all advertising and promotional materials are true, fair, and non-misleading.

Environmental, Social and Governance Report

Material Area 12: Anti-Corruption Practices

The key regulations in Singapore relating to bribery, extortion, fraud, and money laundering include the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act ("CDSA"), administered by the Commercial Affairs Department, and the Anti-Money Laundering and Countering the Financing of Terrorism ("AML/CFT") framework, governed by the Monetary Authority of Singapore. The Group adopts a strict zero-tolerance policy towards bribery, corruption, and fraudulent conduct, while actively promoting a strong corporate culture that upholds ethical behaviour among its employees.

During the reporting year, the Group was not made aware of any instances of non-compliance with laws and regulations related to bribery, extortion, or money laundering. This includes, but is not limited to, the Prevention of Corruption Act in Singapore and the Anti-Corruption Commission Act 2009 in Malaysia. No legal proceedings related to corrupt practices were brought against the Group or its employees during the period.

Anti-corruption training

The Group ensures that all new employees and directors are informed of its Code of Conduct, as well as its Anti-Corruption, Anti-Fraud, and Anti-Money Laundering policies and procedures, as part of the onboarding process. In addition, prior to the Group's Initial Public Offering on the Hong Kong Stock Exchange, the Board of Directors received training on their roles, responsibilities, and statutory obligations as directors of a listed company.

Whistleblowing system

The Group has implemented an independent and confidential whistleblowing system that enables individuals to report suspected misconduct, including unlawful activities, financial irregularities, override of internal controls, and unethical behaviour, without fear of retaliation. This channel is accessible to all stakeholders — including employees, shareholders, customers, and suppliers — and reports are directed to the Group's Audit Committee, which conducts investigations with the support of professional service providers.

During the reporting year, the Group's Audit Committee did not receive any whistleblowing reports. With regard to the case received in the previous year, the investigation concluded that the issue likely stemmed from misunderstandings or misperceptions. The individual named in the whistleblowing letter acknowledged that their tone and body language may have come across as stern, detached, or unapproachable, but affirmed that there was no intention to be uncooperative.

Perpetual Target setting:

- Maintain zero reported non-compliance cases related to bribery, extortion, and money laundering.
- Maintain zero legal cases related to corrupt practices brought against the Group or its employees.
- Continue providing anti-corruption training to new employees and directors.

Material Area 13: Community Investment

As a socially responsible organisation and an active member of the wider community, the Group embraces the philosophy of supporting the less fortunate. Employees are encouraged to contribute through donations, volunteer work, and participation in community events to strengthen their sense of social responsibility. The Group also aims to cultivate empathy among its workforce.

During the reporting year, employees from the Singapore office volunteered at Willing Hearts, assisting with kitchen and vegetable preparation. Staff members helped prepare ingredients for meals that were subsequently delivered to beneficiaries.

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED

The ESG Report is prepared in accordance with the ESG Reporting Code as set out in Appendix C2 to the Listing Rules.

Disclosure Reference	Description	Section/Declaration
Part B of Appendix C2: Mandatory Disclosure Requirements		
Governance Structure	• A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	• Board Statement
Reporting Principles	• A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG Report: (i) Materiality (ii) Quantitative (iii) Balance (iv) Consistency	• About The Report • Materiality Assessment
Reporting Boundary	• A narrative explaining the reporting boundaries of the ESG Report and describing the process used to identify which entities or operations are included in the ESG Report. • If there is a change in the scope, the issuer should explain the difference and reason for the change.	• About The Report

Environmental, Social and Governance Report

Disclosure Reference	Description	Section/Declaration
Part C of Appendix C2: "Comply or explain" Provisions		
A. Environmental		
Aspect A1: Emissions	• General Disclosure • Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	• Material Area 1: Emissions
KPI A1.1	• Types of emissions • Respective emissions data	• Not applicable as the Group's operation did not generate air pollutant emissions in the reporting period.
KPI A1.2	• Repealed 1 January 2025	• Repealed 1 January 2025
KPI A1.3	• Total hazardous waste produced (in tonnes) • Intensity (e.g., per unit of production volume, per facility) where appropriate	• Not applicable as the Group's operation did not product hazardous waste in the reporting period.
KPI A1.4	• Total non-hazardous waste produced (in tonnes) • Intensity (e.g., per unit of production volume, per facility) where appropriate	• Material Area 2: Waste Management
KPI A1.5	• Description of emissions target(s) set • Steps taken to achieve them	• Material Area 1 and 2: Emission and Waste Management
KPI A1.6	• Description of how hazardous and non-hazardous waste are handled • Description of reduction target(s) set and steps taken to achieve them	• Material Area 2: Waste Management

Disclosure Reference	Description	Section/Declaration
Aspect A2: Use of Resources	• General Disclosure • Policies on the efficient use of resources, including energy, water and other raw materials	• Material Area 3: Use of Resources
KPI A2.1	• Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in'000s) • Intensity (e.g., per unit of production volume, per facility)	• Material Area 3: Use of Resources
KPI A2.2	• Water consumption in total • Intensity (e.g., per unit of production volume, per facility)	• Material Area 3: Use of Resources
KPI A2.3	• Description of energy use efficiency target(s) set • Steps taken to achieve them	• Material Area 3: Use of Resources
KPI A2.4	• Description of whether there is any issue in sourcing water that is fit for purpose • Water efficiency target(s) set • Steps taken to achieve them	• Material Area 3: Use of Resources
KPI A2.5	• Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	• Material Area 4: Packaging Materials
Aspect A3: The Environment and Natural Resources	• General Disclosure • Policies on minimising the issuer's significant impacts on the environment and natural resources	• Material Area 5: Environmental and Natural Resources
KPI A3.1	• Description of the significant impacts of activities on the environment and natural resources • Actions taken to manage them	• Material Area 5: Environmental and Natural Resources
Aspect A4: Climate Change	• Repealed 1 January 2025	• Repealed 1 January 2025
KPI A4.1	• Repealed 1 January 2025	• Repealed 1 January 2025

Environmental, Social and Governance Report

Disclosure Reference	Description	Section/Declaration
B. Social **Employment and Labour Practices**		
Aspect B1: Employment	• General Disclosure • Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	• Material Area 6: Employment Practices
KPI B1.1	• Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	• Material Area 6: Employment Practices
KPI B1.2	• Employee turnover rate by gender, age group and geographical region	• Material Area 6: Employment Practices
Aspect B2: Health and Safety	• General Disclosure • Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	• Material Area 7: Health and Safety
KPI B2.1	• Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	• Material Area 7: Health and Safety
KPI B2.2	• Lost days due to work injury	• Material Area 7: Health and Safety
KPI B2.3	• Description of occupational health and safety measures adopted • How they are implemented and monitored	• Material Area 7: Health and Safety
Aspect B3: Development and Training	• General Disclosure • Policies on improving employees' knowledge and skills for discharging duties at work • Description of training activities	• Material Area 8: Training and Development
KPI B3.1	• The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	• Material Area 8: Training and Development
KPI B3.2	• The average training hours completed per employee by gender and employee category	• Material Area 8: Training and Development

Environmental, Social and Governance Report

Disclosure Reference	Description	Section/Declaration
Aspect B4: Labour Standards	• General Disclosure • Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	• Material Area 9: Labour Standard
KPI B4.1	• Description of measures to review employment practices to avoid child and forced labour	• Material Area 9: Labour Standard
KPI B4.2	• Description of steps taken to eliminate such practices when discovered	• Material Area 9: Labour Standard
Operating Practices		
Aspect B5: Supply Chain Management	• General Disclosure • Policies on managing environmental and social risks of the supply chain	• Material Area 10: Supplier Management
KPI B5.1	• Number of suppliers by geographical region	• Material Area 10: Supplier Management
KPI B5.2	• Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	• Material Area 10: Supplier Management
KPI B5.3	• Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	• Material Area 10: Supplier Management
KPI B5.4	• Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	• Material Area 10: Supplier Management

Environmental, Social and Governance Report

Disclosure Reference	Description	Section/Declaration
Aspect B6: Product Responsibility	• General Disclosure • Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	• Material Area 11: Product Responsibility
KPI B6.1	• Percentage of total products sold or shipped subject to recalls for safety and health reasons	• Not applicable as the Group did not have product recalls due to safety and health reasons in the reporting period.
KPI B6.2	• Number of products and service-related complaints received and how they are dealt with	• Material Area 11: Product Responsibility
KPI B6.3	• Description of practices relating to observing and protecting intellectual property rights	• Material Area 11: Product Responsibility
KPI B6.4	• Description of quality assurance process and recall procedures	• Material Area 11: Product Responsibility
KPI B6.5	• Description of consumer data protection and privacy policies, and how they are implemented and monitored	• Material Area 11: Product Responsibility

Disclosure Reference	Description	Section/Declaration
Aspect B7: Anti-corruption	• General Disclosure • Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	• Material Area 12: Anti-Corruption Practices
KPI B7.1	• Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	• Not applicable as there were not any legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period.
KPI B7.2	• Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	• Material Area 12: Anti-Corruption Practices
KPI B7.3	• Description of anti-corruption training provided to directors and staff	• Material Area 12: Anti-Corruption Practices
Community		
Aspect B8: Community Investment	• General Disclosure • Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	• Material Area 13: Community Investment
KPI B8.1	• Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport)	• Not applicable as the Group did not contribute to local community in the reporting period.
KPI B8.2	• Resources contributed (e.g., money or time) to the focus area	• Not applicable as the Group did not contribute to local community in the reporting period.

Directors' Report

The Directors present this report together with the audited consolidated financial statements of the Group for the Year.

FAIR REVIEW OF BUSINESS

A fair review of the business of the Group together with a discussion and analysis of the Group's performance during the Year using financial key performance indicators, the material factors underlying its financial performance as well as the Group's future business development are set forth in the "Message to Shareholders" and the "Management Discussion and Analysis" sections of this Annual Report. The information relating to the Group's food quality and safety, customers, suppliers, employees, community involvement and environmental protection are set out in the section headed ESG report of this Annual Report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are aware that the Group's financial condition, results of operation, businesses and prospects may be affected by a number of risks and uncertainties.

The followings are the principal risks and uncertainties faced by the Group, which may materially adversely affect our business, financial condition or results of operations:

Our reliance on the market recognition of our Shihlin

We believe that our success substantially depends on the market recognition of our Shihlin and our continued success will depend in large part on our ability to protect and enhance its value. Any incident that erodes consumer trust in or affinity for our brand could significantly reduce its value. As we continue to grow in size, expand our range of Snacks and Beverages products and extend our geographic reach, maintaining quality and consistency may become more difficult and we cannot assure you that customer confidence in our brand will not diminish. If consumers perceive or experience a reduction in food quality or value-for-money, or believe in any way that we are failing to deliver a consistently positive experience, the value of our brand could suffer, which could have a material adverse effect on our business.

It is common in the fast food industry that food critics analyse food and services and then publish their commentary experience. We are usually not informed before such food critics visit and we have no control on what is written by these food critics. If food critics publish negative comments or reviews about their experience with us, this may adversely affect our business. Any complaints and negative publicity, regardless of their validity, may adversely affect our reputation. If there is any negative publicity or review associated with our Shihlin Outlets or Shihlin Restaurants and our brand reputation is negatively affected, the results of our Group's business operations could be adversely affected.

Our reliance on the franchise/licence model for, among others, expansion outside of Singapore and West Malaysia and a substantial portion of our revenue

A substantial portion of our revenue are derived from our franchise/licence model, including revenue from sales of goods comprising mainly beverages, food products and packaging material to the Franchisees and Licensee, franchise fees and licence fees and advertising and promotion fees from franchisees. In addition, as we do not have any presence of business operations outside Singapore and West Malaysia, we rely on the franchise/licence model for expansion of our international presence.

The occurrence of any of the following events, among others, could cause fluctuations or declines in our revenue and could have an adverse effect on our financial condition and results of operations: (i) any delays or cancellation of material sale orders from any of our Franchisees or Licensee; (ii) any material decrease in sales at our Non-self-operated Outlets or Restaurants; (iii) failure to renew any franchise agreements, the Indonesia Master Licence agreement and/or any of the sub-licence agreements in Indonesia; and (iv) termination of any of the material franchise agreement, or our Northern California Master Franchise or Indonesia Master Licence.

