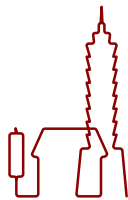


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Snack Empire Holdings Limited

快餐帝國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1843)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL HIGHLIGHTS FOR THE YEAR

- Revenue was approximately S\$25,160 thousands (Year 2022/2023: S\$26,405 thousands)
- Gross profit was approximately S\$15,603 thousands (Year 2022/2023: S\$16,116 thousands)
- Profit for the year attributable to equity holders of the Company was approximately S\$180 thousands (Year 2022/2023: S\$1,843 thousands)
- Basic and diluted earnings per share was approximately S\$0.0 cent per share (Year 2022/2023: S\$0.2 cents per share)

ANNUAL RESULTS

The Board hereby announces the consolidated annual results of the Group for the Year together with the comparative information for Year 2022/2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 March	
		2024	2023
	Note	S\$'000	S\$'000
Revenue	4	25,160	26,405
Cost of sales	7	<u>(9,557)</u>	<u>(10,289)</u>
Gross profit		15,603	16,116
Other income	5	460	663
Other expense	6	(50)	(65)
Selling and distribution expenses	7	(6,740)	(6,711)
Administrative expenses	7	(9,170)	(7,646)
Finance income/(cost) — net		<u>123</u>	<u>31</u>
Profit before income tax		226	2,388
Income tax expense	8	<u>(46)</u>	<u>(545)</u>
Profit for the year attributable to equity holders of the Company		<u>180</u>	<u>1,843</u>
Other comprehensive loss			
<i>Item that will be reclassified subsequently to profit or loss</i>			
Currency translation differences arising from translation of foreign operations		<u>(195)</u>	<u>(186)</u>
		<u>(195)</u>	<u>(186)</u>
Total comprehensive (loss)/income for the year attributable to equity holders of the Company		<u>(15)</u>	<u>1,657</u>
Earnings per share for profit attributable to equity holders of the Company			
Basic and diluted (Singapore cents)	10	<u>0.0</u>	<u>0.2</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 March	
		2024	2023
	<i>Note</i>	S\$'000	<i>S\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment	<i>11</i>	8,000	6,153
Intangible assets		149	—
		8,149	6,153
Current assets			
Inventories		1,301	1,554
Trade and other receivables and prepayments	<i>12</i>	2,138	1,704
Tax refundable		199	—
Cash and cash equivalents	<i>13</i>	22,134	23,493
		25,772	26,751
Total assets		33,921	32,904
EQUITY AND LIABILITIES			
Equity			
Share capital		1,392	1,392
Share premium		10,911	11,047
Reserves		12,040	12,055
Equity attributable to equity holders of the Company		24,343	24,494
LIABILITIES			
Non-current liabilities			
Deferred revenue		748	656
Deferred tax liabilities		17	13
Lease liabilities	<i>14(b)</i>	1,619	1,086
Borrowings	<i>15</i>	1,820	1,950
		4,204	3,705

		As at 31 March	
		2024	2023
	<i>Note</i>	<i>S\$'000</i>	<i>S\$'000</i>
Current liabilities			
Trade and other payables	<i>16</i>	2,851	2,743
Borrowings	<i>15</i>	130	130
Provisions		246	158
Deferred revenue		225	341
Lease liabilities	<i>14(b)</i>	1,877	1,329
Current income tax liabilities		45	4
		<u>5,374</u>	<u>4,705</u>
Total liabilities		<u>9,578</u>	<u>8,410</u>
Total equity and liabilities		<u>33,921</u>	<u>32,904</u>

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 announcement
					2024	2023	
					%	%	%
Directly held by the Company							
Clever Steed Limited ³	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

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 announcement %
					2024 %	2023 %	
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	SS1	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	SS1	100	100	100
Shihlin Taiwan Street Snacks (NP) Pte. Ltd. ⁴	Retail of food and beverage	Singapore	22 June 2015	SS1	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	SS1	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&5}	Retail of food and beverage	Malaysia	25 September 2023	RM1	100	—	100

1 Audited by Forvis Mazars LLP (F.K.A. Mazars LLP), Singapore.

2 The statutory financial statements for the financial year ended 31 March 2023 were audited by Forvis Mazars LLP (F.K.A. Mazars LLP), Singapore.

