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PROSPECTUS



EMPIRE PREMIUM FOOD

EMPIRE PREMIUM FOOD BERHAD
(Registration No. 202301037567 (1531490-W))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING ("IPO") OF UP TO 363,000,000 ORDINARY SHARES IN EMPIRE PREMIUM FOOD BERHAD ("EMPIRE PREMIUM" OR "COMPANY") ("IPO SHARES") IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED ORDINARY SHARES IN EMPIRE PREMIUM ("EMPIRE PREMIUM SHARES" OR "SHARES") ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING AN OFFER FOR SALE OF UP TO 145,000,000 EXISTING SHARES ("OFFER SHARES") AND A PUBLIC ISSUE OF 218,000,000 NEW SHARES ("ISSUE SHARES") INVOLVING:

- (I) INSTITUTIONAL OFFERING OF UP TO 293,000,000 IPO SHARES TO INSTITUTIONAL AND SELECTED INVESTORS INCLUDING BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY OF MALAYSIA AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING ("INSTITUTIONAL PRICE"); AND
- (II) RETAIL OFFERING OF 70,000,000 ISSUE SHARES TO THE DIRECTORS OF EMPIRE PREMIUM, ELIGIBLE EMPLOYEES OF EMPIRE PREMIUM AND ITS SUBSIDIARY ("GROUP"), PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP AND THE MALAYSIAN PUBLIC AT THE RETAIL PRICE OF RM[●] PER ISSUE SHARE ("RETAIL PRICE"), PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE RETAIL PRICE AND THE FINAL RETAIL PRICE (AS DEFINED IN THIS PROSPECTUS) IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE,

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS. THE FINAL RETAIL PRICE WILL BE EQUAL TO THE LOWER OF:

- (A) THE RETAIL PRICE; OR
- (B) THE INSTITUTIONAL PRICE.

Principal Adviser, Sole Bookrunner, Sole Underwriter and Sole Placement Agent



Investment Bank

Maybank Investment Bank Berhad
(Company Registration No. 197301002412)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER SIX MONTHS FROM THE DATE OF THIS PROSPECTUS. [THE SECURITIES COMMISSION MALAYSIA ("SC") HAS APPROVED THE ISSUE, OFFER OR INVITATION FOR THE OFFERING UNDER SECTION 214(1) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.]

THIS PROSPECTUS [HAS BEEN REGISTERED] BY THE SC. THE APPROVAL OF OUR IPO AND REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS OUR IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS THAT YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 157.

LISTING SOUGHT: MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE MALAYSIA

THIS PROSPECTUS IS DATED [***]

All defined terms used in this Prospectus are defined under “Presentation of Financial and Other Information” commencing on page viii, “Definitions” commencing on page x and “Glossary of Technical Terms” commencing on page xvii of this Prospectus, respectively.

RESPONSIBILITY STATEMENTS

Our Directors, our Promoters and the Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Maybank IB, being the Principal Adviser, Sole Bookrunner and Sole Placement Agent for the Institutional Offering, and Sole Underwriter for the Retail Offering, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

STATEMENTS OF DISCLAIMER

[Our Company has obtained the approval of Bursa Securities for our Listing.] Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

[This Prospectus, together with the Application Forms have also been lodged with the Registrar of Companies, who takes no responsibility for its contents.]

OTHER STATEMENTS

Investors should note that you may seek recourse under Sections 248, 249 and 357 of the CMSA for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission, or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Company.

Our Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning our IPO, for which any person set out in Section 236 of the CMSA, is responsible.

[Our Shares are classified as Shariah-compliant by the SAC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November.]

Investors should not take the agreement by the Sole Underwriter named in this Prospectus to underwrite our Shares under the Retail Offering as an indication of the merits of our Shares being offered.

This Prospectus has been prepared in the context of an IPO under the laws of Malaysia. It does not comply with the laws of any jurisdiction other than Malaysia, and it has not been and will not be lodged, registered or approved under any applicable securities or equivalent legislation or by any regulatory authority of any jurisdiction other than Malaysia.

This Prospectus is published solely in connection with our IPO. Our Shares are being offered solely in Malaysia on the basis of the information contained and representations made in this Prospectus. Our Company, our Promoters, the Selling Shareholder, the Principal Adviser, the Sole Bookrunner, the Sole Underwriter and the Sole Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, our Promoters, the Selling Shareholder, the Principal Adviser, the Sole Bookrunner, the Sole Underwriter and the Sole Placement Agent or any of their respective directors, or any other persons involved in our IPO.

The distribution of this Prospectus and our IPO are subject to the laws of Malaysia. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our Shares in any jurisdiction or in any circumstance in which such an offer is not authorised or is unlawful or to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the offering of our Shares in certain other jurisdictions may be restricted by law. Prospective investors who may be in possession of this Prospectus are required to inform themselves accordingly and to observe applicable restrictions.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not be deemed to accept any liability whether or not any enquiry or investigation is made in connection to it. We will further assume that you have accepted our IPO in Malaysia and will be subject to the laws of Malaysia in connection to it.

It will be your sole responsibility to ensure that your application for our IPO is in compliance with the terms of our IPO and will not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected to. It will also be your sole responsibility to consult your legal and/or other professional adviser on the laws to which our IPO or you are or might be subjected to. Neither we nor our Promoters, the Selling Shareholder, the Principal Adviser, the Sole Bookrunner, the Sole Underwriter and the Sole Placement Agent nor any other advisers in relation to our IPO will accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS/INTERNET SHARE APPLICATION

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus and the copy of this Prospectus [registered] with the SC are the same.

The internet is not a fully secure medium. Your Internet Share Application may be subject to risks of data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions or Participating Securities Firms. These risks cannot be borne by the Internet Participating Financial Institutions or Participating Securities Firms.

If you doubt the validity or integrity of the Electronic Prospectus, you should immediately request a paper/printed copy of this Prospectus from us or the Issuing House. If there is any discrepancy between the contents of the Electronic Prospectus and the contents of the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered with the SC shall prevail.