There is no assurance that we will be able to maintain our relationships with our Master Franchisee or Licensee customers. In the event of any disagreements with any of these Master Franchisees/Licensee, or if any of these Master Franchisees/Licensee discontinues or terminates the existing arrangements with our Group and we fail to find a replacement on similar terms or at all, our revenue will decrease and our overall financial performance may be adversely affected. There is no assurance that we are able to maintain and sustain our franchise/ licence model and operations, which are not within our control. Any material disruptions may adversely affect our revenue materially and substantially.

Our reliance on landlords as we lease all premises for our Self-operated Outlets and Restaurants in Singapore and West Malaysia

We lease all the properties for our Self-operated Outlets and Restaurants. Accordingly, rental costs including depreciation from right-of-use assets account for a significant portion of our operating expenses.

Lease agreements for our Self-operated Outlets and Restaurants typically have an initial term ranging from two to three years. Some of our lease agreements provide that the rent will increase within the initial term or after the initial term at a fixed rate or at the then prevailing market rate. If we fail to renew any of our existing leases, we will have to identify alternative premises. Our business operations may be interrupted as a result of the relocation and we may incur additional costs and expenses in connection with the restoration and/or relocation.

Further, if a lease agreement is renewed at a rate substantially higher than the existing rate or any existing favourable terms granted by the landlord, if any, is not extended, we must evaluate whether renewal on such modified terms is in our interest. If we are unable to renew leases for our Self-operated Outlet or Restaurant premises, we will have to close or relocate the relevant Self-operated Outlet or Restaurant, which would lead to loss of sales during the period of closure and write-off of fixed assets and could subject us to installation and renovation and other costs and risks. In addition, the revenue and any profit generated at a relocated Self-operated Outlet or Restaurant may be less than the revenue and profit previously generated at the closed Self-operated outlet or restaurant. Therefore, any inability to renew existing leases on commercially acceptable terms could adversely affect our business, results of operations and financial condition. We also compete with other food and beverage companies for prime locations in a highly competitive market for premises. There is no assurance that we will be able to enter into new lease agreements for attractive locations or renew existing lease agreements on commercially reasonable terms, if at all. Therefore, any inability to obtain leases for desirable Self-operated Outlets and Restaurants locations on commercially reasonable terms could adversely affect our business, results of operations and financial condition.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in wholesale and retail of food and beverages. Details of the principal activities of the Company's major subsidiaries are set out in note 1 to the consolidated financial statements.

The Listing and the dealing in the Shares on the Main Board of the Stock Exchange commenced on 23 October 2019.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The Group's principal business activities are located in Singapore and West Malaysia, and are subject to applicable laws, regulations and government authorities in Singapore and Malaysia. These laws and regulations require the Group to possess various licences or approvals. Pursuant to the franchise agreements and the Master Franchisees and Licensee Agreement, Franchisees and Licensee are responsible for their own compliance with all necessary laws and regulations in the relevant jurisdictions where they operate the Non-self-operated Outlets and Restaurants, which include licensing requirements.

As far as the Board is aware, the Group has complied with the relevant laws and regulations that may cause a significant impact on the business and operation of the Group in the event of a material breach or non-compliance.

Directors' Report

RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group understands the importance of maintaining a good relationship with its suppliers, customers and other stakeholders in order to meet its immediate and long-term goals. During the Year, there was no material or significant dispute between the Group and its suppliers, customers and other stakeholders.

FINANCIAL RESULTS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 62 of this Annual Report. The state of affairs of the Group as at 31 March 2025 is set out in the consolidated statement of financial position on pages 63 to 64 of this Annual Report. Please also refer to the accompanying notes to the consolidated financial statements.

CASH FLOW POSITION

The cash flow position of the Group for the Year is set out and analysed in the consolidated statement of cash flows on pages 66 to 67 of this Annual Report.

DIVIDENDS

The Board has not declared the payment of any dividends for the Year. It has resolved not to recommend the payment of any final dividend for the Year.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Thursday, 28 August 2025 to Tuesday, 2 September 2025 (both days inclusive), during which period no transfer of Shares will be registered, for ascertaining Shareholders' entitlement to attend and vote at the 2025 AGM which will be held on Tuesday, 2 September 2025. In order to qualify for attending and voting at the 2025 AGM, non-registered Shareholders must lodge all duly completed transfer forms accompanied by the relevant share certificates with the Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited for registration no later than 4:30 p.m. on Wednesday, 27 August 2025. The address of the Boardroom Share Registrars (HK) Limited is 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on page 113 of this Annual Report.

DISTRIBUTABLE RESERVES

As at 31 March 2025, the Company had no distributable reserve.

RESERVES

Movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 65 of this Annual Report.

PROPERTY, PLANT AND EQUIPMENT

The movements of property, plant and equipment of the Group for the Year are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of the Company's share capital as at 31 March 2025 are set out in note 18 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company or its subsidiaries have not purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares, if any) during the Year.

As at 31 March 2025, the Company did not hold any treasury shares.

SHARE OPTION SCHEME

Pursuant to the written resolution of the sole Shareholder passed on 23 September 2019, the Company adopted the Share Option Scheme conditional upon the Listing. The Share Option Scheme became effective on the Listing Date. As no share option has been granted by the Company under the Share Option Scheme since the Listing Date, there was no share option outstanding as at 31 March 2025 and no option was exercised or cancelled or lapsed during the Year.

At its meeting held on 30 June 2025, the Remuneration Committee reviewed the Share Option Scheme. The principal terms of the Share Option Scheme are set out as follows:

(a) Purpose of the Share Option Scheme

The purpose of this Share Option Scheme is to enable the Board to grant options to Eligible Persons (as defined below) as incentives or rewards for their contribution or potential contribution to the Group and to recruit and retain high calibre Eligible Persons and attract human resources that are valuable to the Group.

(b) Eligible Persons

The Directors may, at their absolute discretion and subject to such terms, conditions, restrictions or limitations as they may think fit, offer to grant option to any employee or proposed employee (whether full-time or part-time, including any director) of any member of the Group or invested entity; and any supplier of goods or services, any customer, any person or entity that provides research, development or other technological support, any shareholder or other participants who contributes to the development and growth of the Group or any invested entity.

(c) Maximum number of Shares

The total number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 80,000,000 Shares, being 10% of the total number of Shares in issue (excluding treasury shares, if any) as at the date of this Annual Report.

As at 1 April 2024 and 31 March 2025, the maximum number of Shares may be granted pursuant to the Share Option Scheme were both 80,000,000 Shares.

(d) Maximum entitlement of each Eligible Person

Unless approved by the Shareholders in general meeting and subject to the following paragraph, no option shall be granted to any Eligible Person if any further grant of options would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including such further grant would exceed 1% of the total number of Shares in issue from time to time.

Where an option is to be granted to a substantial Shareholder or an INED (or any of their respective associates), and such grant will result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person under the Share Option Scheme and any other share option schemes of the Company in the 12-month period up to and including the date of such grant: (1) representing in aggregate over 0.1% of the total number of Shares in issue at the relevant time of grant; and (2) having an aggregate value, based on the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of each grant, in excess of HK$5 million, such grant shall not be valid unless approved by the independent Shareholders in general meeting.

(e) Period within which the securities must be exercised under an option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine, which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

(f) Minimum period for which an option must be held before it can be exercised

There is no minimum period in which an option must be held before the exercise of any option save as otherwise imposed by the Board in the relevant offer of options.

(g) Period for and consideration payable on acceptance of an option

An offer of grant of an option may be accepted by an Eligible Person within the date as specified in the offer letter issued by the Company, being a date not later than 21 days inclusive of the date upon which it is made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK$1.00.

(h) Basis of determining the exercise price

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as determined by the Board, and shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of offer to grant an option (the "Offer Date"), which must be a trading day, on which the Board passes a resolution approving the making of an offer of grant of an option to an Eligible Person; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the Offer Date; and (iii) the nominal value of a Share on the Offer Date.

(i) Remaining life

Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date of adoption of the Share Option Scheme, after which period no further option shall be granted.

DIRECTORS

The Directors who held office during the Year and up to the date of this Annual Report are:

Executive Directors
Mr. Daniel Tay
Mr. Melvyn Wong *(Chief Executive Officer)*

INEDs
Mr. Fok Chee Khuen *(Chairman)*
Mr. Jong Voon Hoo
Ms. Tan Chiu Yang

At each AGM, one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an AGM at least once every three years. The Directors to retire by rotation shall include any Director who wishes to retire and not offer himself/herself for re-election. Any further Directors so to retire shall be those who have been the longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day, those to retire will (unless they otherwise agree among themselves) be determined by lot.

The Directors have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed to fill a casual vacancy or as an addition to the existing Board shall hold office until the first AGM after his/her appointment and be subject to re-election at such meeting.

Pursuant to the Articles of Association, Mr. Daniel Tay and Ms. Tan Chiu Yang shall retire from office by rotation at the 2025 AGM. Mr. Daniel Tay and Ms. Tan Chiu Yang shall be eligible and offer themselves for re-election at the 2025 AGM.

CHANGES IN INFORMATION OF A DIRECTOR

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Director since the date of the Company's interim report for the six months ended 30 September 2024 and up to the date of this Annual Report are set out below:

- Mr. Jong Voon Hoo has become a shareholder of Pro 1 Management Consultants Pte Ltd and Squarebook Advisory Pte Ltd, holding 50% of the shares in each company, with effect from 5 March 2025.

The biographical details of the Directors and the senior management of the Company are set out on pages 10 to 12 of this Annual Report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 March 2025, the interests and short positions of each Director and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register as referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Long position in the Shares

Name of Directors	Capacity	Nature of interest	Number of shares held	Percentage of shareholding
Mr. Daniel Tay	Interest of controlled corporation *(Note)*	Corporate interest	600,000,000	75%
Mr. Melvyn Wong	Interest of controlled corporation *(Note)*	Corporate interest	600,000,000	75%

Note: All the issued shares of Brilliant Stride are legally and beneficially owned as to 50% by Mr. Melvyn Wong and 50% by Mr. Daniel Tay. Accordingly, Mr. Melvyn Wong and Mr. Daniel Tay are deemed to be interested in 600,000,000 Shares held by Brilliant Stride by virtue of the SFO.

Save as disclosed above, as at 31 March 2025, none of the Directors and the chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were: (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO to (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, entered in the register as referred to therein; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2025, so far as was known to the Directors, the following corporation and persons (other than a Director or the chief executive of the Company) interests or short positions in the Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept under section 336 of the SFO were as follow:

Long positions in Shares

Name of Shareholders	Capacity	Nature of interest	Number of Shares held	Percentage of shareholding
Brilliant Stride *(Note 1)*	Beneficial owner	Personal interest	600,000,000	75%
Ms. Chong Yi May Cheryl *(Note 2)*	Interest of spouse	Family interest	600,000,000	75%
Ms. Lim Michelle *(Note 3)*	Interest of spouse	Family interest	600,000,000	75%

Notes:

(1) The issued shares of Brilliant Stride are legally and beneficially owned as to 50% by Mr. Daniel Tay and 50% by Mr. Melvyn Wong. Accordingly Mr. Melvyn Wong and Mr. Daniel Tay are deemed to be interested in 600,000,000 Shares held by Brilliant Stride by virtue of the SFO.

(2) Ms. Chong Yi May Cheryl, the spouse of Mr. Melvyn Wong, is deemed under the SFO to be interested in the Shares in which Mr. Melvyn Wong has an interest or a deemed interest.

(3) Ms. Lim Michelle, the spouse of Mr. Daniel Tay, is deemed under the SFO to be interested in the Shares in which Mr. Daniel Tay has an interest or a deemed interest.

Save as disclosed above, as at 31 March 2025, no other corporation which or person (other than a Director or the chief executive of the Company) who had any interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were recorded in the register required to be kept under section 336 of the SFO.

DIRECTORS' SERVICE CONTRACTS

Each of Mr. Melvyn Wong and Mr. Daniel Tay entered into a service contract with the Company as Director on 23 September 2019. The term of each service contract is three years commencing on the Listing Date and will continue thereafter until terminated in accordance with the terms of the service contract.