3 The statutory financial statements for the financial year ended 31 March 2023 were audited by OKL & Partners PLT, Malaysia. Up to the date of this announcement, the audited financial statements of these companies for the year ended 31 March 2024 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 25 September 2023, the Group through its subsidiary The EPKR Company Pte Ltd, incorporated a wholly-owned subsidiary, EPKR Concepts Sdn Bhd, with a paid-up share capital of RM1. The principal activities of EPKR Concepts Sdn Bhd are those retail of food and beverage.

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. 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 27 June 2024.

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.

IFRS 17	Insurance Contracts
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform-Pillar Two Model Rules

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.

The Group adopted the amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies in the current financial year. The amendments require the disclosure of "material" instead of "significant" accounting policy information and provides guidance to assist the entity in providing useful, entity-specific accounting policy information for the users' understanding of the financial statements. Accordingly, management had reviewed the accounting policies and updated the information disclosed in Note 2 to the consolidated financial statements summary of material accounting policies in line with the amendments.

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 1	Classification of Liabilities as Current or Non-current	1-Jan-24
Amendments to IFRS 16	Lease liability in a Sale and Leaseback	1-Jan-24
Amendments to IAS 1	Non-current Liabilities with Covenants	1-Jan-24
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	1-Jan-24
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
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. The Group anticipates that the application of above new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

3 SEGMENT INFORMATION

The executive directors of the Company, who are the Chief Operating Decision Maker (“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						Advertising and		Royalty		Total	
	Outlet sales		Franchisees/ Licensees		Franchise fee		promotion fees					
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Geographical markets												
Singapore	10,375	10,654	212	275	81	72	30	36	59	69	10,757	11,106
Malaysia	6,251	6,064	3,837	4,607	206	321	182	241	317	354	10,793	11,587
Indonesia	—	—	2,550	2,391	58	110	—	—	346	400	2,954	2,901
United States	—	—	361	554	46	91	—	—	111	103	518	748
Others	—	—	—	10	130	42	—	—	8	11	138	63
Total	16,626	16,718	6,960	7,837	521	636	212	277	841	937	25,160	26,405

Non-current assets

	As at 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Property, plant and equipment		
Singapore	6,732	4,902
Malaysia	1,268	1,251
	8,000	6,153
Intangible assets		
Singapore	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 S\$2,954,000 (2023: S\$2,901,000) during the year is derived from a single external customer. These revenues are attributable to the geographical area of Indonesia.

4 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	
	2024 S\$'000	2023 S\$'000
Sales of goods		
— Outlet sales	16,626	16,718
— Franchisees/licensees	6,960	7,837
Franchise fee	521	636
Advertising and promotion fees	212	277
Royalty	841	937
	<u>25,160</u>	<u>26,405</u>

	Year ended 31 March	
	2024 S\$'000	2023 S\$'000
At a point in time	23,586	24,555
Over time	<u>1,574</u>	<u>1,850</u>
Total	<u>25,160</u>	<u>26,405</u>

(b) **Deferred revenue:**

- (i) Revenue recognised in relation to deferred revenue:

	Year ended 31 March	
	2024 S\$'000	2023 S\$'000
Revenue recognised in current year that was included in the deferred revenue balance at the beginning of the year	<u>494</u>	<u>443</u>

(ii) Unsatisfied performance obligation:

	As at 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 March	<u>973</u>	<u>997</u>

Management expects that 23% (2023: 34%) of the transaction price allocated to the unsatisfied performance obligations as of 31 March 2024 are to be recognised as revenue during the next reporting period. The remaining 77% (2023: 66%) are expected to be recognised by 31 March 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032 and 2033 for each of the unsatisfied performance obligations as of 31 March 2024.

(c) Contract balances

	As at 31 March		As at 1 April
	2024	2023	2022
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Trade receivables (<i>Note 11</i>)	299	369	196
Deferred revenue (<i>Note 4(b)(ii)</i>)	<u>973</u>	<u>997</u>	<u>1,150</u>

5 OTHER INCOME

	Year ended 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Government grants ²	152	226
Rental rebate ¹	—	19
Other service income	183	235
Others	<u>125</u>	<u>183</u>
	<u>460</u>	<u>663</u>

1 Rental rebates are mainly given by landlords to subsidise the rental payments incurred by the Group during the COVID-19 Pandemic. The Group applied the practical expedient for all eligible rent concessions. The amount recognised in the consolidated statement of profit or loss for the financial year ended 31 March 2024 to reflect changes in lease payments that arose from rent concessions to which the Group has applied the practical expedient is S\$NIL (2023: S\$19,000).