In relation to any reference in this Prospectus to third-party internet sites ("**Third-Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third-Party Internet Sites, you acknowledge and agree that:

- (i) we do not endorse and are not affiliated in any way to the Third-Party Internet Sites. Accordingly, we are not responsible for the availability of, or the content or any data, information, file or other material provided on the Third-Party Internet Sites. You shall bear all risks associated with the access to or use of the Third-Party Internet Sites;
- (ii) we are not responsible for the quality of products or services in the Third-Party Internet Sites, particularly in fulfilling any of the terms of your agreements with the Third-Party Internet Sites. We are also not responsible for any loss or damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third-Party Internet Sites or the use of or reliance on any data, information, file or other material provided by the Third-Party Internet Sites; and
- (iii) any data, information, file or other material downloaded from the Third-Party Internet Sites is done at your own discretion and risk. We are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, file or other material.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institution or Participating Securities Firm, you are advised that:

- (i) the Internet Participating Financial Institution or Participating Securities Firm is only liable in respect of the integrity of the contents of the Electronic Prospectus, to the extent of the contents of the Electronic Prospectus on the web server of the Internet Participating Financial Institution or Participating Securities Firm which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institution or Participating Securities Firm is not responsible for the integrity of the contents of the Electronic Prospectus, which has been obtained from the web server of the Internet Participating Financial Institution or Participating Securities Firm and subsequently communicated or disseminated in any manner to you or other parties;
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the internet is not a fully secure medium; and
- (iii) the Internet Participating Financial Institution or Participating Securities Firm is not liable (whether in tort or contract or otherwise) for any loss, damage or costs that you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institution or Participating Securities Firm, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

Event	Time and/or date
Opening of the Institutional Offering	[***]
Issuance of the Prospectus/Opening of the Retail Offering	10.00 a.m., [***]
Closing of the Retail Offering	5.00 p.m., [***]
Closing of the Institutional Offering	[***]
Price Determination Date	[***]
Balloting of applications for our Issue Shares under the Retail Offering	[***]
Allotment/Transfer of our IPO Shares to successful applicants	[***]
Listing	[***]

In the event there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers in Malaysia and make an announcement on the website of Bursa Securities.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “our Company” or “Empire Premium” are to Empire Premium Food Berhad. All references to “Empire Premium Group” or “our Group” are to our Company and our subsidiary taken as a whole. All references to “we”, “us”, “our” and “ourselves” are to our Company and where the context otherwise requires, our Group. All references to “you” are to our prospective investors.

All references to “Government” are to the Government of Malaysia.

All references to the “Selling Shareholder are to Empire 11.

All references to the “Promoters” are to Nicole Lim and Jordan Tan.

Certain numbers presented in this Prospectus have been rounded off to the nearest hundredth or 1 decimal place. Any discrepancies in the tables between the amounts listed and the totals in this Prospectus are due to rounding adjustments.

Other abbreviations and acronyms used in this Prospectus are defined in the “Definitions” section and technical terms used in this Prospectus are defined in the “Glossary of Technical Terms” section. Words denoting the singular will, where applicable, include the plural and *vice versa* and words denoting the masculine gender will, where applicable, include the feminine and/or neuter gender and *vice versa*. Reference to persons will, where applicable, include companies and corporations.

Any reference to provisions of the statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactments to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

Any reference to a time or date shall be a reference to a time or date in Malaysia, unless otherwise stated.

Any reference to the “LPD” in this Prospectus is to [31 August 2025], being the latest practicable date prior to the registration of this Prospectus with the SC.

The information on our website or any website, directly or indirectly, linked to our website does not form part of this Prospectus and you should not rely on those information for the purposes of your decision whether or not to invest in our Shares.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding the growth and performance of the industry in which we operate and our estimated market share. This data is taken or derived from information published by industry sources and from our internal data. In each of such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us or is extracted from the IMR Report as included in Section 8 of this Prospectus. We have appointed Vital Factor to provide an independent market and industry review. In compiling its data for the review, Vital Factor had relied on its research methodology, industry sources, published materials, its private databanks and direct contacts within the industry.

Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot give any assurance that the projected figures will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies and prospects are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements, or industry results expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current view with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminology such as the words “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “forecast” or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) our strategies and competitive position;
- (ii) potential growth opportunities;
- (iii) our future financial position, earnings, cash flows and liquidity;
- (iv) demand for our products and general industry environment; and
- (v) regulatory environment and the effects of future regulation.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (i) shortages of supply and fluctuations in price of input materials;
- (ii) conditions, popularity or performance of the shopping centres, hypermarkets, airport retail mall and transit hub malls where our outlets are located;
- (iii) consumer market including consumer behaviour, trends and brand preferences as well as negative publicity, perceptions or actions;
- (iv) reliance on approvals, licences and permits;
- (v) general economic, business, social, political and investment environment in Malaysia and globally;
- (vi) competitive environment in the industry in which we operate; and
- (vii) other factors beyond our control.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 9 of this Prospectus on “Risk Factors” and Section 12.2 of this Prospectus on “Management’s Discussion and Analysis of Financial Condition and Results of Operations”. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the LPD.

In light of these uncertainties, the inclusion of such forward-looking statements should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment/transfer of our IPO Shares, we will further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6 on Supplementary and Replacement Prospectus) of the Prospectus Guidelines.

DEFINITIONS

The following terms shall apply throughout this Prospectus unless the term is defined otherwise or the context requires otherwise:

Act	:	Companies Act 2016
ADA	:	Authorised Depository Agent
Admission	:	Admission of our Shares to the Official List of the Main Market of Bursa Securities
AGM	:	Annual general meeting
Application	:	Application for our Issue Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Forms	:	Application forms for the application of our Issue Shares under the Retail Offering accompanying this Prospectus
ATM	:	Automated teller machine
Auditors or Reporting Accountants or Grant Thornton	:	Grant Thornton Malaysia PLT
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application in respect of the payment for our Issue Shares
Board	:	Board of Directors of our Company
Bumiputera	:	In the context of: <ul style="list-style-type: none"> (i) individuals - Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies - companies which fulfil, among others, the following criteria or such other criteria as may be imposed by the MITI: <ul style="list-style-type: none"> (a) registered under the Act as a private company; (b) its shareholders are 100% Bumiputera; and (c) its board of directors (including its staff) are at least 51% Bumiputera; and (iii) cooperatives - cooperatives whose shareholders or cooperative members are at least 95% Bumiputera or such criteria as may be imposed by the MITI
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
By-Laws	:	The rules, terms and conditions of the LTIP as may be modified and/or amended from time to time
CAGR	:	Compound annual growth rate