Mr. Jong Voon Hoo, being an INED, has entered into a letter of appointment with the Company on 23 September 2019. The letter of appointment is for an initial term of one year commencing on the Listing Date and will continue thereafter unless terminated by either party giving to the other at least one month's notice in writing. Mr. Fok Chee Khuen and Ms. Tan Chiu Yang, both being INEDs, have entered into a letter of appointment with the Company on 27 August 2021 and 29 August 2022 respectively. Each of their respective letter of appointment is for an initial term of one year commencing on 27 August 2021 and 29 August 2022 respectively and will continue thereafter unless terminated by either party giving to the other at least one month's notice in writing.

No Director proposed for re-election at the 2025 AGM has a service contract with the Company or any member of the Group that is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements and contacts of significance in relation to the Group's business in which a Director or an entity with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or during the Year.

MANAGEMENT CONTRACTS

No contract (except for the Executive Directors' service contracts) concerning management and administration of the whole or any substantial part of the Group's businesses was entered into or existed during the Year.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that (i) will or may result in the Company issuing Shares or (ii) require the Company to enter into any agreements that will or may result in the Company issuing Shares were entered into by the Group during the Year or existed as at 31 March 2025.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association, although there are no restrictions against such rights under the laws in the Cayman Islands.

DIRECTORS' REMUNERATION

The Remuneration Committee makes recommendations to the Board on the remuneration and other benefits payable by the Company to the Directors. The remuneration of all Directors is subject to regular monitoring by the Remuneration Committee to ensure that the levels of their remuneration and compensation are appropriate. Details of the Directors' remuneration are set out in note 10 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the aggregate sales attributable to the Group's five largest customers were under 13%. The aggregate purchases attributable to the Group's five largest suppliers and the largest supplier during the Year were 44% and 17%, respectively.

None of the Directors, their respective close associates or any Shareholders, which to the best knowledge of the Directors, owns more than 5% of the issued Shares, has any interests in the share capital of any of the above five largest customers or suppliers of the Group.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this Annual Report, the Company has maintained a sufficient public float for the issued Shares (i.e. at least 25% of the issued Shares being held by the public) as required under the Listing Rules.

COMPETING BUSINESS

None of the Directors, the Controlling Shareholders or their respective close associates had any interest in any business which is, either directly or indirectly, in competition with the business of the Group and would require disclosure under Rule 8.10 of the Listing Rules.

RETIREMENT BENEFIT SCHEMES

Details of the Group's retirement benefit schemes are set out in note 2.6(a) to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

Subject to applicable laws, the Directors shall be indemnified and secured harmless out of the assets and profits for the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices, pursuant to the Articles of Association. Such provisions were in force throughout the Year and are currently in force. The Company has arranged for appropriate insurance cover for Directors' liabilities in respect of legal actions that may be brought against the Directors.

Directors' Report

RELATED PARTY TRANSACTIONS

Details of significant related party transactions undertaken in the normal course of business of the Group for the Year are provided under note 31 to the consolidated financial statements. The transactions were conducted in accordance with terms as agreed between the Group and the respective related parties. The Directors confirm that the related party transactions were conducted on normal commercial terms and on arm's length basis. Such related party transactions constitute continuing connected transaction as defined under the Listing Rules which are fully exempted from the disclosure requirements under Chapter 14A of the Listing Rules.

MATERIAL LEGAL PROCEEDINGS

During the Year, the Company was not involved in any material legal proceeding or arbitration. To the best knowledge of the Directors, there is no material legal proceeding or claim which is pending or threatened against the Company.

USE OF PROCEEDS FROM THE LISTING

Details of the use of net proceeds are set out on page 8 of this Annual Report. The Group held the unutilised net proceeds in short-term deposits with licensed institutions in Singapore and Hong Kong.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed the accounting principles and practices adopted by the Group with senior management and discussed the auditing, internal control and financial reporting matters, including the review of the audited consolidated financial statements of the Group for the Year. The consolidated financial statements of the Group for the Year have been audited by the Independent Auditor.

CORPORATE GOVERNANCE

The particulars of the principal corporate governance practices of the Company are set out in the Corporate Governance Report on pages 13 to 25 of this Annual Report.

RELIEF OF TAXATION

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares.

INDEPENDENT AUDITOR

The consolidated financial statements of the Group for the Year have been audited by Forvis Mazars LLP, who will retire and, being eligible, offer itself for re-appointment at the 2025 AGM. A resolution will be proposed to the Shareholders at the 2025 AGM to re-appoint Forvis Mazars LLP as the Independent Auditor.

On behalf of the Board
Mr. Fok Chee Khuen
Chairman

Singapore, 28 July 2025

Independent Auditor's Report

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To the Shareholders of Snack Empire Holdings Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Snack Empire Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages 62 to 112, which comprise the consolidated statement of financial position of the Group as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board, and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 consolidated financial statements of the current financial year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Our audit response
Revenue recognition — sales of goods Refer to note 2.4 for the Group's accounting policies on revenue recognition and note 6 for the analysis of revenue of the Group for the financial year ended 31 March 2025. Sales of goods primarily consists of revenue from sales of goods to customers through the Group's self-owned outlets ("Outlet Sales") and to franchisees/licensee ("Franchisees Sales"). We focused on revenue recognition in particular for sales of goods due to its magnitude and the characteristics of the Group's industry nature. The recording of revenue involves high volume of individual transactions derived from sales to multiple customers such that we have incurred significant time and resources in carrying out our work in this area.	Our audit procedures included, and were not limited to, the following: • Tested the design and implementation of the Group's relevant key controls over the revenue recognition; • Performed test of controls, on a samples basis, which included testing the operating effectiveness of key controls over the sales of goods cycle; • Performed analytical procedures, such as analysing the gross profit margins reported by the Group; • Performed test of details and cut-off procedures which included inspection of corresponding delivery documents on a sample basis; and • Reviewed the completeness and appropriateness of corresponding disclosures made in the consolidated financial statements.

Independent Auditor's Report

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the 2025 annual report, other than the consolidated financial statements and the independent auditor's report thereon, which we obtained prior to the date of this report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this report, 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.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are 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 the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 Audit Committee 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 Audit Committee 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated 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.

The engagement partner on the audit resulting in this independent auditor's report is Chin Chee Choon.

Forvis Mazars LLP
Public Accountants and Chartered Accountants

Singapore

28 July 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Year ended 31 March	
		2025	2024
	Note	**S$'000**	S$'000
Revenue	*6*	**29,568**	25,160
Cost of sales	*9*	**(10,884)**	(9,557)
Gross profit		**18,684**	15,603
Other income	*7*	**410**	460
Other gains/(losses)	*8*	**33**	(50)
Selling and distribution expenses	*9*	**(9,214)**	(6,740)
Administrative expenses	*9*	**(10,084)**	(9,170)
Finance income/(cost) — net	*11*	**47**	123
(Loss)/Profit before income tax		**(124)**	226
Income tax expense	*12*	**(359)**	(46)
(Loss)/Profit for the year attributable to equity holders of the Company		**(483)**	180
Other comprehensive income/(loss)			
Item that will be reclassified subsequently to profit or loss			
Currency translation differences arising from translation of foreign operations		**272**	(195)
		272	(195)
Total comprehensive loss for the year attributable to equity holders of the Company		**(211)**	(15)
(Loss)/Earnings per share for (loss)/profit attributable to equity holders of the Company			
Basic and diluted (Singapore cents)	*13*	**(0.06)**	0.02

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

		As at 31 March	
		2025	2024
	Note	**S$'000**	S$'000
ASSETS			
Non-current assets			
Property, plant and equipment	*14*	**10,802**	8,000
Intangible assets		**114**	149
		10,916	8,149
Current assets			
Inventories	*15*	**1,516**	1,301
Trade and other receivables and prepayments	*16*	**3,686**	2,138
Tax refundable		**159**	199
Cash and cash equivalents	*17*	**18,024**	22,134
		23,385	25,772
Total assets		**34,301**	33,921
EQUITY AND LIABILITIES			
Equity			
Share capital	*18*	**1,392**	1,392
Share premium	*18*	**10,911**	10,911
Reserves	*19*	**11,829**	12,040
Equity attributable to equity holders of the Company		**24,132**	24,343
LIABILITIES			
Non-current liabilities			
Deferred revenue	*20*	**1,061**	748
Deferred tax liabilities	*21*	**19**	17
Lease liabilities	*22(b)*	**1,994**	1,619
Borrowings	*23*	**1,190**	1,820
		4,264	4,204

Consolidated Statement of Financial Position

	Note	As at 31 March 2025 S$'000	2024 S$'000
Current liabilities			
Trade and other payables	*24*	**2,910**	2,851
Borrowings	*23*	**130**	130
Provisions	*25*	**276**	246
Deferred revenue	*20*	**272**	225
Lease liabilities	*22(b)*	**2,283**	1,877
Current income tax liabilities		**34**	45
		5,905	5,374
Total liabilities		**10,169**	9,578
Total equity and liabilities		**34,301**	33,921

The consolidated financial statements on pages 62 to 112 were approved and authorised for issue by the Board of Directors on 28 July 2025 and were signed on its behalf.

Mr. Daniel Tay
Director

Mr. Melvyn Wong
Director

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	Share capital *(Note 18)* S$'000	Share premium *(Note 18)* S$'000	Capital reserves *(Note 19)* S$'000	Foreign currency translation reserve *(Note 19)* S$'000	Retained earnings *(Note 19)* S$'000	Total S$'000
As at 1 April 2024	**1,392**	**10,911**	**261**	**(618)**	**12,397**	**24,343**
Loss for the year	**—**	**—**	**—**	**—**	**(483)**	**(483)**
Other comprehensive income for the year	**—**	**—**	**—**	**272**	**—**	**272**
Total comprehensive (loss)/income for the year	**—**	**—**	**—**	**272**	**(483)**	**(211)**
As at 31 March 2025	**1,392**	**10,911**	**261**	**(346)**	**11,914**	**24,132**
As at 1 April 2023	1,392	11,047	261	(423)	12,217	24,494
Profit for the year	—	—	—	—	180	180
Other comprehensive loss for the year	—	—	—	(195)	—	(195)
Total comprehensive income for the year	—	—	—	(195)	180	(15)
Total transactions with owners, recognised directly in equity	—	(136)	—	—	—	(136)
— Dividend paid *(Note 26)*	—	(136)	—	—	—	(136)
As at 31 March 2024	1,392	10,911	261	(618)	12,397	24,343

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

		Year ended 31 March	
		2025	2024
	Note	**S$'000**	S$'000
Cash flows from operating activities			
(Loss)/Profit before income tax		**(124)**	226
Adjustments for:			
— Depreciation of property, plant and equipment	*9*	**2,983**	2,234
— Amortisation of franchise fees	*9*	**35**	26
— Interest income	*11*	**(316)**	(362)
— Interest expense	*11*	**269**	239
Operating profit before changes in working capital		**2,847**	2,363
Changes in working capital:			
— Inventories		**(215)**	253
— Trade and other receivables and prepayments		**(1,548)**	(434)
— Trade and other payables, including provisions		**89**	194
— Deferred revenue		**360**	(24)
Cash generated from operations		**1,533**	2,352
Income tax paid		**(325)**	(200)
Net cash generated from operating activities		**1,208**	2,152
Cash flows from investing activities			
Purchase of property, plant and equipment	*29*	**(2,611)**	(1,107)
Purchase of intangible assets		**—**	(176)
Interest received		**316**	362
Net cash used in investing activities		**(2,295)**	(921)
Cash flows from financing activities			
Principal and interest payment of lease		**(2,591)**	(2,051)
Dividend paid	*26*	**—**	(136)
Repayment of borrowings		**(704)**	(229)
Net cash used in financing activities		**(3,295)**	(2,416)
Net decrease in cash and cash equivalents		**(4,382)**	(1,185)
Cash and cash equivalents at beginning of the year		**22,134**	23,493
Exchange gain/(losses) on cash and cash equivalents		**272**	(174)
Cash and cash equivalents at end of the year	*17*	**18,024**	22,134

Consolidated Statement of Cash Flows

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Year ended 31 March			
	2025		2024	
	Lease liabilities S$'000	**Bank borrowings S$'000**	Lease liabilities S$'000	Bank borrowings S$'000
Balance at beginning of the year	**3,496**	**1,950**	2,415	2,080
Principal and interest payments	**(2,591)**	**(704)**	(2,051)	(229)
Non-cash changes:				
Interest expense	**195**	**74**	140	99
Addition of leases during the year	**3,177**	**—**	2,992	—
Balance at end of the year	**4,277**	**1,320**	3,496	1,950

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

1.1 General information

Snack Empire Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under Companies Act Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and is listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are disclosed in Note 1.2 to the consolidated financial statements.