2 Government grants mainly consist of progressive wage credit scheme.

6 OTHER EXPENSE

	Year ended 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Foreign currency exchange difference, net	<u>50</u>	<u>65</u>

7 EXPENSES BY NATURE

	Year ended 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Cost of inventories	9,557	10,289
Employee benefit costs	6,853	6,090
Rental expenses (<i>Note 14(c)</i>)	745	683
Advertising, promotion and marketing expenses	587	523
Logistics and transportation expenses	484	562
Directors' remuneration	2,939	2,545
Utilities expenses	363	353
Sundry expenses	363	310
Professional fees	427	426
Maintenance charges	139	76
Travelling expense	28	92
Franchise fees	26	—
Depreciation (<i>Note 11</i>)	2,234	2,070
Printing expenses	49	120
Insurance expenses	40	37
Auditor's remuneration	217	185
Bad debts expense	—	79
Loss allowance — trade receivables	56	—
Others	<u>360</u>	<u>206</u>
Total cost of sales, administrative, selling and distribution expenses	<u>25,467</u>	<u>24,646</u>

8 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	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Current tax expense		
Current financial year	307	597
Overprovision in prior financial years	<u>(265)</u>	<u>(53)</u>
	<u>42</u>	<u>544</u>
Deferred tax expense		
Origination and reversal of temporary differences	<u>4</u>	<u>1</u>
Income tax expense	<u><u>46</u></u>	<u><u>545</u></u>

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% (2023: 17%) of the estimated profit during the financial year. The applicable income tax rate for the Group's entities in Malaysia was 24% (2023: 24%) during the financial year.

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

	Year ended 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Profit before tax	<u>226</u>	<u>2,388</u>
Tax calculated at rate of 17%	38	406
Tax effects of:		
— Different tax rates in different jurisdictions	80	97
— Non taxable income	(27)	(4)
— Expenses not deductible for tax purposes	276	186
— Tax concessions	(56)	(87)
— Overprovision of tax in respect of prior years	<u>(265)</u>	<u>(53)</u>
Income tax expense	<u><u>46</u></u>	<u><u>545</u></u>

9 DIVIDENDS

The Board has not declared the payment of any dividends in respect of the financial year ended 31 March 2024.

During the financial year ended 31 March 2023, the Company declared a special dividend of 0.625 Singapore cents per ordinary share of the Company out of the share premium account of the Company totalling approximately S\$5,000,000.

During the financial year ended 31 March 2023, the Company declared an interim dividend of 0.133 Singapore cents per ordinary share of the Company out of the share premium account totalling approximately S\$1,045,000 in respect of the financial year ended 31 March 2023.

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.

10 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the 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	
	2024	2023
Net profit attributable to equity holders of the Company (<i>S\$'000</i>)	180	1,843
Weighted average number of ordinary shares outstanding for basic earnings per share (<i>'000</i>)	<u>800,000</u>	<u>800,000</u>
Basic earnings per share (<i>Singapore cents per share</i>)	<u><u>0.0</u></u>	<u><u>0.2</u></u>

Diluted earnings per share is the same as the basic earnings per share as there were no potential dilutive ordinary shares outstanding for the years ended 31 March 2024 and 2023.

11 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 2022	4,498	3,343	1,068	37	188	122	179	9,435
Additions	2,083	—	208	—	72	11	15	2,389
Write-off	(1,913)	—	—	—	(8)	(2)	—	(1,923)
Currency translation difference	—	—	(33)	(1)	(5)	(3)	(4)	(46)
As at 31 March 2023	4,668	3,343	1,243	36	247	128	190	9,855
Accumulated depreciation								
As at 1 April 2022	(2,404)	(229)	(587)	(20)	(154)	(60)	(130)	(3,584)
Depreciation for the year	(1,699)	(67)	(215)	(5)	(39)	(19)	(26)	(2,070)
Write-off	1,913	—	—	—	8	2	—	1,923
Currency translation difference	—	—	22	1	4	1	1	29
As at 31 March 2023	(2,190)	(296)	(780)	(24)	(181)	(76)	(155)	(3,702)
Net book value As at 31 March 2023	2,478	3,047	463	12	66	52	35	6,153
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

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 14(a).