DEFINITIONS *(Cont'd)*

CCC	:	Certificate of completion and compliance or certificate of fitness for occupation or such certificate by any other name issued by the relevant authority under the SDBA, Uniform Building By-Laws 2022 under the Local Government Ordinance 1961 of Sabah and Building Ordinance 1994 of Sarawak, and any by-laws made under it or such relevant legislation applicable at the material time
CCM	:	Companies Commission of Malaysia
CCTV	:	Closed-circuit television
CDS	:	Central Depository System
CEO	:	Chief Executive Officer
CFO	:	Chief Financial Officer
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
COO	:	Chief Operating Officer
COVID-19	:	An infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
Depositor	:	A holder of a Securities Account
Director(s)	:	Director(s) of our Company
DOSH	:	Department of Occupational Safety and Health
Electronic Prospectus	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium, including but not limited to CD-ROMs (Compact Disc - Read Only Memory)
Electronic Application	Share	: Application for our Issue Shares under the Retail Offering through a Participating Financial Institution's ATM
Eligible Persons	:	Collectively, our Directors, employees of our Group and persons who have contributed to the success of our Group who are eligible to participate in the Retail Offering, as further detailed in Section 4.2.2 of this Prospectus
Empire Premium Company	or	: Empire Premium Food Berhad
Empire Premium Group or Group	:	Collectively, Empire Premium and Empire Sushi
Empire Premium Shares or Shares	:	Ordinary shares in our Company
EPS	:	Earnings per Share
Equity Guidelines	:	Equity Guidelines issued by the SC
ESG	:	Environmental, social and governance

DEFINITIONS *(Cont'd)*

ESGS	:	Executive share grant scheme for the grant of the ESGS Shares to the LTIP Eligible Persons which forms part of the LTIP
ESGS Shares	:	Existing Empire Premium Shares to be acquired and/or transferred (including treasury shares, if any) to be made available to the LTIP Eligible Persons pursuant to the ESGS
ESOS	:	Executive share option scheme for the grant of the ESOS Options to the LTIP Eligible Persons which forms part of the LTIP
ESOS Options	:	Right of a Grantee to subscribe for new Empire Premium Shares pursuant to the contract constituted by the acceptance of an offer made in accordance with the terms and conditions of the offer and the By-Laws
Executive Directors	:	Executive director(s) of our Company
F&B	:	Food and beverages
Final Retail Price	:	Final price per IPO Share to be paid by the investors under the Retail Offering, equivalent to the Retail Price or the Institutional Price, whichever is lower, to be determined on the Price Determination Date
Financial Years Under Review	:	Collectively, the FYEs 31 March 2023, 31 March 2024 and 31 March 2025
FYE	:	Financial year ended, or where the context otherwise requires, financial year ending
GMP	:	Good Manufacturing Practice certificate issued by the MOH
GP	:	Gross profit
Grantee(s)	:	LTIP Eligible Person(s) who has(ve) accepted an offer to participate in the LTIP in accordance with the terms and conditions of the offer and the By-Laws
HACCP	:	Hazard Analysis and Critical Control Points administered by the Food Safety and Quality Programme, MOH
ICT	:	Information and communications technology
IFRS	:	International Financial Reporting Standards issued by the International Accounting Standards Board
IMR Report	:	Independent market research report dated [***] prepared by Vital Factor
Independent Business and Market Research Consultants or Vital Factor	:	Vital Factor Consulting Sdn Bhd
Institutional Offering	:	Offering of up to 293,000,000 IPO Shares at the Institutional Price, subject to clawback and reallocation provisions, to institutional and selected investors, including Bumiputera investors approved by the MITI

DEFINITIONS *(Cont'd)*

Institutional Price	:	Price per IPO Share to be paid by investors under the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
Internet Participating Financial Institution(s)	:	Participating financial institution(s) for the Internet Share Application
Internet Share Application	:	Application for our Issue Shares through an Internet Participating Financial Institution or Participating Securities Firm
IPO	:	Initial public offering of up to 363,000,000 IPO Shares comprising the Offer for Sale and the Public Issue
IPO Shares	:	Collectively, the Offer Shares and the Issue Shares
IRB	:	Inland Revenue Board of Malaysia
Issue Shares	:	New Shares to be issued by our Company under the Public Issue
Issuing House	:	Malaysian Issuing House Sdn Bhd
JAKIM	:	Jabatan Kemajuan Islam Malaysia (Department of Islamic Development Malaysia)
Jordan Tan	:	Tan Sin Guan
JTK	:	Jabatan Tenaga Kerja (Department of Labour)
Key Senior Management	:	Key senior management of our Group, whose profiles are set out in Section 5.4.2 of this Prospectus
Listing	:	Listing of and quotation for the entire enlarged issued Shares on the Main Market of Bursa Securities
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	[31 August 2025], being the latest practicable date prior to the registration of this Prospectus with the SC
LTIP	:	Our Company's long term incentive plan comprising the ESGS and the ESOS which shall be administered in accordance with the By-Laws
LTIP Committee	:	A committee to be appointed by our Board prior to the implementation of the LTIP and governed by the By-Laws to administer the LTIP
LTIP Eligible Person(s)	:	Executive Directors who are on the payroll of our Group and are involved in the day-to-day management of any company within our Group (which is not dormant) and any person in the employment and on the payroll of any company within our Group (which is not dormant) who is an executive and meets the criteria of eligibility for participation in the LTIP
Malaysian Public	:	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Market Day	:	Any day on which Bursa Securities is open for trading in securities

DEFINITIONS *(Cont'd)*

Maybank IB or Principal Adviser or Sole Bookrunner or Sole Underwriter or Sole Placement Agent	:	Maybank Investment Bank Berhad
MCCG	:	Malaysian Code on Corporate Governance issued by the SC
MFRS	:	Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board
MIA	:	Malaysian Institute of Accountants
MITI	:	Ministry of Investment, Trade and Industry of Malaysia
MOH	:	Ministry of Health Malaysia
Moratorium Providers	:	Collectively, the following shareholders of our Company whose securities are subject to moratorium under the Equity Guidelines: (i) Empire 11, being our controlling shareholder; and (ii) Lim Chung Liang, Lim Chung Jian and Tan Sin Boon, being persons connected to Nicole Lim and/or Jordan Tan
MyIPO	:	Intellectual Property Corporation of Malaysia
NA	:	Net assets
NBV	:	Net book value
Nicole Lim	:	Lim Xui Jhi
Offer for Sale	:	Offer for sale of up to 145,000,000 Offer Shares by the Selling Shareholder
Offer Shares	:	Existing Shares to be offered by the Selling Shareholder pursuant to the Offer for Sale
Official List	:	A list specifying all securities listed on Bursa Securities
Participating Financial Institution(s)	:	A participating financial institution(s) for the Electronic Share Application
Participating Securities Firm(s)	:	A participating securities firm(s) for the Internet Share Application
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PB Multiple	:	Price-to-book multiple
PE Multiple	:	Price-to-earnings multiple
Pink Application Form	:	Application form for the application of our Issue Shares under the Retail Offering by the Eligible Persons accompanying this Prospectus
Pink Form Allocations	:	The allocation of 15,000,000 Issue Shares to the Eligible Persons under the Retail Offering