The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Group is located at 10 Anson Road #21–02, International Plaza, Singapore 079903.

The immediate holding company and ultimate holding company of the Company is Brilliant Stride Limited, which is incorporated in the British Virgin Islands.

1.2 Group structure

Details of the subsidiaries of the Company at the end of the reporting period are set out below:

Name	Principal activities	Country of business/ incorporation	Date of incorporation	Issued and paid up capital	Effective interest held by the Group as at 31 March		Effective interest held by the Group as at the date of this report
					2025	2024	
					%	%	%
Directly held by the Company							
Clever Steed Limited[4]	Investment holding	British Virgin Islands	22 November 2017	US$1	**100**	100	100
Indirectly held by the Company							
The STSS Company Pte. Ltd.[1&2]	Retail of food and beverage and franchising	Singapore	4 June 2003	S$1,200,000	**100**	100	100
XXL Concepts Pte. Ltd. (F.K.A. Shihlin Taiwan Street Snacks (HM) Pte. Ltd.)[1&2]	Retail of food and beverage	Singapore	11 January 2005	S$100,000	**100**	100	100
Umami Concepts Pte. Ltd.[1&2]	Wholesale and retail of food and beverage	Singapore	18 October 2005	S$100,100	**100**	100	100
STSS Resources Pte. Ltd.[1&2]	Wholesale of food and beverage	Singapore	1 December 2005	S$1	**100**	100	100
The EPKR Company Pte. Ltd. (F.K.A. Shihlin Taiwan Street Snacks (313) Pte. Ltd.)[1&2]	Retail of food and beverage	Singapore	1 December 2005	S$300,000	**100**	100	100
STSS Integrated Pte. Ltd.[1&2]	Wholesale of food and beverage	Singapore	7 November 2007	S$1	**100**	100	100
Shihlin Taiwan Street Snacks (JP) Pte. Ltd.[4]	Retail of food and beverage	Singapore	15 December 2011	S$1	**100**	100	100

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION *(Continued)*

1.2 Group structure *(Continued)*

Name	Principal activities	Country of business/ incorporation	Date of incorporation	Issued and paid up capital	Effective interest held by the Group as at 31 March 2025 %	2024 %	Effective interest held by the Group as at the date of this report %
STSS CK Pte. Ltd. (F.K.A. Shihlin Taiwan Street Snacks (TM) Pte. Ltd.)[1&2]	Manufacture of cooked-food preparations & Wholesale of food and beverage	Singapore	26 June 2012	S$1	**100**	100	100
EPKR Concepts Pte. Ltd. (F.K.A. Shihlin Taiwan Street Snacks (HF) Pte. Ltd.)[1&2]	Retail of food and beverage	Singapore	1 April 2013	S$1	**100**	100	100
Shihlin Taiwan Street Snacks (NP) Pte. Ltd.[4]	Retail of food and beverage	Singapore	22 June 2015	S$1	**100**	100	100
STSS Resources Sdn. Bhd.[3]	Wholesale of food and beverage	Malaysia	13 July 2012	RM1,000,000	**100**	100	100
STSS IP Pte. Ltd.[1&2]	Licensing of intellectual properties	Singapore	25 February 2018	S$1	**100**	100	100
STSS Concepts Sdn. Bhd.[3]	Retail of food and beverage	Malaysia	20 June 2008	RM1,000,000	**100**	100	100
EPKR Concepts Sdn. Bhd.[4]	Retail of food and beverage	Malaysia	25 September 2023	RM300,000	**100**	—	100
EPKR Resources Sdn. Bhd.[4&5]	Wholesale of food and beverage	Malaysia	15 July 2024	RM1	**100**	—	100

1 Audited by Forvis Mazars LLP, Singapore.

2 The statutory financial statements for the financial year ended 31 March 2025 were audited by Forvis Mazars LLP, Singapore.

3 The statutory financial statements for the financial year ended 31 March 2025 were audited by OKL & Partners PLT, Malaysia. Up to the date of this report, the audited financial statements of these companies for the year ended 31 March 2025 are yet to be issued.

4 No audited financial statements have been prepared for this entity as it is not required to issue audited financial statements under the statutory requirements of its place of incorporation.

5 On 15 July 2024, the Group through its subsidiary, EPKR Concepts Sdn Bhd, incorporated a wholly-owned subsidiary, EPKR Resources Sdn Bhd, with a paid-up share capital of RM1. The principal activities of EPKR Resources Sdn Bhd are those wholesale of food and beverage.

Notes to the Consolidated Financial Statements

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been drawn up in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the "IASB"), which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the IASB and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The consolidated financial statements have been prepared under the historical cost convention.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

The individual financial statements of each Group entity is measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company is presented in Singapore dollars ("S$") which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand ("S$'000"), unless otherwise indicated. The consolidated financial statements have been approved for issue by the Board of Directors on 30 June 2025.

2.1.1 New standards adopted

In the current year, the Group has adopted the following new or amended IFRS Accounting Standards and IFRIC Interpretations that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS Accounting Standards and IFRIC Interpretations.

Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IFRS16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The adoption of these new or amended IFRS Accounting Standards and IFRIC Interpretations 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 years.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

2.1.2 New standards, interpretations and amendments to standards which are not yet effective

The following are new standards, interpretations and amendments to standards that have been issued but not yet effective.

		Effective for annual periods beginning on or after
Amendments to IAS 21	Lack of Exchangeability	1-Jan-25
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1-Jan-26
Various	Annual Improvements to IFRS Accounting Standards — Volume 11	1-Jan-26
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1-Jan-26
IFRS 18	Presentation and Disclosure in Financial Statements	1-Jan-27
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1-Jan-27
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date to be determined

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards, with the exception of IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18"), will not have a material impact on the financial statements of the Group in the period of their initial adoption.

IFRS 18, effective for annual periods beginning on or after 1 January 2027, replaces IAS 1 Presentation of Financial Statements and introduces new requirements for presentation and disclosure in financial statements. IFRS 18 mandates a new structure for the statement of profit or loss and 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 and the notes. As a consequential result of IFRS 18 requirements, all entities are required to use the operating profit subtotal, instead of profit or loss, as the starting point for presenting operating cash flows under the indirect method. The classification of cash flows from dividends and interests in either operating, investing and financing cash flows is also fixed.

IFRS 18 will apply retrospectively. The Group is still in the process of assessing the corresponding impact on the primary financial statements and notes to the financial statements.

2.2 Basis of Consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstance indicate that there are changes to the one or more of the three elements of control.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.2 Basis of Consolidation *(Continued)*

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

2.3 Separate financial statements

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated statement of financial position of the investee's net assets including goodwill (if any).

2.4 Revenue recognition

Revenue from contracts with its customers is recognised when or as the Group satisfies a performance obligation by transferring a promised good or service generated in the ordinary course of the Group's activities to its customer, at a transaction price that reflects the consideration the Group expects to be entitled in exchange for the goods or service and that is allocated to that performance obligation. The goods or service is transferred when or as the customer obtains control of the goods or service.

(a) Sales of goods — Food and beverages

Revenue from sale of goods through its corporate-owned outlet is recognised at the point that the control of the products have been transferred, being when the food and beverages have been served. The sales are made in cash terms upon orders are made at the sales counter.

Revenue from sale of goods to franchisees is recognised at the point that the control of the products has been transferred to the customer, being when the products has been acknowledged by the customers' representative at the warehouses. Payment of the transaction price is due immediately when the customer receives the goods from the warehouses.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.4 Revenue recognition *(Continued)*

(b) Franchise fee

Franchise/licence fees are collected upfront upon entering into the franchising/licensing arrangement. Franchise/licence fees revenue is recognised on a straight-line basis over the respective franchise/licence terms.

A contract liability is recognised when the Group has obligation to transfer goods or services to the franchisees/licensee for which the Group has received upfront fees from the franchisees/licensee, and the Group records these as deferred revenue in the liability section of the consolidated statement of financial position.

(c) Royalty

Revenue from royalty charged for a franchising arrangement is recognised on an accrual basis at a fixed predetermined percentage of revenue of franchisees' outlets during the respective franchise terms. Payment of the transaction price is due immediately 7 days after each month end.

(d) Advertising and promotion fees

Revenue from advertising and promotion fees collected under a franchising arrangement is recognised when the related advertising and promotion services have been rendered. Any unutilised fees are recorded as deferred revenue for advertising and promotion in the liability section of the consolidated statement of financial position. Collection of advertising and promotion fees for a franchising arrangement is charged at a fixed predetermined percentage of revenue of franchisee's outlets during the respective franchise terms. Payment of the fees is due immediately 7 days after each month end.

A contract liability is recognised when the Group has the obligation to transfer goods or services to the franchisees for which the fees are collected upfront. These upfront fees collected are recorded as deferred revenue in the liability section of the consolidated statement of financial position.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.6 Employee benefits

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Group's contributions to defined contribution plans are recognised in the financial year to which they relate.

No forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) will be used by the Group to reduce the existing level of contributions.

Notes to the Consolidated Financial Statements

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.6 Employee benefits *(Continued)*

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

2.7 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in the countries where the Group operates by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised on taxable temporary differences arising from investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities except for the investment properties where investment properties measured at fair value are presented to be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.7 Income tax *(Continued)*

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

2.8 Dividends

Equity dividends are recognised as a liability when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which dividends are approved by shareholders. A corresponding amount is recognised in equity.

2.9 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity through other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Notes to the Consolidated Financial Statements

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.10 Property, plant and equipment

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit and loss when incurred.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Properties held for own use	51 years
Leased retail spaces	Over the remaining lease period
Renovation works	3 to 5 years
Furniture and fittings	3 years
Office equipment	3 years
Kitchen equipment	3 to 5 years
Computers	3 years

For right-of-use assets for which ownership of the underlying asset is not transferred to the Group by the end of the lease term, depreciation is charged over the lease term, using the straight-line method.

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 estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

Fully depreciated plant and equipment are retained in the consolidated financial statements until they are no longer in use.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.11 Impairment of non-financial assets

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.12 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in IFRS 15 Revenue from Contracts with Customers ("IFRS15") in Note 2.4.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group's business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset's contractual cash flows are solely payments of principal and interest on the principal amount outstanding to determine the classification of the financial assets.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.12 Financial instruments *(Continued)*

Financial assets *(Continued)*

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost include trade and other receivables and cash and cash equivalents.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Interest income from these financial assets is included in finance income using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the gross carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, and recognised in interests income.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on a financial assets has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group applies the simplified approach to recognise the ECL for trade receivables, which is to measure the loss allowance at an amount equal to lifetime ECL. As a practical expedient, the Group uses an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions for measuring ECL.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.12 Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

While they are not financial assets, contract assets arising from the Group's contracts with customers under IFRS 15 are assessed for impairment in accordance with IFRS 9, similar to that of trade receivables.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group's accounting policy for its impairment of financial assets, refer to Note 3.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Financial liabilities

Initial recognition and measurement

All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

Notes to the Consolidated Financial Statements

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.12 Financial instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Other financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis in finance costs. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.5 above). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Offsetting of financial instruments

A financial asset and a financial liability shall be offset, and the net amount presented in the statement of financial position when, and only when, an entity:

(a) Currently has a legally enforceable right to set off the recognised amounts; and

(b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis, and includes all costs in bringing the inventories to their present location and condition.

Allowance is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2.14 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash held for specific use, assessment is made on the economic substance of such use and whether they meet the definition of cash and cash equivalents.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.15 Leases

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

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under IFRS 16 Leases. For these leases, the Group recognises the lease payment as an expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable.