Bank borrowings as at financial year end with carrying amount of S\$1,950,000 (2023: S\$2,080,000) are secured on the properties held for own use by the Group with carrying values of approximately S\$2,980,000 (2023: S\$3,047,000).

12 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Trade receivables:		
— Third parties	<u>299</u>	<u>369</u>
Deposits with external parties ¹	1,146	901
Prepayments	353	178
Other receivables	<u>340</u>	<u>256</u>
	<u>1,839</u>	<u>1,335</u>
Total trade and other receivables and prepayments included in current assets	<u><u>2,138</u></u>	<u><u>1,704</u></u>

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

Trade receivables

	As at 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Trade receivables	355	369
Less: allowance for impairment of trade receivables	<u>(56)</u>	<u>—</u>
	<u><u>299</u></u>	<u><u>369</u></u>

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.

The Group normally grants credit terms to its customers ranging from 0 to 7 days (2023: 0 to 7 days). The ageing analysis of the trade receivables based on invoice date is as follows:

	As at 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Current to 30 days	250	258
31 to 60 days	16	3
61 to 90 days	0	4
Over 90 days	33	104
	<u>299</u>	<u>369</u>

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

	As at 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
HKD	56	52
SGD	1,389	1,107
MYR	690	525
USD	3	20
	<u>2,138</u>	<u>1,704</u>

13 CASH AND CASH EQUIVALENTS

	As at 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Cash at banks	22,109	23,474
Cash on hand	25	19
	<u>22,134</u>	<u>23,493</u>

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

	As at 31 March	
	2024	2023
	S\$'000	S\$'000
HKD	1,842	2,095
SGD	15,372	17,147
MYR	3,981	3,881
USD	939	370
	<u>22,134</u>	<u>23,493</u>

14 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	
	2024	2023
	S\$'000	S\$'000
Leased retail spaces	<u>3,593</u>	<u>2,478</u>

(b) *Lease liabilities*

	As at 31 March	
	2024	2023
	S\$'000	S\$'000
Lease liabilities — non-current	1,619	1,086
Lease liabilities — current	<u>1,877</u>	<u>1,329</u>
	<u>3,496</u>	<u>2,415</u>

(c) *Lease expense not capitalised in lease liabilities*

	Year ended 31 March	
	2024	2023
	S\$'000	S\$'000
Lease expense — short-term leases	608	532
Lease expense — low-value leases	1	1
Interest expense on lease liabilities	140	89
Variable lease payments which do not depend on an index or rate	136	150

(d) Total cash outflow for the leases during the financial year 2024 was S\$2,796,000 (2023: S\$2,485,000).

(e) Addition of right-of-use assets during the financial year 2024 was S\$2,993,000 (2023: S\$2,083,000).

(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\$136,000 (2023: S\$150,000) (Note 14(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 financial year 2024 was approximately S\$1,878,000 (2023: S\$1,699,000) (Note 11).

15 BORROWINGS

	As at 31 March	
	2024	2023
	S\$'000	S\$'000
<i>Current</i>		
Bank borrowings	130	130
<i>Non-current</i>		
Bank borrowings	<u>1,820</u>	<u>1,950</u>
	<u>1,950</u>	<u>2,080</u>

The weighted average effective interest rates of the borrowings for the financial year ended 31 March 2024 is 4.8% per annum (2023: 3.4% per annum). All borrowings are denominated in SGD.

The Group's banking facilities are secured by the properties held for own use by the Group.

At the date of the consolidated statement of financial position, the fair value of non-current borrowings is approximately S\$1,801,000 (2023: S\$1,881,000) 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	
	2024	2023
	S\$'000	S\$'000
Within 1 year	130	130
Between 1 and 2 years	130	130
Between 2 and 5 years	<u>1,690</u>	<u>1,820</u>
	<u>1,950</u>	<u>2,080</u>

At the date of the consolidated statement of financial position, the Group's total available banking facilities amounted to approximately S\$1,950,000 (2023: S\$2,080,000) of which S\$1,950,000 (2023: S\$2,080,000) have been utilised.