DEFINITIONS *(Cont'd)*

Placement Agreement	:	Placement agreement to be entered into between our Company, the Selling Shareholder and the Sole Bookrunner in respect of such number of IPO Shares to be offered under the Institutional Offering
POS	:	Point-of-sale
Pre-IPO Acquisition	:	Acquisition by our Company of the entire equity interest in Empire Sushi from the Sellers for a total purchase consideration of approximately RM30.0 million wholly satisfied via the issuance and allotment of 881,999,998 new Shares at an issue price of approximately RM0.034 per Share to Empire 11. Concurrently and in conjunction with the Pre-IPO Acquisition, the 2 Shares equally held by Nicole Lim and Jordan Tan respectively [were] acquired by and transferred to Empire 11 at the price of RM1 per Share such that our Company became a wholly-owned subsidiary of Empire 11. Further details of which are described in Section 6.1.2 of this Prospectus
Price Determination Date	:	The date on which the Institutional Price and Final Retail Price will be determined
Promoters	:	Collectively, Nicole Lim and Jordan Tan, being the promoters as prescribed under Section 226 of CMSA and “Promoter” shall refer to any one of them
Prospectus	:	This Prospectus dated [***] issued by our Company
Prospectus Guidelines	:	Prospectus Guidelines issued by the SC
Public Issue	:	Public issue of 218,000,000 Issue Shares by our Company
R&D	:	Research and development
Record of Depositors	:	A record of securities holders established by Bursa Depository in accordance with the Rules of Bursa Depository
Retail Offering	:	Offering of 70,000,000 Issue Shares at the Retail Price, subject to the clawback and reallocation provisions, to be allocated in the following manner: <ul style="list-style-type: none"> (i) 15,000,000 Issue Shares reserved for application by the Eligible Persons; and (ii) 55,000,000 Issue Shares for application by the Malaysian Public, via balloting
Retail Price	:	Initial price per Issue Share to be fully paid upon application under the Retail Offering, subject to adjustment as detailed in Section 4.4.1 of this Prospectus
Retail Underwriting Agreement	:	Retail underwriting agreement dated [***] between our Company and the Sole Underwriter for the underwriting of the Issue Shares under the Retail Offering
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
ROC	:	Registrar of Companies
ROU	:	Right-of-use

DEFINITIONS *(Cont'd)*

Rules of Bursa Depository	:	The rules of Bursa Depository as issued under the SICDA
SAC	:	Shariah Advisory Council of the SC
SC	:	Securities Commission Malaysia
SDBA	:	Street, Drainage and Building Act 1974
Securities Account or CDS Account	:	An account established by Bursa Depository for a Depositor for the recording of deposit of securities and for dealing in such securities by the Depositor
Sellers	:	Collectively, Nicole Lim and Jordan Tan, being our Promoters and the shareholders of Empire Sushi prior to the completion of the Pre-IPO Acquisition
Selling Shareholder or Empire 11	:	Empire 11 Group Sdn Bhd
Share Registrar	:	Boardroom Share Registrars Sdn Bhd
SICDA	:	Securities Industry (Central Depositories) Act 1991
SOCISO	:	Social Security Organisation, Malaysia, also known as PERKESO (Pertubuhan Keselamatan Social)
SOP(s)	:	Standard operating procedure(s)
sq.ft.	:	Square foot/feet
Substantial Shareholders	:	Collectively, Empire 11, Nicole Lim and Jordan Tan and “Substantial Shareholder” shall refer to any one of them
USA	:	The United States of America
White Application Form	:	Application form for the application of our Issue Shares under the Retail Offering by the Malaysian Public accompanying this Prospectus

Subsidiary

Empire Sushi	:	Empire Sushi Sdn Bhd
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GLOSSARY OF TECHNICAL TERMS

The explanations of some of the technical or commonly used terms used in the Prospectus are as follows:

Dine-in services : It refers to food and beverage services provided by an establishment where customers consume their meals on the premises. This includes the provision of seating, table service, and/or self-service options, as well as dining utensils.

In the context of this Prospectus, quick dine-in services refer to outlets that serve hot foods in addition to sushi products, and where customers can consume their meals at the outlet.

Hot foods : In the context of this Prospectus, hot foods served by Empire Sushi include noodle soup, oden, grilled items, donburi (rice bowls), appetisers, side dishes and other made-to-order items prepared on-site upon request.

Same store sales growth (SSSG) : In the context of this Prospectus, it refers to the growth from the same sushi outlet. It is calculated for outlets that have been in operation for at least 2 full financial years. It is measured by comparing the revenue of the most recent FYE with that of the previous FYE.

Sushi and other products:

Gunkan : A type of sushi consisting of a small oval-shaped ball of sushi rice wrapped with a strip of seaweed (nori), topped with various ingredients. These toppings may include raw items such as salmon roe (ikura) and other cooked items such as scallops, marinated octopus and seasoned minced tuna.



Inari sushi : A type of sushi made by filling seasoned deep-fried tofu pouches (aburaage) with sushi rice, often topped with various ingredients such as vegetables or seafood.



Maki and rolls : Maki refers to a type of sushi made by layering sushi rice and various fillings onto a sheet of seaweed (nori), which is then rolled and sliced into bite-sized pieces.



Rolls refer to a type of rolled sushi where the sushi rice is on the outside and the seaweed (nori) wraps around the inner fillings. Often referred to as an “inside-out” roll, uramaki typically contains a variety of ingredients such as seafood, vegetables, and sauces, and may be garnished with toppings like sesame seeds or fish roe.

Nigiri sushi : A type of sushi consisting of hand-pressed sushi rice topped with ingredients such as a slice of fish, seafood, or other ingredients.