Right-of-use assets are presented within "property, plant and equipment".

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Group obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

The lease payments included in the measurement of the lease liability comprise the following:

— fixed payments, including in-substance fixed payments less any lease incentive receivable,

— variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,

— amounts expected to be payable under a residual value guarantee,

— the exercise price under a purchase option that the Group is reasonably certain to exercise, and

— payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

Notes to the Consolidated Financial Statements

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

2.15 Leases *(Continued)*

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments. Details of the variable lease payments are disclosed in Note 22.

2.16 Provision

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 a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions.

The Group recognises the estimated costs of dismantlement, removal or restoration of items of plant and equipment arising from the acquisition or use of assets. This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration the time value of money.

Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in the consolidated statement of profit or loss and other comprehensive income immediately.

The directors review the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

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. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance costs.

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. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed.

2.18 Operating segments

For management purposes, operating segments are organised 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 are directly accountable to the executive directors of the Company, as the Chief Operating Decision Maker ("CODM"), who regularly review the segment results in order to allocate resources to the segments and to assess segment performance.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk (including currency risk and interest risk), credit risk and liquidity risk. The Group's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign currency risk

The Group is exposed to foreign currency risk on certain income, expenses, monetary assets, mainly cash and cash equivalents and trade and other receivables that are denominated in currencies other than the functional currencies of the respective entities in the Group. As at the reporting date, the Group do not have significant foreign currency risk exposure except for the financial assets and liabilities denominated in United States dollar ("USD") and the Hong Kong dollar ("HKD").

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as at the end of the financial year are as follows:

	USD S$'000	HKD S$'000	Total S$'000
At 31 March 2025			
Monetary assets			
Cash and cash equivalents	**1,300**	**1,684**	**2,984**
Trade and other receivables	**329**	**39**	**368**
	1,629	**1,723**	**3,352**
Monetary liabilities			
Trade and other payables	**—**	**4**	**4**
	—	**4**	**4**
Currency exposure of net monetary assets of those denominated in the functional currencies of the entities within the Group	**1,629**	**1,719**	**3,348**
At 31 March 2024			
Monetary assets			
Cash and cash equivalents	939	1,842	2,781
Trade and other receivables	3	56	59
	942	1,898	2,840
Monetary liabilities			
Trade and other payables	13	214	227
	13	214	227
Currency exposure of net monetary assets of those denominated in the functional currencies of the entities within the Group	929	1,684	2,613

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT *(Continued)*

(a) Market risk *(Continued)*

(i) Foreign currency risk *(Continued)*

Sensitivity analysis for currency risk

With all other variables being held constant, a 5% strengthening/weakening of the United States dollar ("US$" or "USD") and Hong Kong dollar ("HK$" or "HKD") against SGD at the reporting date would have either increased or decreased the Group's net profit after tax and equity by the amounts (nearest thousand) shown below:

The Group

	As at 31 March	
	2025	2024
	S$'000	S$'000
USD	**68**	39
HKD	**71**	70

(b) Interest rate risk

The Group's interest rate risk arising primarily from borrowings and deposits placed with creditworthy licensed banks and financial institutions at variable rates and fixed rates exposes the Group to cash flow interest rate risk and fair value interest rate risk, respectively. The Group currently does not hedge its exposure to cash flow and fair value interest rate risk. The Group analyses its interest rate exposure on a regular basis and will consider the interest rate exposure when entering into any financing, renewal of existing positions and alternative financing transactions.

(c) Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables and cash deposits at banks. The carrying amounts of trade and other receivables and cash deposits at banks represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash deposits at banks since they are deposited in medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance of these counterparties.

The Group has policies in place to ensure credit sales are made to customers with an appropriate credit history. The credit quality of trade receivables that are neither past due nor further impaired, is being assessed by reference to the reputation, credit history and management judgement about counterparty. The Group does not identify specific concentrations of credit risk with regard to trade receivables, as the amounts recognised represent a large number of receivables from various franchisees.

The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

(c) Credit risk *(Continued)*

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. 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 the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- 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 customer's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor/customer;
- significant increases in credit risk on other financial instruments of the same customer;
- significant changes in the expected performance and behavior of the customer, including changes in the payment status of customer in the Group and changes in the operating results of the customer.

Credit risk is controlled by the application of credit limit and monitoring procedures. The Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

The Group's internal credit risk grading categories are as follows:

Category	Description	Basis of recognising ECL
1	Low credit risk[Note 1]	12-month ECL
2	Non-significant increase in credit risks since initial recognition and financial asset is ≤ 30 days past due	12-month ECL
3	Significant increase in credit risk since initial recognition or financial asset is > 30 days past due[Note 2]	Lifetime ECL
4	Evidence indicates that financial asset is credit-impaired[Note 3]	Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate
5	Evidence indicates that the management has no reasonable expectations of recovering the write-off amount[Note 4]	Written off

3 FINANCIAL RISK MANAGEMENT *(Continued)*

(c) Credit risk *(Continued)*

Note 1. **Low credit risk**

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Group assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

Note 2. **Significant increase in credit risk**

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

In assessing the significance of the change in the risk of default, the Group considers both past due (i.e. whether it is more than 30 days past due) and forward looking quantitative and qualitative information.

Forward looking information includes the assessment of the latest performance and financial position of the debtor, adjusted for the Group's future outlook of the industry in which the debtor operates based on independently obtained information (e.g. expert reports, analyst's reports etc.) and the most recent news or market talks about the debtor, as applicable. In its assessment, the Group will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are >30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Note 3. **Credit-impaired**

In determining whether financial assets are credit-impaired, the Group assesses whether one or more events that have a detrimental impact on the estimated future cashflows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 90 days past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for the financial asset because of financial difficulties.

Note 4. **Write-off**

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cashflows to repay the amounts subjected to the write-off.

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

The Group and Company do not have any significant credit exposure to any single counterparty or any groups of counterparties having similar characteristics other than the geographical location of their operations.

Sales to outlet customers are required to be settled in cash or using major credit cards, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Group's exposure to credit risk arises primarily from trade receivables.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

(c) Credit risk *(Continued)*

Trade receivables

The Group applies the simplified approach to provide expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product (GDP) and the unemployment rate of the countries in which it sells goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables 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. The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 90 days when they fall due. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The loss allowance for trade receivables is determined as follows:

	Trade receivables				
	Past due more than 1 to 30 days	Past due more than 31 to 60 days	Past due more than 61 to 90 days	Past due more than 90 days	Total
31 March 2025					
Expected credit loss rates	**0%**	**0%**	**0%**	**56%**	
Total gross carrying amount (S$'000)	**231**	**336**	**185**	**105**	**857**
Loss allowance (S$'000)	**—**	**—**	**—**	**59**	**59[1]**
31 March 2024					
Expected credit loss rates	0%	0%	0%	64%	
Total gross carrying amount (S$'000)	250	16	—	89	355
Loss allowance (S$'000)	—	—	—	56	56[1]

1 The loss allowance of S$59,000 is arising from credit impaired trade receivables.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT *(Continued)*

(d) Liquidity risk

Liquidity or funding risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group manages its liquidity risk by ensuring the availability of funding through its ability to operate profitably and maintaining sufficient cash to enable it to meet its normal operating commitments.

The table below analyses the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows:

	Effective interest rate	Less than 1 year S$'000	1–2 years S$'000	2–5 years S$'000	Total S$'000
As at 31 March 2024					
Trade and other payables		2,756	—	—	2,756
Borrowings	4.8%	216	210	1,789	2,215
Lease liabilities	5.5%	2,009	1,325	350	3,684
As at 31 March 2025					
Trade and other payables		**2,823**	**—**	**—**	**2,823**
Borrowings	**4.4%**	**176**	**1,247**	**—**	**1,423**
Lease liabilities	**5.5%**	**2,473**	**1,410**	**639**	**4,522**

(e) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return to shareholders or issue new shares.

As at 31 March 2025 and 2024, the Group has undertaken borrowing from an external financial institution and is in compliance with the externally imposed capital requirement of the external borrowing.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

(e) Capital management *(Continued)*

Management monitors capital based on a gearing ratio. The gearing ratio is calculated as total debt divided by total equity. Total debt is calculated as borrowings plus lease liabilities. The gearing ratio of the Group is as follows:

	As at 31 March	
	2025	2024
	S$'000	S$'000
Total debt	**5,597**	5,446
Total equity	**24,132**	24,343
Gearing ratio	**23%**	22%

(f) Fair value estimation

The carrying amounts of the Group's current financial assets, including trade receivables, deposits with external parties, other receivables and cash and cash equivalents, and current financial liabilities, including trade payables, accruals, deposits received, other payables and borrowings, approximate their fair values as at reporting date due to their short maturities.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements in conformity with IFRS requires management to exercise their judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving higher degree of judgement or complexity or where estimates and assumptions used are significant to the consolidated financial statements are as below.

4.1 Critical judgements made in applying the Group's accounting policies

Determination of the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

For leases of retail spaces, the following factors are normally the most relevant:

- If it is certain that the Group would extend the option due to favourable fixed lease amount agreed upfront for the extension period;
- If any leasehold improvements are expected to have a significant remaining value; and
- If the Group might incur significant costs and business disruption to replace the leased asset.

Most extension options in retail spaces were not included in the lease liabilities, because the Group does not have significant value of leasehold improvements at each retail outlet and the Group would not incur significant cost or business disruption to replace the right-of-use assets. The lease term is reassessed if an option is actually exercised or the Group becomes obliged to exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Notes to the Consolidated Financial Statements

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

4.2 Key sources of estimation uncertainty

Depreciation of property, plant and equipment

The Group depreciates the property, plant and equipment over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment. The residual value reflects management's estimated amount that the Group would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, as if the asset may already of the age and in the condition expected at the end of its useful life. Changes in the expected level of usage and technological developments could affect the economic useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. The carrying amount of the Group's property, plant and equipment at 31 March 2025 is disclosed in Note 14 to the consolidated financial statements.

Calculation of loss allowance for trade receivables

The Group uses an allowance matrix to measure ECL for trade receivables. The ECL rates are based on the Group's historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors, specific to the receivables and the economic environment which could affect the ability of the customers to settle the receivables. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the GDP growth rates and the unemployment rate of the countries in which it sells goods and services to be the most relevant factors. The Group adjusts the allowance matrix at each reporting date. Such estimation of the ECL rates may not be representative of the actual default in the future. The expected loss allowance on the Group's trade receivables as at 31 March 2025 is disclosed in Note 16 to the consolidated financial statements.

Provision for income taxes

The Group has exposure to income taxes in several jurisdictions of which a portion of these taxes arose from certain transactions and computations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities of expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax positions in the period in which such determination is made. The carrying amount of the Group's current tax payables as at 31 March 2025 is S$34,000 (2024: S$45,000).

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Notes to the Consolidated Financial Statements

5 SEGMENT INFORMATION

The executive directors of the Company, who are the CODM monitor the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. The executive directors of the Company consider all businesses to be included in a single operating segment. Information reported to the executive directors of the Company, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated.

The Group is principally engaged in the provision of food catering services through a chain of Taiwan-style Outlets and Restaurants and Korean-style Outlets for Eat Pizza brand. The following is an analysis of revenue and non-current assets by geographical areas. Revenue is attributed to countries by locations of customers.

Revenue

	Sales of goods											
	Outlet sales		Franchisees/ Licensee		Franchise fee		Advertising and promotion fees		Royalty		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	S$'000	S$'000	**S$'000**	S$'000	**S$'000**	S$'000	**S$'000**	S$'000	**S$'000**	S$'000	**S$'000**	S$'000
Geographical markets												
Singapore	**12,486**	10,375	**185**	212	**12**	81	**25**	30	**61**	59	**12,769**	10,757
Malaysia	**8,085**	6,251	**4,210**	3,837	**186**	206	**245**	182	**356**	317	**13,082**	10,793
Indonesia	**—**	—	**2,500**	2,550	**87**	58	**—**	—	**393**	346	**2,980**	2,954
United States	**—**	—	**560**	361	**41**	46	**—**	—	**110**	111	**711**	518
Others	**—**	—	**—**	—	**24**	130	**—**	—	**2**	8	**26**	138
Total	**20,571**	16,626	**7,455**	6,960	**350**	521	**270**	212	**922**	841	**29,568**	25,160

Non-current assets

	As at 31 March	
	2025	2024
	S$'000	S$'000
Property, plant and equipment		
Singapore	**9,472**	6,732
Malaysia	**1,330**	1,268
	10,802	8,000
Intangible assets		
Singapore	**114**	149

Other than revenue and non-current assets analysis, no operating results and other discrete financial information are regularly presented for CODM decision in making assessment of performance and allocation of resources. Accordingly, other than entity-wide information, no analysis of single operating segment is presented.