16 TRADE AND OTHER PAYABLES

	As at 31 March	
	2024	2023
	S\$'000	S\$'000
Trade payables		
— Third parties	<u>519</u>	<u>506</u>
Total trade payables	519	506
Other payables and accruals		
— Goods and services tax payables	95	113
— Accruals	1,542	1,411
— Deposits received	165	285
— Others	<u>530</u>	<u>428</u>
Total other payables and accruals	<u>2,332</u>	<u>2,237</u>
Total trade and other payables included in current liabilities	<u>2,851</u>	<u>2,743</u>

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

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

	As at 31 March	
	2024	2023
	S\$'000	S\$'000
SGD	2,103	2,230
MYR	521	497
USD	13	—
HKD	<u>214</u>	<u>16</u>
	<u>2,851</u>	<u>2,743</u>

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

	As at 31 March	
	2024	2023
	S\$'000	S\$'000
0 to 30 days	495	486
31 to 60 days	12	—
Over 60 days	<u>12</u>	<u>20</u>
	<u>519</u>	<u>506</u>

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 marked the start of a year of digitalisation and expansion for the Group. During the Year, the Group has commenced the journey of digitalisation via setting up of an ERP system. The system will bring about operational efficiencies by streamlining and automating majority of the current processes. The entire ERP system is targeted to be completed by the 2nd quarter of 2024/2025.

Where expansion of the business is concerned, during the Year, the Group has implemented different strategies to try to increase revenue, despite facing direct and indirect competitions from other similar quick service restaurant as well as other food and beverage brands.

Firstly, the Group has been actively looking for locations for expansion. While we have closed 1 Shihlin Outlet each in Singapore and Malaysia, the Group has managed to open 4 Outlets in Singapore and 2 Outlets in Malaysia. Out of the 4 new Outlets in Singapore, 2 are in malls with high tourist footfall which will help to promote the branding of Shihlin. Notwithstanding the expansion in Singapore and Malaysia, the Group has witnessed the closure of outlets in Cambodia under franchise model during the Year.

Secondly, the Group has extended the operating hours at 2 of its Outlets, and launched late-night offerings during weekends. It has also started the offerings of bulk ordering as well as events menu.

Thirdly, the Group has secured the master franchise rights for a Korean pizza brand "Eat Pizza" for Singapore and Malaysia territory. The first Eat Pizza's Outlet was opened on 13 January 2024 at Paya Lebar Quarter in Singapore. The brand has attracted a lot of social media attention, thanks to our marketing efforts. The brand has opened 2 Outlets during the Year. As at the date of this announcement, the Group has opened another 2 new Outlets under the brand and has further secured 3 more locations to be opened in Singapore. As the Group stabilises the expansion of Eat Pizza in Singapore, we will be moving on to opening Outlets in Malaysia.

Lastly, the Group has also acquired a central kitchen ("CK") in Singapore which is expected to be operational by the end of the 2nd quarter of 2024/2025. The CK is acquired with the aim of increasing the menu offerings at Shihlin's and Eat Pizza's Outlets, offering catering and/or events services and streamlining current operations at our Outlets to achieve operational efficiencies.

The Group continues to face rising manpower costs and manpower crunches at our Outlets as well as rising costs for food ingredients supplies and rental in Singapore and Malaysia due to the inflation post-COVID-19. The Group will continue with its efforts to reduce operating costs while exploring ways to improve efficiency in Outlet operations via the CK.

The Group has continued its marketing efforts by engaging influencers for the purpose of reaching out to more consumers. We have also created our own accounts at TikTok and Xiaohongshu to engage more consumers. We will also continue to participate in regional franchise exhibitions to look out for potential master/single-unit franchisees for both brands.

As the Group prepares itself for digitalisation and expansion, it has further strengthened the team at the Singapore headquarters during the Year. The Group's Chief Operating Officer will continue to review the business strategies of the Group in the coming year and ensure the targets set for the Group's growth are being achieved.

OUTLOOK

The Group will continue its efforts in expanding the business as well as introducing more menu offerings at our Outlets. Marketing efforts on social media will continue to create more attention on our brands.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express our heartfelt thanks to the customers for their patronage and our shareholders and business associates for their trust and support during the Year. I would also like to thank the management and staff of the Group for their hard work during the Year to support the digitalisation and expansion journey. I look forward to collaborating with everyone to foster the growth of our business and consistently deliver value to all our stakeholders in the future.