GLOSSARY OF TECHNICAL TERMS *(Cont'd)*

- Nori : It refers to edible seaweed, typically dried and pressed into thin sheets. It is commonly used in Japanese cuisine for wrapping sushi rolls (such as maki and temaki), as well as for garnishing rice dishes and soups. Nori has a slightly salty, umami flavour and a crisp texture when dry.
- Onigiri : A type of sushi made by shaping sushi rice into triangular form and typically wrapped with a strip of seaweed (nori). Onigiri may be filled with ingredients such as salmon, chicken, tuna paste and sauces.
- Ramen : A Japanese-style noodle soup served in a seasoned broth with toppings such as sliced meat, vegetables, and boiled eggs.
- Temaki (hand rolls) : A type of hand-rolled sushi made by wrapping a sheet of seaweed (nori) into a cone shape and filling it with sushi rice, seafood, vegetables, and other ingredients.
- Udon : A type of thick, chewy Japanese wheat noodle typically served in a flavoured broth. It is commonly enjoyed as a hot dish, accompanied by toppings such as sliced fish cake, tempura, green onions, or a soft-boiled egg.



1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Nationality	Address
Rohaiza Binti Mohamed Basir (F) ⁽¹⁾	Independent Non-Executive Chairperson	Malaysian	No. 23, Jalan BRP 3/3B, Sunway Rahman Putra, 40160 Sungai Buloh, Selangor Darul Ehsan
Nicole Lim (F) ⁽¹⁾	Non-Independent Executive Director and CEO	Malaysian	No. 7, Jalan BK 6B/13, Bandar Kinrara 6, 47180 Puchong, Selangor Darul Ehsan
Jordan Tan	Non-Independent Executive Director and COO	Malaysian	No. 7, Jalan BK 6B/13, Bandar Kinrara 6, 47180 Puchong, Selangor Darul Ehsan
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Independent Non-Executive Director	Malaysian	No. 17, Jalan Setiaraya, Bukit Damansara, 50490 Kuala Lumpur, Wilayah Persekutuan
Datuk Khairul Idham Bin Ismail	Independent Non-Executive Director	Malaysian	E-2-D, Tijani 2 North, Jalan Langgak Tunku, Bukit Tunku, 50480 Kuala Lumpur, Wilayah Persekutuan
Elaine Law Soh Ying (F) ⁽¹⁾	Independent Non-Executive Director	Malaysian	No. 24, Jalan Bidara 7, Bandar Botanic, 41200 Klang, Selangor Darul Ehsan

Note:*(1) (F) denotes female*

1. CORPORATE DIRECTORY (Cont'd)**AUDIT AND RISK MANAGEMENT COMMITTEE**

Name	Designation	Directorship
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Chairperson	Independent Non-Executive Director
Datuk Khairul Idham Bin Ismail	Member	Independent Non-Executive Director
Elaine Law Soh Ying	Member	Independent Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Name	Designation	Directorship
Datuk Khairul Idham Bin Ismail	Chairperson	Independent Non-Executive Director
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Member	Independent Non-Executive Director
Elaine Law Soh Ying	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARIES** : Cospec Management Services Sdn Bhd
Registration No. 199301023725 (278463-H)
Third Floor, No. 73, 75, 77, 79 & 81
Jalan SS 21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Malaysia
- Tel. No. : +603 7725 1777
- Tea Sor Hua
- Professional qualification: Malaysian Association of
Company Secretaries ("**MACS**")
(Membership No.: MACS 01324)
CCM Practising Certificate No. 201908001272
- Lim Kee San
- Professional qualification: Malaysian Institute of Chartered
Secretaries and Administrators ("**MAICSA**")
(Membership No.: MAICSA 7067348)
CCM Practising Certificate No. 202308000295
- REGISTERED OFFICE** : Third Floor, No. 77, 79 & 81
Jalan SS 21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Malaysia
- Tel. No. : +603-7725 1777
Email : info@cospec.com.my
- HEAD/MANAGEMENT OFFICE** : No. 5, 5th Floor, Block B
IOI Boulevard, Jalan Kenari 5
Bandar Puchong Jaya
47170 Puchong
Selangor Darul Ehsan
Malaysia
- Tel. No. : +603 8080 0237
E-mail : info@empirepremiumfood.com
Website : empirepremiumfood.com
- SELLING SHAREHOLDER** : Empire 11 Group Sdn Bhd
20-4-2, Blok A, Jalan 5/101C
Cheras Business Centre
Batu 5 Jalan Cheras
56100 Cheras Kuala Lumpur
Malaysia

1. CORPORATE DIRECTORY (Cont'd)

**PRINCIPAL ADVISER, SOLE
BOOKRUNNER, SOLE
UNDERWRITER AND SOLE
PLACEMENT AGENT**

: Maybank Investment Bank Berhad
32nd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Tel. No. : +603 2059 1888

LEGAL ADVISERS

: *To our Company*

Foong & Partners
13-1 Menara 1MK
Kompleks 1 Mont' Kiara, No. 1 Jalan Kiara
Mont' Kiara, 50480 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Tel. No. : +603 6419 0822

*To the Sole Bookrunner, Sole Underwriter and Sole
Placement Agent*

Christopher & Lee Ong
Level 22, Axiata Tower
9, Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Tel. No. : +603 2273 1919

**AUDITORS AND REPORTING
ACCOUNTANTS**

: Grant Thornton Malaysia PLT
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Tel. No.: : +603 2692 4022

Partner-in-charge : Lim Chooi Ling
Licence No. : 03537/11/2026(J)
Professional qualification : CPA (Australia), CA(M),
Chartered Accountant

1. CORPORATE DIRECTORY (Cont'd)

- INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANT** : Vital Factor Consulting Sdn Bhd
V Square @ PJ City Centre (VSQ)
Block 6 Level 6, Jalan Utara
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
- Tel. No. : +603 7931 3188
- Name of signing director: Wooi Tan
(See Section 8 of this Prospectus for the profile of the firm and the signing director)
- INTERNAL CONTROL CONSULTANT** : Sterling Business Alignment Consulting Sdn Bhd
Unit C3A02, Level 3A
Lobby 1, Block C, Damansara Intan
No. 1, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan
Malaysia
- Tel. No. : +603 7662 8010
- SHARE REGISTRAR** : Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
- Tel. No. : +603 7890 4700
- ISSUING HOUSE** : Malaysian Issuing House Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
- Tel. No. : +603 7890 4700
- LISTING SOUGHT** : Main Market of Bursa Securities

2. INTRODUCTION

2.1 APPROVALS AND CONDITIONS

2.1.1 SC

The SC has, via its letter dated [***], approved our IPO and our Listing under Section 214(1) of the CMSA, subject to compliance with the following conditions:

No.	Details of condition imposed	Status of compliance
(i)	[***]	[***]

The SC has also, via its letter dated [***], approved our application under the Bumiputera equity requirement for public listed companies pursuant to our Listing, subject to compliance with the following conditions:

No.	Details of condition imposed	Status of compliance
(i)	[***]	[***]

In addition, we are also required to make available at least 50.0% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors.