Revenue of about S$2,980,000 (2024: S$2,954,000) during the year is derived from a single external customer. These revenues are attributable to the geographical area of Indonesia.

Notes to the Consolidated Financial Statements

6 REVENUE

(a) The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major revenue streams:

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Sales of goods		
— Outlet sales	**20,571**	16,626
— Franchisees/licensee	**7,455**	6,960
Franchise fee	**350**	521
Advertising and promotion fees	**270**	212
Royalty	**922**	841
	29,568	25,160

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
At a point in time	**28,026**	23,586
Over time	**1,542**	1,574
Total	**29,568**	25,160

(b) Deferred revenue:

(i) Revenue recognised in relation to deferred revenue:

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Revenue recognised in current year that was included in the deferred revenue balance at the beginning of the year	**299**	494

(ii) Unsatisfied performance obligation:

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 March	**1,333**	973

6 REVENUE *(Continued)*

(b) Deferred revenue: *(Continued)*

(ii) Unsatisfied performance obligation: *(Continued)*

Management expects that 21% (2024: 23%) of the transaction price allocated to the unsatisfied performance obligations as of 31 March 2025 are to be recognised as revenue during the next reporting period. The remaining 79% (2024: 77%) are expected to be recognised by 31 March 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037 and 2038 for each of the unsatisfied performance obligations as of 31 March 2025.

(c) Contract balances

	As at 31 March		As at 1 April
	2025	2024	2023
	S$'000	S$'000	S$'000
Trade receivables *(Note 16)*	**798**	299	369
Deferred revenue *(Note 20)*	**1,333**	973	997

7 OTHER INCOME

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Government grants[1]	**101**	152
Other service income	**194**	183
Others	**115**	125
	410	460

1 Government grants mainly consist of progressive wage credit scheme.

Notes to the Consolidated Financial Statements

8 OTHER GAINS/(LOSSES)

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Foreign currency exchange difference, net	**32**	(50)
Gain on disposal of plant & equipment	**1**	—
	33	(50)

9 EXPENSES BY NATURE

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Cost of inventories *(Note 15)*	**10,884**	9,557
Employee benefit costs *(Note 10)*	**8,401**	6,853
Rental expenses *(Note 22c)*	**1,034**	745
Advertising, promotion and marketing expenses	**916**	587
Logistics and transportation expenses	**656**	484
Directors' remuneration *(Note 10)*	**2,645**	2,939
Utilities expenses	**487**	363
Sundry expenses	**506**	363
Professional fees	**577**	427
Maintenance charges	**164**	139
Travelling expenses	**25**	28
Franchise fees	**35**	26
Depreciation *(Note 14)*	**2,983**	2,234
Printing expenses	**88**	49
Insurance expenses	**50**	40
Auditor's remuneration	**217**	217
Loss allowance — trade receivables	**—**	56
Others	**514**	360
Total cost of sales, administrative, selling and distribution expenses	**30,182**	25,467

10 EMPLOYEE BENEFIT COSTS — INCLUDING DIRECTORS' REMUNERATION

(a) Employee benefit expenses during the years are as follows:

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Wages, salaries and allowances	7,865	5,829
Retirement benefit costs — defined contribution plans	420	553
Others	116	471
Employee benefit costs	8,401	6,853
Directors' remuneration	2,645	2,939
Total employee benefit costs and directors' remuneration	11,046	9,792

Employee benefits expenses have been included in consolidated statement of profit or loss as follows:

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Administrative expenses	5,824	6,028
Selling and distribution expenses	5,222	3,764
	11,046	9,792

(b) **Directors' remuneration**

The remuneration of every director for the financial year ended 31 March 2025 is set out below:

Name of director	Fees S$'000	Salaries, allowances and benefits in kind S$'000	Employer's contribution to defined contribution plans S$'000	Bonuses S$'000	Total S$'000
Executive directors					
Mr. Daniel Tay	—	1,209	35	31	1,275
Mr. Melvyn Wong	—	1,209	35	31	1,275
Independent non-executive directors					
Jong Voon Hoo	30	—	—	—	30
Fok Chee Khuen	35	—	—	—	35
Tan Chiu Yang	30	—	—	—	30
	95	2,418	70	62	2,645

Notes to the Consolidated Financial Statements

10 EMPLOYEE BENEFIT COSTS — INCLUDING DIRECTORS' REMUNERATION *(Continued)*

(b) Directors' remuneration *(Continued)*

The remuneration of every director for the financial year ended 31 March 2024 is set out below:

Name of director	Fees S$'000	Salaries, allowances and benefits in kind S$'000	Employer's contribution to defined contribution plans S$'000	Bonuses S$'000	Total S$'000
Executive directors					
Mr. Daniel Tay	—	1,162	35	225	1,422
Mr. Melvyn Wong	—	1,162	35	225	1,422
Independent non-executive directors					
Jong Voon Hoo	30	—	—	—	30
Fok Chee Khuen	35	—	—	—	35
Tan Chiu Yang	30	—	—	—	30
	95	2,324	70	450	2,939

The remuneration shown above represents remuneration received from the Group by these directors in their capacity as employees to the companies comprising the Group.

During the financial year ended 31 March 2025, none of the directors of the Company waived any remuneration paid or payable by the Group and no remuneration were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office (2024: Nil).

(i) Directors' retirement benefits

Apart from statutory employer's contribution to defined contribution plans, no retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries undertaken during the financial year (2024: Nil).

(ii) Directors' termination benefits

No payment was made to directors as compensation for any early termination of the appointment during the financial year (2024: Nil).

(iii) Consideration provided to third parties for making available directors' services

No payment was made to third parties for making available the services of the directors as a director of the Company during the financial year (2024: Nil).

Notes to the Consolidated Financial Statements

10 EMPLOYEE BENEFIT COSTS — INCLUDING DIRECTORS' REMUNERATION *(Continued)*

(b) Directors' remuneration *(Continued)*

(iv) Information about loans, quasi-loans and other dealings in favour of directors, bodies corporate controlled by and connected entities with such directors

There are no loans, quasi-loans and other dealings in favour of directors, bodies corporate controlled by and connected entities with such directors during the financial year (2024: Nil).

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 March 2025 include two directors (2024: two directors), respectively whose remuneration is reflected in the analysis presented above. The remuneration paid to the remaining three (2024: three) individuals is as follows:

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Wages, salaries and allowances	**516**	450
Bonuses	**111**	126
Retirement benefit costs — defined contribution plans	**51**	53
	678	629

The remuneration of above individuals is within the following bands:

	Year ended 31 March	
	2025	2024
Remuneration band		
HK$1,500,001–HK$2,000,000 (equivalent from S$257,775 to S$343,700) (2024: HK$1,500,001–HK$2,000,000 (equivalent from S$257,801 to S$343,734)	**1**	1
HK$1,000,001–HK$1,500,000 (equivalent from S$171,850 to S$257,775) (2024: HK$1,000,001–HK$1,500,000 (equivalent from S$171,867 to S$257,800)	**2**	—
HK$nil–HK$1,000,000 (equivalent from S$nil to S$171,850) (2024: HK$nil–HK$1,000,000 (equivalent from S$nil to S$171,866))	**—**	2

During the year ended 31 March 2025, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, none of the five highest paid individuals waived or agreed to waive any emoluments during the year (2024: Nil).

Notes to the Consolidated Financial Statements

11 FINANCE INCOME/(COST) — NET

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Interest income	**316**	362
Interest expense	**(269)**	(239)
	47	123

12 INCOME TAX EXPENSE

Tax has been provided at the applicable tax rate on the estimated assessable profit during the financial year.

The amount of income tax expense charged to the consolidated statement of profit or loss represents:

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Current tax expense		
Current financial year	**516**	307
Overprovision in prior financial years	**(159)**	(265)
	357	42
Deferred tax expense *(Note 21)*		
Origination and reversal of temporary differences	**2**	4
Income tax expense	**359**	46

Taxation has been provided at the appropriate rates in the countries in which the Group operates. The Group is not subject to any taxation in the Cayman Islands and the British Virgin Islands. Singapore Corporate income tax has been provided at 17% (2024: 17%) of the estimated profit during the financial year. The applicable income tax rate for the Group's entities in Malaysia was 24% (2024: 24%) during the financial year.

12 INCOME TAX EXPENSE *(Continued)*

The tax on the Group's (loss)/profit before income tax differs from the theoretical amount that would arise using the tax rate of Singapore as follows:

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
(Loss)/Profit before tax	**(124)**	226
Tax calculated at rate of 17%	**(21)**	38
Tax effects of:		
— Different tax rates in different jurisdictions	**146**	80
— Non-taxable income	**—**	(27)
— Deferred tax assets not recognised	**318**	—
— Utilisation of deferred tax assets not recognised in prior years	**(57)**	—
— Expenses not deductible for tax purposes	**186**	276
— Tax concessions	**(54)**	(56)
— Overprovision of tax in respect of prior years	**(159)**	(265)
Income tax expense	**359**	46

(a) The following deductible temporary difference has not been recognised:

	As at 31 March	
	2025	2024
	S$'000	S$'000
Tax losses	**1,871**	—

The tax losses are subject to agreement by tax authorities and compliance with tax regulations in the respective countries in which the Company and certain subsidiaries operate. Deferred tax assets have not been recognised in respect of the tax losses due to uncertainty in the availability of future taxable profit against which the Group can utilise the tax losses. The unutilised tax losses have no expiry date.

13 (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 March	
	2025	2024
Net (loss)/earnings attributable to equity holders of the Company (S$'000)	**(483)**	180
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**800,000**	800,000
Basic (loss)/earnings per share (Singapore cents per share)	**(0.06)**	0.02

Diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share as there were no potential dilutive ordinary shares outstanding for the years ended 31 March 2025 and 2024.

Notes to the Consolidated Financial Statements

14 PROPERTY, PLANT AND EQUIPMENT

	Leased retail spaces S$'000	Properties held for own use S$'000	Renovation works S$'000	Furniture and fittings S$'000	Office equipment S$'000	Kitchen equipment S$'000	Computers S$'000	Total S$'000
Cost								
As at 1 April 2023	4,668	3,343	1,243	36	247	128	190	9,855
Additions	2,993	280	472	—	2	140	213	4,100
Write-off	(1,570)	—	(5)	—	—	(6)	—	(1,581)
Currency translation difference	—	—	(34)	(1)	(4)	(3)	(4)	(46)
As at 31 March 2024	6,091	3,623	1,676	35	245	259	399	12,328
Accumulated depreciation								
As at 1 April 2023	(2,190)	(296)	(780)	(24)	(181)	(76)	(155)	(3,702)
Depreciation for the year	(1,878)	(67)	(214)	(4)	(7)	(24)	(40)	(2,234)
Write-off	1,570	—	5	—	—	4	—	1,579
Currency translation difference	—	—	22	1	3	1	2	29
As at 31 March 2024	(2,498)	(363)	(967)	(27)	(185)	(95)	(193)	(4,328)
Net book value								
As at 31 March 2024	3,593	3,260	709	8	60	164	206	8,000
Cost								
As at 1 April 2024	**6,091**	**3,623**	**1,676**	**35**	**245**	**259**	**399**	**12,328**
Additions	**3,177**	**1,099**	**739**	**15**	**38**	**515**	**205**	**5,788**
Write-off	**(1,743)**	**—**	**(4)**	**—**	**—**	**(30)**	**(6)**	**(1,783)**
Currency translation difference	**—**	**—**	**48**	**1**	**5**	**(3)**	**5**	**56**
As at 31 March 2025	**7,525**	**4,722**	**2,459**	**51**	**288**	**741**	**603**	**16,389**
Accumulated depreciation								
As at 1 April 2024	**(2,498)**	**(363)**	**(967)**	**(27)**	**(185)**	**(95)**	**(193)**	**(4,328)**
Depreciation for the year	**(2,384)**	**(134)**	**(309)**	**(5)**	**(10)**	**(86)**	**(55)**	**(2,983)**
Write-off	**1,743**	**—**	**2**	**—**	**—**	**13**	**3**	**1,761**
Currency translation difference	**3**	**—**	**(30)**	**(1)**	**(4)**	**(2)**	**(3)**	**(37)**
As at 31 March 2025	**(3,136)**	**(497)**	**(1,304)**	**(33)**	**(199)**	**(170)**	**(248)**	**(5,587)**
Net book value								
As at 31 March 2025	**4,389**	**4,225**	**1,155**	**18**	**89**	**571**	**355**	**10,802**

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 22(a).