Mr. Fok Chee Khuen

Chairman and Independent Non-Executive Director

Singapore, 27 June 2024

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the Year, the Group continued to focus on bringing authentic Taiwanese Snacks and Beverages under our Shihlin Taiwan Street Snacks® brand through a network of 226 Shihlin Outlets and Restaurants in Singapore, Malaysia, Indonesia, United States and Egypt via (i) Self-Operated model; and (ii) franchise and license model. Our country master franchisee in Cambodia has ceased operations in December 2023 because Cambodia's post-COVID-19 economic recovery was softer than expected. The Group noted a decrease in the revenue in the Singapore segment which could be due to more dine-in options available post-COVID-19 and we also see a trend of direct competitors offering Taiwanese food opening near our outlets in Singapore during the Year. However, we see an increase in the revenue from Malaysia's Self-operated Outlets. The Group is actively engaging the landlords of shopping malls and continues looking out for suitable venues for new Shihlin Outlets and Restaurants.

Besides growing our very own Shihlin brand, the Group has signed the master franchise rights for a Korean pizza brand — Eat Pizza for Singapore and Malaysia. As at 31 March 2024, we have opened 2 Self-operated Outlets in Singapore and as at the date of this announcement, the number of Self-operated Outlets has increased to 4 outlets in Singapore. Apart from Self-Operated model, the Group will operate its brand via franchise and license model.

FINANCIAL REVIEW

Revenue

The Group's revenue was mainly generated from (i) Outlet and Restaurant sales; (ii) sales of food ingredients to franchisees; (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 2024 and 2023.

	Year ended 31 March	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
Sale of goods		
— Outlet and Restaurant sales	16,626	16,718
— Franchisees/licensees	6,960	7,837
Royalty	841	937
Franchise fees	521	636
Advertising and promotion fees	212	277
	<u>25,160</u>	<u>26,405</u>

The total revenue of the Group has decreased from approximately S\$26.4 million for the Year 2022/2023 to approximately S\$25.2 million for the Year, representing a decrease of approximately 4.5%. The decrease in revenue was mainly due to the decrease in (i) sales from Self-operated Outlets in Singapore; (ii) sales of goods to franchisees/licensees in Malaysia; (iii) outlet fees charged to franchisees for new outlets opening and (iv) royalty income received.

The decrease in Self-operated Outlet sales in Singapore for Shihlin brand was approximately S\$0.6 million. This was due to more dine-in options available for consumers as well as the increasing number of direct competitors offering Taiwanese food near our Outlet(s). This decrease was cushioned by the additional revenue from the new brand Eat Pizza of approximately S\$0.3 million. In order to navigate the revenue decline in revenue from the Outlets, the Group has acquired the CK to increase new menu offerings as well as to venture into other revenue streams (catering/events). The Group has also embarked on its rebranding journey to attract consumers of the younger generation.

During the Year, we had 5 Malaysian franchisees who ceased the franchise and only 2 who signed on the franchise with the Group. This has affected the sales of goods to Malaysian franchisees of about S\$0.5 million. This is also evidenced by the drop in royalty income and advertising & promotion fees contributed from Malaysian franchisees. Due to the depreciation of MYR against SGD, the translated SGD equivalent of the sales of goods to Malaysian franchisees has also been affected by about S\$0.3 million.

Franchise fees also decreased by about S\$0.1 million mainly due to the drop in new outlet opening fees from Indonesia and the United States.

Cost of inventories sold

Cost of inventories sold relates to the cost of food ingredients, beverages and packaging 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 packaging sold to our franchisees and licensees in Singapore, Malaysia, Indonesia, United States, Egypt and Cambodia.

The decrease in cost of goods sold during the Year is in line with the decrease 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 inventories sold) for the Year was approximately S\$15.6 million, representing a decrease of approximately 3.1% from approximately S\$16.1 million for the Year 2022/2023.

Human resources and remuneration policy

As at 31 March 2024, the Group employed 167 employees. The Group's staff costs increased by approximately S\$1.2 million from approximately S\$8.6 million for the Year 2022/2023 to approximately S\$9.8 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.

Administrative expenses

Administrative expenses increased from approximately S\$7.6 million for the Year 2022/2023 to approximately S\$9.2 million for the Year, representing an increase of approximately 21%.

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\$1.3 million; and (ii) expenses incurred in relation to the new brand of approximately S\$0.3 million.

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 2024, the Group had cash and cash equivalents amounting to approximately S\$22.1 million, representing a decrease of approximately S\$1.4 million from approximately S\$23.5 million as at 31 March 2023. Most of the Group's bank deposits and cash were denominated in MYR, HKD and SGD. As at 31 March 2024, the Group's total current assets and current liabilities were approximately S\$25.8 million (31 March 2023: approximately S\$26.8 million) and S\$5.4 million (31 March 2023: approximately S\$4.7 million), respectively, while the current ratio calculated by dividing the total current assets over the total current liabilities was approximately 4.8 times (31 March 2023: approximately 5.7 times).