2.1.2 MITI

The MITI has, via its letter dated [***], stated that it has agreed with our Listing of 1,100,000,000 Shares on the Main Market of Bursa Securities.

2.1.3 Bursa Securities

Bursa Securities has, via its letter dated [***], approved our Admission, our Listing and the listing of and quotation for the new Shares to be issued pursuant to the LTIP, subject to compliance with the following conditions:

No.	Details of condition imposed	Status of compliance
(i)	[***]	[***]
(ii)	[***]	[***]

2. INTRODUCTION (Cont'd)

2.2 MORATORIUM ON OUR SHARES

In accordance with the Equity Guidelines, our Shares held by the Moratorium Providers as at the date of our Listing will be placed under moratorium. In this respect, our Shares as at the date of Listing that are subject to moratorium are set out below:

Name	Direct	
	No. of Shares	% ⁽¹⁾
	('000)	
Empire 11	737,000 ⁽²⁾	67.0
Lim Chung Liang	400 ⁽³⁾⁽⁴⁾	*
Lim Chung Jian	200 ⁽³⁾⁽⁵⁾	*
Tan Sin Boon	200 ⁽³⁾⁽⁶⁾	*

Notes:

* Negligible.

(1) Based on the enlarged issued Shares of 1,100,000,000 upon our Listing.

(2) After the Offer for Sale.

(3) Represents Issue Shares allocated to our employees under the Pink Form Allocation.

(4) Lim Chung Liang is our CFO and a sibling of Nicole Lim.

(5) Lim Chung Jian is an employee of our Group and a sibling of Nicole Lim.

(6) Tan Sin Boon is an employee of our Group and a sibling of Jordan Tan.

The Moratorium Providers have fully accepted the moratorium. They are not allowed to sell, transfer or assign any part of their respective holdings in our Shares as at the date of our Listing, for a period of 6 months from the date of our Listing ("**Moratorium Period**").

The above moratorium restrictions are specifically endorsed on the share certificates representing our Shares held by the Moratorium Providers which are under moratorium to ensure that our Share Registrar does not register any sale, transfer or assignment that contravenes such restriction.

Nicole Lim and Jordan Tan have also undertaken not to sell, transfer or assign any part of their respective holdings in the ordinary shares of Empire 11 as at the date of our Listing, during the Moratorium Period.

Nicole Lim, Jordan Tan, Lim Chung Liang, Lim Chung Jian and Tan Sin Boon are not allowed to sell, transfer or assign any Shares to be issued during the Moratorium Period arising from the exercise of the ESOS Options to be granted to them in conjunction with our Listing.

3. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

3.1 PRINCIPAL DETAILS OF OUR IPO

3.1.1 Institutional Offering

The Institutional Offering involves the offering of up to 293,000,000 IPO Shares (comprising up to 145,000,000 Offer Shares and 148,000,000 Issue Shares), representing up to approximately 26.6% of the enlarged issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, at the Institutional Price in the following manner:

- (i) 137,500,000 Offer Shares, representing 12.5% of the enlarged issued Shares, to Bumiputera investors approved by the MITI; and
- (ii) 155,500,000 IPO Shares (comprising 7,500,000 Offer Shares and 148,000,000 Issue Shares), representing up to approximately 14.1% of the enlarged issued Shares to institutional and selected investors (other than Bumiputera investors approved by the MITI).

3.1.2 Retail Offering

The Retail Offering involves the offering of 70,000,000 Issue Shares, representing approximately 6.4% of the enlarged issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, at the Retail Price in the following manner:

(i) Allocation to the Eligible Persons

15,000,000 Issue Shares, representing approximately 1.4% of the enlarged issued Shares, are reserved for application by the Eligible Persons.

(ii) Allocation via balloting to the Malaysian public

55,000,000 Issue Shares, representing 5.0% of the enlarged issued Shares, are reserved for application by the Malaysian Public via balloting, of which 27,500,000 Issue Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

3.1.3 LTIP

In conjunction with our Listing, we have established an LTIP which entails the granting of ESGS Shares and ESOS Options to the LTIP Eligible Persons. Subject to the discretion of the LTIP Committee, in conjunction with our Listing, we intend to offer up to 29,550,000 ESOS Options to the LTIP Eligible Persons, subject to the vesting conditions, if any. Further details of the LTIP are set out in Section 4.2.6 of this Prospectus.

3.1.4 Moratorium on our Shares

In accordance with the Equity Guidelines, the Moratorium Providers are not allowed to sell, transfer or assign any of their respective holding in our Shares as at the date of our Listing and any Shares that they may subscribe for arising from the exercise of ESOS Options granted to them pursuant to the LTIP for a period of 6 months from the date of our Listing.

3. PROSPECTUS SUMMARY (Cont'd)

Our Public Issue is expected to raise gross proceeds amounting to RM[●] million to our Company, while the Offer for Sale is expected to raise gross proceeds of up to approximately RM[●] million which will accrue entirely to the Selling Shareholder.

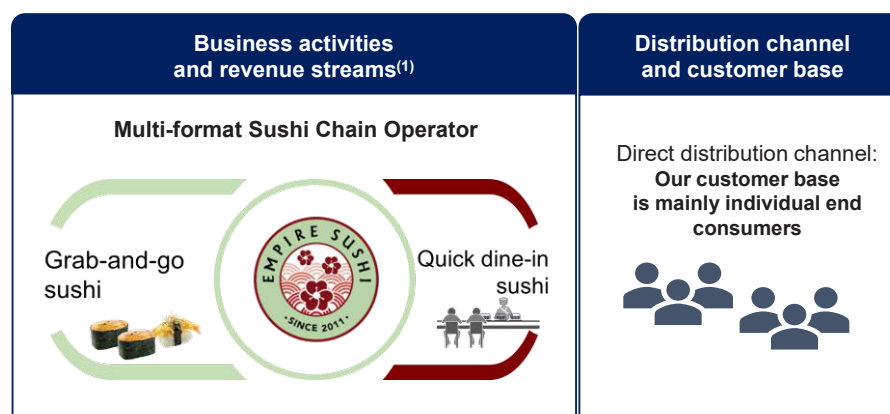
For further details relating to our IPO and moratorium on our Shares, please refer to Sections 2.2 and 4.2 of this Prospectus.