Bank borrowings as at financial year end with carrying amount of S$1,320,000 (2024: S$1,950,000) are secured on the properties held for own use by the Group with carrying values of approximately S$2,914,000 (2024: S$2,980,000).

Notes to the Consolidated Financial Statements

15 INVENTORIES

Inventories comprise fast moving consumables items. The cost of inventories included in cost of sales in the consolidated financial statements amounted to approximately S$10,884,000 (2024: S$9,557,000).

16 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 March	
	2025	2024
	S$'000	S$'000
Trade receivables:		
— Third parties	**798**	299
Deposits with external parties[1]	**2,137**	1,146
Prepayments	**244**	353
Goods and services tax refundable	**90**	—
Other receivables	**417**	340
	2,888	1,839
Total trade and other receivables and prepayments included in current assets	**3,686**	2,138

[1] Deposits with external parties comprise mainly security deposits placed with landlords of leased properties.

Trade receivables

	As at 31 March	
	2025	2024
	S$'000	S$'000
Trade receivables	**857**	355
Less: allowance for impairment of trade receivables	**(59)**	(56)
	798	299

The carrying amounts of trade receivables approximate their fair values.

Trade receivables are non-interest bearing.

All trade receivables are subject to credit risk exposure. However, the Group does not identify specific concentrations of credit risk with regard to trade receivables, as the amounts recognised represent a large number of receivables from various franchisees.

Notes to the Consolidated Financial Statements

16 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS *(Continued)*

Trade receivables *(Continued)*

The Group normally grants credit terms to its customers ranging from 0 to 7 days (2024: 0 to 7 days). The ageing analysis of the trade receivables based on invoice date is as follows:

	As at 31 March	
	2025	2024
	S$'000	S$'000
Current to 30 days	**231**	250
31 to 60 days	**336**	16
61 to 90 days	**185**	—
Over 90 days	**46**	33
	798	299

The carrying amounts of the Group's trade and other receivables and prepayments are denominated in the following currencies:

	As at 31 March	
	2025	2024
	S$'000	S$'000
HKD	**39**	56
SGD	**2,244**	1,389
MYR	**1,074**	690
USD	**329**	3
	3,686	2,138

17 CASH AND CASH EQUIVALENTS

	As at 31 March	
	2025	2024
	S$'000	S$'000
Cash at banks	**17,999**	22,109
Cash on hand	**25**	25
	18,024	22,134

17 CASH AND CASH EQUIVALENTS *(Continued)*

The Group's cash and cash equivalents are denominated in the following currencies:

	As at 31 March	
	2025	2024
	S$'000	S$'000
HKD	**1,683**	1,842
SGD	**10,413**	15,372
MYR	**4,628**	3,981
USD	**1,300**	939
	18,024	22,134

18 SHARE CAPITAL AND SHARE PREMIUM

	Number of shares	Share capital S$'000	Total S$'000
Authorised:			
Ordinary shares of HK$0.01 each			
As at 1 April 2023, 31 March 2024 and 2025	10,000,000,000	17,400	17,400

	Number of shares	Share capital S$'000	Share premium S$'000	Total S$'000
Issued and fully paid:				
As at 1 April 2023	800,000,000	1,392	11,047	12,439
Dividend paid *(Note 26)*	—	—	(136)	(136)
As at 31 March 2024	**800,000,000**	**1,392**	**10,911**	**12,303**
Dividend paid *(Note 26)*	—	—	—	—
As at 31 March 2025	**800,000,000**	**1,392**	**10,911**	**12,303**

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes to the Consolidated Financial Statements

19 RESERVES

	As at 31 March	
	2025	2024
	S$'000	S$'000
Foreign currency translation reserve	**(346)**	(618)
Capital reserves	**261**	261
Retained earnings	**11,914**	12,397
	11,829	12,040

Foreign currency translation reserve arises from the translation of the financial statements of foreign entities whose functional currencies are different from the functional currency of the Company.

Capital reserves comprise the combined capital of the operating companies prior to the completion of the reorganisation of the Group in 2019 and the differences between total consideration paid to the Controlling Shareholders from the restructuring of certain operating companies within the Group in the previous financial years and the cost of investment in those operating companies. Capital reserves are non-distributable.

20 DEFERRED REVENUE

	As at 31 March	
	2025	2024
	S$'000	S$'000
Franchise upfront fees	**1,333**	973
Less: non-current portion: franchise upfront fees	**(1,061)**	(748)
Total deferred revenue included in current liabilities	**272**	225

The changes in deferred revenue balance is mainly a result of timing differences between upfront franchise fees collected from franchisees as compared to the franchise revenue recognised during the financial year.

21 DEFERRED INCOME TAX

The analysis of deferred income tax liability is as follows:

	As at 31 March	
	2025	2024
	S$'000	S$'000
Deferred income tax liability:		
— To be settled after one year	**19**	17

21 DEFERRED INCOME TAX *(Continued)*

The movements in deferred income tax liability during the financial years are as follows:

	Accelerated tax depreciation S$'000
At 1 April 2023	13
Charged to profit or loss	4
At 31 March 2024	17
At 1 April 2024	**17**
Charged to profit or loss	**2**
At 31 March 2025	**19**

The balance comprises tax on excess of net book value over tax written down value of qualifying plant and equipment.

22 THE GROUP AS A LESSEE

Nature of the Group's leasing activities

Leased retail spaces

The Group leases retail spaces for the purpose of sales of food and beverages to retail customers.

Recognition exemptions

The Group has certain warehouse and office equipment with lease terms of 12 months or less and/or of low value. For such leases, the Group has elected not to recognise right-of-use assets and lease liabilities.

(a) Carrying amounts

Right-of-use assets classified within property, plant and equipment

	As at 31 March	
	2025 S$'000	2024 S$'000
Leased retail spaces	**4,389**	3,593

(b) Lease liabilities

	As at 31 March	
	2025 S$'000	2024 S$'000
Lease liabilities — non-current	**1,994**	1,619
Lease liabilities — current	**2,283**	1,877
	4,277	3,496

22 THE GROUP AS A LESSEE *(Continued)*

Recognition exemptions *(Continued)*

(c) Amounts recognised in profit or loss

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Lease expense — short-term leases	**820**	608
Lease expense — low-value leases	**1**	1
Interest expense on lease liabilities	**195**	140
Variable lease payments which do not depend on an index or rate	**213**	136

(d) Total cash outflow for the leases during the Year was S$3,625,000 (2024: S$2,796,000).

(e) Addition of right-of-use assets during the Year was S$3,177,000 (2024: S$2,993,000).

(f) Future cash outflow which are not capitalised in lease liabilities

i. Variable lease payments

The leases for retail spaces contain variable lease payments that are based on a percentage of sales generated by the stores ranging from 0.5% to 2.0%, on top of fixed payments. The Group negotiates variable lease payments for a variety of reasons, including minimising the fixed costs base for newly established stores. Such variable lease payments are recognised to profit or loss when incurred and amounted to approximately S$213,000 (2024: S$136,000) (Note 22(c)).

ii. Extension options

The leases for certain retail spaces and equipment contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

(g) Depreciation of right-of-use assets during the Year was approximately S$2,384,000 (2024: S$1,878,000) (Note 14).

23 BORROWINGS

	As at 31 March	
	2025	2024
	S$'000	S$'000
Current		
Bank borrowings	**130**	130
Non-current		
Bank borrowings	**1,190**	1,820
	1,320	1,950

23 BORROWINGS *(Continued)*

The weighted average effective interest rates of the borrowings for the Year is 4.4% per annum (2024: 4.8% per annum). All borrowings are denominated in SGD.

As at 31 March 2025, the Group's banking facilities are secured by the properties held for own use by the Group with carrying values of approximately S$2.9 million (31 March 2024: S$3.0 million).

As at 31 March 2025, the fair value of non-current borrowings is approximately S$1,151,747 (2024: S$1,801,000) and is computed based on cash flow discounted at market borrowing rates of an equivalent instrument at end of reporting period.

The Group's bank borrowings are repayable as follows:

	As at 31 March	
	2025	2024
	S$'000	S$'000
Within 1 year	**130**	130
Between 1 and 2 years	**1,190**	130
Between 2 and 5 years	**—**	1,690
	1,320	1,950

As at 31 March 2025, the Group's total available banking facilities amounted to approximately S$1,320,000 (2024: S$1,950,000) of which S$1,320,000 (2024: S$1,950,000) have been utilised.

24 TRADE AND OTHER PAYABLES

	As at 31 March	
	2025	2024
	S$'000	S$'000
Trade payables		
— Third parties	**661**	519
Total trade payables	**661**	519
Other payables and accruals		
— Goods and services tax payables	**79**	95
— Accruals	**1,289**	1,542
— Deposits received	**263**	165
— Others	**618**	530
Total other payables and accruals	**2,249**	2,332
Total trade and other payables included in current liabilities	**2,910**	2,851

Other payables are non-trade, unsecured, non-interest bearing and repayable on demand.

Notes to the Consolidated Financial Statements

24 TRADE AND OTHER PAYABLES *(Continued)*

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	As at 31 March	
	2025	2024
	S$'000	S$'000
SGD	**1,772**	2,103
MYR	**1,134**	521
USD	**—**	13
HKD	**4**	214
	2,910	2,851

The ageing analysis of the trade payables based on invoice date is as follows:

	As at 31 March	
	2025	2024
	S$'000	S$'000
0 to 30 days	**648**	495
31 to 60 days	**—**	12
Over 60 days	**13**	12
	661	519

25 PROVISIONS

	Reinstatement costs *(Note i)* S$'000	Unutilised leave S$'000	Total S$'000
As at 1 April 2023	102	56	158
Utilised during the year	—	(56)	(56)
Provision for the year	52	92	144
As at 31 March 2024	154	92	246
As at 1 April 2024	**154**	**92**	**246**
Utilised during the year	**—**	**(92)**	**(92)**
Provision for the year	**50**	**72**	**122**
As at 31 March 2025	**204**	**72**	**276**

(i) Provision for reinstatement costs was recognised for the expected cost associated with restoring the leased spaces to set up the Group's outlets, prior to returning the spaces to respective landlords upon expiry of the relevant leases. Such provision is the present value of the estimated costs of dismantlement, removal and restoration to be incurred for the leased spaces. The provision is based on estimates made from historical data associated with reinstatement works on contracts of similar nature using technology and materials that are currently available.

26 DIVIDENDS

During the current financial year, the Company has not declared the payment of any dividends.

During the financial year ended 31 March 2024, the Company declared a final dividend of 0.017 Singapore cents per ordinary share of the Company out of the share premium account totalling approximately S$136,000 in respect of the financial year ended 31 March 2023.