As at 31 March 2024, the Group recorded interest-bearing bank borrowings of approximately S\$2.0 million (31 March 2023: S\$2.1 million). The interest-bearing bank borrowings were secured and denominated in SGD and bore interest at 4.8% per annum (31 March 2023: 3.4% 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 15 to the consolidated financial statements.

As at 31 March 2024, 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 22% (31 March 2023: approximately 18%).

Material acquisitions and disposals

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Year and the Year 2022/2023.

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 2024 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 2023 (S\$'000)	Amount utilised during the Year (S\$'000)	Amount remaining as at 31 March 2024 (S\$'000)	Expected timeline of full utilisation of the revised net proceeds
New Self-operated Outlets in Singapore	9.8%	1,280	(465)	(527)	288	March 2025
New Self-operated Outlets in West Malaysia	9.4%	1,228	(802)	(175)	251	March 2025
Expansion of Non-self-operated Outlets and Restaurants network	5.5%	720	(156)	(82)	482	March 2026
Refurbishment of Self-operated Outlets and Restaurants	5.8%	752	(226)	(90)	436	March 2026
Strengthening manpower	8.2%	1,060	(637)	(377)	46	March 2025
Marketing and promotional initiatives	5.4%	700	(414)	(142)	144	March 2026
Upgrade our IT infrastructure, data management and franchise management system	8.2%	1,060	(21)	(210)	829	March 2027
General working capital	47.7%	6,200	(2,361)	(3,839)	—	
	<u>100.0%</u>	<u>13,000</u>	<u>(5,082)</u>	<u>(5,442)</u>	<u>2,476</u>	

Due to the delay of expansion plans caused by the COVID-19, additional time is required to expand the businesses via Self-operated and franchise models. As such, the Board has decided to extend the expected timeline of full utilisation of the revised net proceeds in accordance with the business strategies for approximately 2 to 3 years.

For new Self-operated Outlets in Singapore and West Malaysia, the Group has opened a total of 6 Outlets during the Year and the Group is actively looking for more suitable locations to open in these territories in the upcoming year. With the expansion of the Outlets in both Singapore and Malaysia, the Group will extend the timeline of “Strengthening manpower” by 1 more year to cater to the expansion of the operations teams in both Singapore and Malaysia.

The Group has also been actively participating in exhibitions in Asia and is looking to participate in more international exhibitions in the upcoming 2 years.

For marketing, the Group will be undertaking a rebranding exercise with the objective of attracting the new generation of customers with an improved brand image. This rebranding exercise is currently projected to be completed by March 2026.

Lastly, the Group is migrating to an ERP system and will also be changing the existing systems (e.g., HR system, CRM system, etc.) and looking at the integration of these systems with the ERP system. The usage timeline has been extended in order to support the entire transition to the systems and to ensure operational efficiency is achieved.

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 2023 and 2024, the Group does not have any material contingent liabilities.

Charge on the Group’s assets

As at 31 March 2024, the Group did not have any other banking charges except secured bank borrowings of approximately S\$2.0 million (31 March 2023: S\$2.1 million) secured by properties held for own use by the Group with carrying values of approximately S\$3.0 million (31 March 2023: 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 2023 and 2024.

Future plans for material investments or capital assets

Apart for 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 2023 and 2024.

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") of the 2023/2024 Annual Report.

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.

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 maximize 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.

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.

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 (Year 2022/2023: special dividend of 0.625 Singapore cents per Share, interim dividend of 0.133 Singapore cents per Share and final dividend of 0.017 Singapore cents per Share for the year ended 31 March 2023).

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) during the Year.

As at 31 March 2024, the Company did not hold any treasury shares.

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.

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 announcement, 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.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Wednesday, 14 August 2024 to Monday, 19 August 2024 (both days inclusive), during which period no transfer of Shares will be registered, for ascertaining Shareholders' entitlement to attend and vote at the 2024 AGM which will be held on Monday, 19 August 2024. In order to qualify for attending and voting at the 2024 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 Tuesday, 13 August 2024. The address of the Boardroom Share Registrars (HK) Limited is 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong.