3.2 OVERVIEW OF OUR BUSINESS

Our Company was incorporated in Malaysia under the Act on 25 September 2023 as a private limited company under the name of Empire Premium Food Sdn Bhd. On 18 September 2025, our Company was converted into a public company.

Our Company is principally involved in the business of investment holding while our sole subsidiary, Empire Sushi, is principally involved in the operation of multi-format sushi chain.

Our business model is as follows:



Note:

(1) Our revenue was derived from multi-format sushi chain operations for the Financial Years Under Review, the revenue from grab-and-go sushi operations accounted for 84.8%, 87.5% and 87.0% of our revenue and the remaining 15.2%, 12.5% and 13.0% was derived from quick dine-in sushi outlets for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

The history of our business can be traced back to 2010 with the commencement of our grab-and-go sushi operations under the *Empire Sushi* brand, initially operating under Empire Sushi Enterprise which was equally owned by the Sellers who are also our co-founders and promoters, Nicole Lim and Jordan Tan. Empire Sushi Group Sdn Bhd was subsequently incorporated by the Sellers in December 2013 to take over and carry on the operations of Empire Sushi Enterprise, with equal ownership. Empire Sushi Enterprise ceased operations in April 2015 following the completion of the transfer of its business operations to Empire Sushi Group Sdn Bhd.

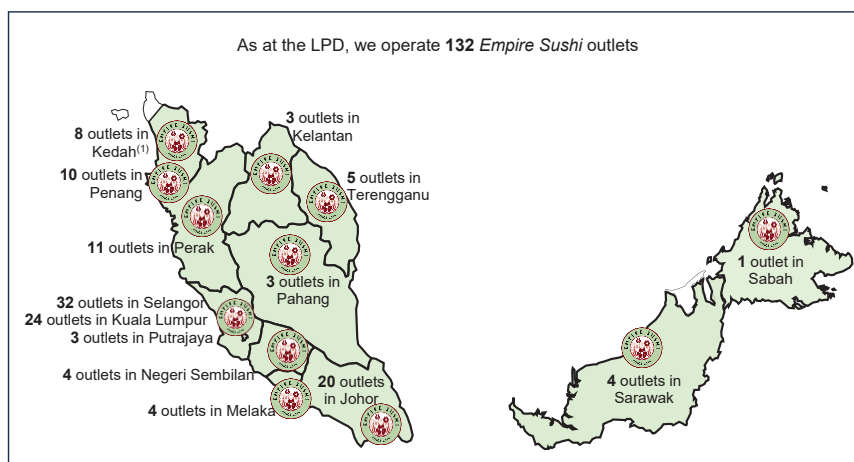
In 2020, the Sellers incorporated Empire Sushi to progressively assume the entire grab-and-go sushi chain business and operations from Empire Sushi Group Sdn Bhd as part of an internal reorganisation that was meant to position the *Empire Sushi* brand and our multi-format sushi chain business under a new corporate vehicle that carries a name which is solely dedicated to the *Empire Sushi* brand for greater visibility and resolved any ambiguity on the Company's true nature, scale and offerings arising from the use of "group" in its name.

Subsequently, Empire Sushi Group Sdn Bhd ceased operations and was placed under members' voluntary winding-up in March 2025.

3. PROSPECTUS SUMMARY (Cont'd)

We operate in Malaysia with our head office in Puchong, Selangor. As at the LPD, we have a total of 132 *Empire Sushi* outlets across 12 states and 2 federal territories in Malaysia as follows:

Our operational locations



Note:

(1) We own and operate 131 *Empire Sushi* outlets and we operate 1 consignment outlet in Kedah as at the LPD.

For further details on our history, group structure and business, please refer to Sections 6 and 7 of this Prospectus.

3.3 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

- (i) **We have a leading market position as sushi operation in Malaysia based on revenue and number of outlets, providing us with financial strength to sustain, grow and further expand our business**

Our leading market position fortified by revenue of RM235.6 million for the FYE 31 March 2025 supported by a network of 132 sushi outlets comprising 117 grab-and-go sushi outlets and 15 quick dine-in sushi outlets as at the LPD, is crucial for sustaining and growing our business. For the Financial Years Under Review, our revenue grew from RM137.1 million for the FYE 31 March 2023 to RM235.6 million for the FYE 31 March 2025, representing a CAGR of 31.1%. In addition, we opened 59 new outlets during the same period. At the same time, our PAT grew from RM14.6 million for the FYE 31 March 2023 to RM37.9 million for the FYE 31 March 2025, representing a CAGR of 61.2%. The broad appeal of our products to a large customer base is a key driver of our sustained growth, evidenced by an SSSG of 5.5% for the FYE 31 March 2025.

- (ii) **Our business is modular and scalable, facilitating fast and simplified procedures to expand our chain of sushi outlets**

Our business operates on a modular and scalable model, enabling us to expand our sushi outlet network quickly using simplified procedures. This structure also provides a robust platform for rapid and efficient growth, as demonstrated by the 69 new outlets we opened in Malaysia during the Financial Years Under Review and up to the LPD.

- (iii) **All our outlets are located in shopping centres, hypermarkets, airport retail mall and transit hub malls which enhances our brand visibility to sustain and drive business growth**

3. PROSPECTUS SUMMARY (Cont'd)

As at the LPD, we operate a total of 132 *Empire Sushi* outlets strategically located in shopping centres, hypermarkets, airport retail mall and transit hub malls within urban and suburban areas across all regions in Malaysia, comprising 127 outlets in Peninsular Malaysia and 5 outlets in East Malaysia. These locations provide us with high foot traffic, making our sushi chain highly accessible and convenient for potential customers. Being in malls also significantly enhances brand visibility, as constant brand exposure builds strong recognition and recall among consumers, which is critical to our business success.

(iv) We have capabilities in developing new and improved sushi menu

We have the capabilities in developing new and improved sushi menus for our chain of sushi outlets. The development of new and improved sushi menu is spearheaded by our COO, Jordan Tan, who has approximately 19 years of experience in sushi chain operations, and one of our area managers. The development of new and improved sushi menu mainly involves exploring diverse ingredient combinations and preparation techniques with a focus on incorporating local flavour profiles to create appealing new and enhanced menu items.