27 FINANCIAL INSTRUMENTS BY CATEGORY

	As at 31 March	
	2025	2024
	S$'000	S$'000
Financial assets		
Financial assets at amortised cost		
— Trade and other receivables excluding prepayments	**3,402**	1,785
— Cash and cash equivalents	**18,024**	22,134
Total	**21,426**	23,919
Financial liabilities		
Financial liabilities at amortised cost		
— Trade and other payables excluding goods and services tax payable	**2,820**	2,756
— Borrowings	**1,320**	1,950
— Lease liabilities	**4,277**	3,496
Total	**8,417**	8,202

Notes to the Consolidated Financial Statements

28 COMPANY LEVEL FINANCIAL INFORMATION

(a) Financial position

	Note	As at 31 March 2025 S$'000	2024 S$'000
ASSETS			
Non-current asset			
Investment in subsidiaries	*1.2*	**20,504**	31,457
Current assets			
Prepayments		**39**	46
Amount due from subsidiaries		**1**	—
Other receivables		**10**	41
Cash and bank balances		**8,624**	9,578
		8,674	9,665
Total assets		**29,178**	41,122
EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the Company			
Share capital	*28(b)*	**1,392**	1,392
Share premium	*28(b)*	**10,911**	10,911
Capital reserves	*28(b)*	**68,800**	68,800
Accumulated losses	*28(b)*	**(52,159)**	(40,918)
		28,944	40,185
LIABILITIES			
Current liabilities			
Other payables		**234**	214
Amounts due to subsidiaries		**—**	723
Total liabilities		**234**	937
Total equity and liabilities		**29,178**	41,122

The details of the Company's investment in subsidiaries are listed in Note 1.2.

The statement of financial position of the Company was approved and authorised for issue by the Board of Directors on 28 July 2025 and was signed on its behalf.

Mr. Daniel Tay
Director

Mr. Melvyn Wong
Director

28 COMPANY LEVEL FINANCIAL INFORMATION *(Continued)*

(b) Changes in equity

	Share capital S$'000	Share premium S$'000	Capital reserves[(i)] S$'000	Accumulated losses S$'000	Total S$'000
As at 1 April 2023	1,392	11,047	68,800	(28,930)	52,309
Profit and total comprehensive income for the year	—	—	—	(11,988)	(11,988)
Dividend paid *(Note 26)*	—	(136)	—	—	(136)
As at 31 March 2024	1,392	10,911	68,800	(40,918)	40,185
As at 1 April 2024	**1,392**	**10,911**	**68,800**	**(40,918)**	**40,185**
Loss and total comprehensive loss for the year	**—**	**—**	**—**	**(11,241)**	**(11,241)**
As at 31 March 2025	**1,392**	**10,911**	**68,800**	**(52,159)**	**28,944**

(i) Capital reserves are non-distributable.

29 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of cash used in purchase of property, plant and equipment

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Total property, plant and equipment acquired during the year *(Note 14)*	**5,788**	4,100
Less: Right-of-use assets arising from lease of retail spaces	**(3,177)**	(2,993)
Cash used in purchase of property, plant and equipment during the year	**2,611**	1,107

30 CAPITAL COMMITMENTS

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Capital expenditure contracted but not provided for		
— Commitments for the acquisition of property, plant and equipment	**9,846**	—

Notes to the Consolidated Financial Statements

31 RELATED PARTY TRANSACTIONS

Related parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

In addition to those disclosed elsewhere in the consolidated financial statements, the following is a summary of significant related party transactions which, in the opinion of the directors, are entered into in the ordinary course of business between the Group and its related parties, and the balances arising from related party transactions.

Name of the related party	Relationship with the Group
Mr. Daniel Tay	Executive Director and controlling shareholder
Mr. Melvyn Wong	Executive Director and controlling shareholder

There are no significant related party transactions during the reporting period (2024: Nil) and there are no significant related party balances as at 31 March 2025 (31 March 2024: Nil), other than key management compensation shown below:

(a) Key management compensation

Key management includes the directors of the Company. The compensation paid or payable to key management for employee services is shown below:

	Year ended 31 March	
	2025	2024
	S$'000	S$'000
Salaries and other short-term employee benefits	**2,645**	2,939

32 CONTINGENT LIABILITIES

The Group had no material contingent liabilities outstanding as at year end (2024: S$nil).

33 SUBSEQUENT EVENTS

Material acquisitions and disposals

On 26 August 2024, STSS Concepts Sdn. Bhd., an indirect wholly-owned subsidiary of the Company, entered into the letter of offer for the purchase of properties in Kuala Lumpur, Malaysia, at the consideration of RM9,000,000 (equivalent to SGD2,722,500) in aggregate (the "Malaysia Acquisition"). The Group has received approval from the Malaysia State Authority on 3 March 2025 and the Malaysia Acquisition is expected to be completed within 4 months from the approval date. The Group has further received updates that the completion date will be by the end of August 2025. Please refer to the Company's announcements dated 21 October 2024 and 12 March 2025 for details.

On 20 January 2025, STSS Integrated Pte. Ltd., an indirect wholly-owned subsidiary of the Company, exercised the option to purchase which resulted in its acquisition of a property in Singapore at the consideration of SGD7,785,500 plus goods and services tax of SGD700,695 (the "Singapore Acquisition"). The Singapore Acquisition was completed on 15 April 2025. Please refer to the Company's announcements dated 20 January 2025, 7 February 2025, 11 March 2025, 12 March 2025 and 17 March 2025, and circular dated 28 March 2025 for details.

Save for the above, the Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Year and the Year 2023/2024.

Financial Summary

RESULTS

	Year ended 31 March				
	2025	2024	2023	2022	2021
	S$'000	S$'000	S$'000	S$'000	S$'000
REVENUE	**29,568**	25,160	26,405	24,051	21,451
(LOSS)/PROFIT BEFORE INCOME TAX	**(124)**	226	2,388	3,517	1,807
Income tax expense	**(359)**	(46)	(545)	(689)	(769)
(LOSS)/PROFIT FOR THE YEAR	**(483)**	180	1,843	2,828	1,038
Total comprehensive (loss)/income for the year attributable to:					
Equity holders of the Company	**(211)**	(15)	1,657	2,815	1,001

ASSETS, LIABILITIES AND EQUITY

	As at 31 March				
	2025	2024	2023	2022	2021
	S$'000	S$'000	S$'000	S$'000	S$'000
TOTAL ASSETS	**34,290**	33,921	32,904	37,130	34,220
TOTAL LIABILITIES	**10,158**	9,578	8,410	8,248	8,153
	24,132	24,343	24,494	28,882	26,067
EQUITY:					
Equity attributable to equity holders of the Company	**24,132**	24,343	24,494	28,882	26,067

Definitions

"2023/2024 Annual Report"	the annual report of the Company for the Year 2023/2024
"2024/2025 Annual Report" or "Annual Report"	the annual report of the Company for the Year
"2025 AGM"	the AGM of the Company to be held at 10 Anson Road, #28-15 International Plaza, Singapore 079903 on Tuesday, 2 September 2025
"AGM"	an annual general meeting of the Company
"Articles of Association"	the articles of association of the Company
"Audit Committee"	The audit committee of the Board
"Board"	the board of Directors
"Brilliant Stride"	Brilliant Stride Limited, a company incorporated in the BVI with limited liability on 21 November 2017
"BVI"	the British Virgin Islands
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Chairman"	the chairman of the Board
"Close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Companies Act"	the Companies Act, Cap.22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
"Company"	Snack Empire Holdings Limited (快餐帝國控股有限公司), an exempted company incorporated in the Cayman Islands under the Companies Act with limited liability on 2 February 2018 and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on 17 May 2018, whose issued Shares are listed and traded on the Main Board (stock code: 1843)
"Company Secretary"	the company secretary of the Company
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"COVID-19" or "COVID-19 Pandemic"	the novel coronavirus 2019 disease pandemic
"CRM"	Customer Relations Management
"Director(s)"	the director(s) of the Company
"Eat Pizza"	the Korean pizza brand which the Group has secured the master franchise rights for Singapore and Malaysia territory
"EGM"	the extraordinary general meeting of the Company
"Egypt"	the Arab Republic of Egypt
"ERP"	Enterprise Resource Planning
"ESG"	the environmental, social and governance
"Franchisees"	units Franchisees and Master Franchisees, collectively and "Franchisee" means any one of them
"Group"	the Company and its subsidiaries
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

Definitions

"HR"	Human Resources
"IFRS"	the International Financial Reporting Standards issued by the International Accounting Standards Board
"Independent Auditor"	the independent auditor of the Company
"Indonesia"	the Republic of Indonesia
"Indonesia Master Licence" or "Master Licence"	the master licence granted by STSS Company, an indirect wholly owned subsidiary of the Company, to the Master Licensee in respect of, among others, the right to use the intellectual property rights of the Company, and to sub-license such rights to use such intellectual property rights, in Indonesia
"INEDs"	independent non-executive Director(s)
"Listing"	the commencement of trading of the Shares in issue on the Main Board
"Listing Date"	23 October 2019, the date on which the Shares in issue were initially traded on the Main Board
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option markets) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Malaysia"	the Federation of Malaysia, which includes West Malaysia and East Malaysia
"Master Franchise"	the master franchise granted by STSS Company, an indirect wholly-owned subsidiary of the Company, to the Master Franchisee(s) in respect of, among others, the right to use the intellectual property rights of the Company, and to sub-franchise such rights to use such intellectual property rights, in their area of operation
"Master Franchisee(s)"	person(s) or entity(ies) granted the franchise right(s) under the Master Franchise(s)
"Master Licensee" or "Licensee"	the master licensee to which STSS Company, an indirect wholly-owned subsidiary of the Company, granted the Indonesia Master Licence
"Memorandum of Association"	the memorandum of association of the Company, adopted on 23 September 2019 to take effect upon the Listing Date, as amended, supplemented or otherwise modified from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Mr. Daniel Tay"	Mr. Daniel Tay Kok Siong, an executive Director and a Controlling Shareholder
"Mr. Melvyn Wong"	Mr. Wong Chee Tat (黃志達), the chief executive officer of the Company, an executive Director, and a Controlling Shareholder
"Nomination Committee"	the nomination committee of the Board
"Non-self-operated"	operated by third party(ies) independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive officer or substantial shareholders of the Company, its subsidiaries or any of their respective associates and not by the Group
"Northern California"	the northernmost 48 counties in California, from the north border of California, south through the entirety of Monterey, Kings, Tulare and Inyo counties, inclusive)
"Outlet(s)"	the take-out outlet(s) comprising a front counter and kitchen with no seating
"Philippines"	the Republic of Philippines
"PRC" or "China"	the People's Republic of China, and for the purpose of this Annual Report only, excluding Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan

Definitions

"Prospectus"	the prospectus of the Company dated 30 September 2019
"Register of Members"	the register of members of the Company
"Remuneration Committee"	the remuneration committee of the Board
"Restaurant(s)"	the self-service restaurant(s) comprising front counter, kitchen and seating
"RM" or "MYR"	Ringgit Malaysia, the lawful currency of Malaysia
"Self-operated"	operated by the Group
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share Offer"	the public offer and the placing as defined in the Prospectus
"Share Option Scheme"	the share option scheme conditionally adopted by the Company on 23 September 2019 as described in the section headed "Statutory and General Information — Share Option Scheme" in Appendix V to the Prospectus
"Share(s)"	the ordinary share(s) in the share capital of our Company with a nominal or par value of HK$0.01 each
"Shareholder(s)"	the holder(s) of Shares
"Shihlin"	the brand of ***Shihlin Taiwan Street Snacks®***
"Shihlin Outlet(s)"	the Outlet(s) operating under Shihlin
"Shihlin Outlets and Restaurants"	Shihlin Outlets and Shihlin Restaurants
"Shihlin Restaurant(s)"	the Restaurant(s) operating under Shihlin
"Singapore"	the Republic of Singapore
"Singapore Exchange"	Singapore Exchange Securities Trading Limited
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"STSS Company"	The STSS Company Pte. Ltd., a company incorporated in Singapore and an indirect wholly-owned subsidiary of the Company
"STSS Integrated"	STSS Integrated Pte. Ltd., a company incorporated in Singapore and an indirect wholly-owned subsidiary of the Company
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"S$" or "SGD"	Singapore dollars, the lawful currency of Singapore
"United States"	the United States of America
"West Malaysia"	western part of Malaysia which lies on the Peninsular Malaysia and surrounding islands
"Year"	the financial year ended 31 March 2025
"Year 2023/2024"	the financial year ended 31 March 2024
"%"	per cent

In this Annual Report, if there is any inconsistency between English names and their Chinese translations, the English names shall prevail.