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 results announcement has been reviewed by the Audit Committee.

REVIEW OF ANNUAL RESULTS ANNOUNCEMENT

The consolidated financial results of the Group for the Year have been reviewed by the Audit Committee and the figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, and the related notes thereto for the Year as set out in this announcement have been agreed by our independent auditor, Forvis Mazars LLP (F.K.A. Mazars LLP), to the amounts set out in the Group's draft consolidated financial statements for the Year. The Audit Committee is of the opinion that the preparation of such results has complied with applicable accounting standards and requirements as well as the Listing Rules and relevant adequate disclosures have been made.

The work performed by Forvis Mazars LLP (F.K.A. Mazars LLP) in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements issued by the International Auditing and Assurance Board and consequently no assurance has been expressed by Forvis Mazars LLP (F.K.A. Mazars LLP) on the annual results announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement of the Company is published on the website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.snackemp.com). The 2023/2024 Annual Report containing all the relevant information required by the Listing Rules will be despatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course in the manner required by the Listing Rules.

DEFINITIONS

“2023/2024 Annual Report” or “Annual Report”	the annual report of the Company for the Year
“2024 AGM”	the annual general meeting of the Company to be held in Singapore on Monday, 19 August 2024
“Articles of Association”	the articles of association of the Company
“Audit Committee”	the audit committee of the Board
“Board”	the Board of Directors
“CG Code”	the Corporate Governance Code as set out in Appendix C1 (formerly Appendix 14) to the Listing Rules
“Company”	Snack Empire Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability
“COVID-19” or “COVID-19 Pandemic”	the novel coronavirus disease pandemic
“CRM”	Customer Relations Management
“Director(s)”	the director(s) of the Company
“ERP”	Enterprise Resource Planning
“ESG”	the Environmental, social and governance
“Franchisees”	the 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 PRC
“HR”	Human Resources
“Indonesia”	the Republic of Indonesia
“INED(s)”	the independent non-executive Director(s)
“Listing”	the commencement of trading of the Shares on the Main Board
“Listing Date”	23 October 2019, the date on which the Shares were initially traded on the Stock Exchange
“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 Franchisee(s)”	person(s) or entity(ies) granted the franchise right(s) under the Master Franchise(s)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 (formerly Appendix 10) to the Listing Rules
“Mr. Daniel Tay”	Mr. Daniel Tay Kok Siong, an executive Director and a Controlling Shareholder (has the meaning ascribed thereto under the Listing Rules)

“Mr. Melvyn Wong”	Mr. Wong Chee Tat (黃志達), the chief executive officer of the Company, an executive Director and a Controlling Shareholder (has the meaning ascribed thereto under the Listing Rules)
“Non-self-operated”	operated by Independent Third Parties and not by the Group
“Outlet(s)”	the take-out outlet(s) comprising a front counter and kitchen with no seating
“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the prospectus of the Company dated 30 September 2019
“Register of Members”	the register of members of the Company
“Restaurant(s)”	the self-service restaurant(s) comprising front counter, kitchen and seating
“RM” or “MYR”	Malaysian Ringgits, the lawful currency of Malaysia
“S\$” or “SGD”	Singapore dollars, the lawful currency of Singapore
“Self-operated”	operated by the Group
“Share(s)”	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
“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

“Shihlin Outlet(s)”	the Outlet(s) operating under our Shihlin Taiwan Street Snacks® brand
“Shihlin Outlets and Restaurants”	the Shihlin Outlets and the Shihlin Restaurants
“Shihlin Restaurant(s)”	the Restaurant(s) operating under our Shihlin Taiwan Street Snacks® brand
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“United States” or “USA”	the United States of America
“US\$” or “USD”	the United States dollars, the lawful currency of USA
“West Malaysia”	western part of Malaysia which lies on the Malay Peninsular and surrounding islands
“Year”	financial year ended 31 March 2024
“Year 2022/2023”	financial year ended 31 March 2023
“%”	per cent

By order of the Board
Snack Empire Holdings Limited
Fok Chee Khuen
Chairman and Independent Non-Executive Director

Singapore, 27 June 2024

As at the date of this announcement, the Board comprises Mr. Daniel Tay and Mr. Melvyn Wong (chief executive officer) as executive Directors; and Mr. Fok Chee Khuen (chairman), Mr. Jong Voon Hoo and Ms. Tan Chiu Yang as INEDs.