(v) Our proven 15-year track record in sushi chain operations, together with the majority of our outlets being Halal-certified, serves as a trusted reference for new customers and demonstrates our adaptability and relevance in the mass market

We have an established track record in sushi chain operations since 2010 when we launched our first grab-and-go sushi concept, featuring sushi products displayed and sold in hypermarkets on a consignment basis. Since then, our Empire Sushi brand network has expanded to a total of 132 outlets in Malaysia comprising of 117 grab-and-go sushi outlets and 15 quick dine-in sushi outlets as at the LPD. The number of sales transactions also increased from 7.3 million transactions for the FYE 31 March 2023 to 12.2 million transactions for the FYE 31 March 2025, representing a CAGR of 28.9%. Meanwhile, the average number of sales transactions per outlet also grew at a CAGR of 5.1% between the FYE 31 March 2023 and the FYE 31 March 2025.

(vi) We have experienced Executive Directors and Key Senior Management to sustain and grow our business

We attribute our business growth and operational excellence to our experienced Executive Directors and Key Senior Management. At the helm is our CEO, Nicole Lim, who possesses nearly 15 years of experience in sushi outlet operations, having been with us since the launch of our first *Empire Sushi* outlet in 2010, who played a pivotal role in formulating the strategic direction of our Group, which includes corporate planning, branding, and marketing initiatives. Our CEO is supported by our COO, Jordan Tan, who brings approximately 19 years of experience in sushi outlet operations. He is primarily responsible for overseeing overall outlet operations, developing and enhancing the menus which includes exploring diverse ingredient combinations and preparation techniques.

For further details on our competitive strengths, please refer to Section 7.4 of this Prospectus.

3.4 BUSINESS STRATEGIES AND PLANS

Our business strategies and plans are set out below:

(i) Expansion of sushi chain operations in Malaysia

3. PROSPECTUS SUMMARY (Cont'd)

Our sushi chain expansion strategy is aimed at creating a sustainable, profitable and recognisable brand that reaches a broader customer base while upholding our values and commitment to quality. From that perspective, we plan to expand our network of sushi outlets by establishing an additional 69 new outlets in Malaysia over the next 4 years, which will operate in either grab-and-go or quick dine-in format. The total cost of setting-up the 69 new outlets is estimated at RM[●] million, of which RM[●] million will be funded through the proceeds from the Public Issue, while RM[●] million will be funded through internally generated funds and/or bank borrowings.

(ii) Upgrading of selected existing sushi outlets

Part of our business strategy is to upgrade and refurbish selected existing sushi outlets including renovations and replacement of fittings and equipment to proactively address wear and tear, rejuvenate the overall outlet aesthetics and elevate the overall experience of our customers. The total cost for the upgrading of existing grab-and-go sushi outlets is estimated at RM[●] million, of which RM[●] million will be funded through the proceeds from the Public Issue, while the remaining RM[●] million will be funded through internally generated funds and/or bank borrowings.

For further details on our business strategies and plans, please refer to Section 7.5 of this Prospectus. For further details on the use of proceeds from the Public Issue, please refer to Section 4.6 of this Prospectus.

3.5 RISK FACTORS

An investment in our Shares involves a number of risks, many of which are beyond our control. You should carefully consider all the information contained in this Prospectus, including the risks described below, before deciding to invest in our Shares.

The following is a summary of the key risks that we face in our business operations:

(i) Risks relating to our business operations

(a) We are reliant on third-party suppliers for food ingredients, including intermediate processed food products and ingredients for our sushi chain operations

All of our food ingredients including fresh and prepared ingredients in our sushi outlets and quick dine-in outlets, are sourced from third-party suppliers. We face potential disruptions from our third-party suppliers which could impact our operations including but not limited to food ingredient issues, logistics and transportation challenges, supplier compliance matters and utility and operational disruptions. Any one of these events may cause disruptions in the supply of ingredients, which may adversely affect the operations of outlets and financial performance.

(b) We may be affected by either a decline in the performance of shopping centres, hypermarkets, airport retail mall and transit hub malls contributing to lower foot traffic to our outlets or operations affected by changes in rental terms, financial performance or results of operations

Any decline in the conditions, popularity or performance of the shopping centres, hypermarkets, airport retail mall and transit hub malls would affect foot traffic to our sushi outlets, and this may adversely affect our business operations and financial performance of those outlets. Furthermore, all of our sushi outlets operate in rented premises where we are reliant on the respective premise owners and are subject to the rental rates and tenancy terms imposed by them.

3. PROSPECTUS SUMMARY (Cont'd)

(c) Our business operations are dependent on our Executive Directors and Key Senior Management

Our business operations are dependent on the experience, leadership, knowledge and skills of our CEO, COO and Key Senior Management. Our CEO, Nicole Lim, leads the overall strategic direction and strategy development of our Group's strategies. Our COO, Jordan Tan, is responsible for overseeing overall outlet operations as well as developing and enhancing our menu offerings including exploring diverse ingredient combinations and preparation techniques. Our CEO and COO are supported by the other members of our Key Senior Management team, namely our CFO, Lim Chung Liang and Head of Marketing, Darren Khoo Yen Jen. The loss of services of any one or more of our Executive Directors or Key Senior Management without any suitable and timely replacement may adversely affect our business operations and financial performance.

(ii) Risks relating to our industry

(a) We are subject to competition from other food service providers

Sushi chain operators compete with other operators involved in the F&B services. Factors of competition include brand equity including awareness, loyalty and positive image; menu offerings and innovations; product tastes, quality and pricing; dine-in, takeaway and delivery services; outlet location accessibility and convenience; outlet internal layout, decoration and ambience; and online presence and ease of ordering, payment and delivery.

(b) We are subject to economic, social, political and regulatory changes in Malaysia

Our business is susceptible to adverse changes in economic, social, political, and regulatory conditions in Malaysia, which may negatively impact our business operations and financial performance. There can be no assurance that any adverse economic, social, political and regulatory developments which are beyond our control will not materially affect our business operations and financial performance.

For further details on the risk factors, please refer to Section 9 of this Prospectus.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, our Directors and Key Senior Management are as follows:

Name	Designation
<u>Directors</u>	
Rohaiza Binti Mohamed Basir	Independent Non-Executive Chairperson
Nicole Lim	Non-Independent Executive Director and CEO
Jordan Tan	Non-Independent Executive Director and COO
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Independent Non-Executive Director
Datuk Khairul Idham Bin Ismail	Independent Non-Executive Director
Elaine Law Soh Ying	Independent Non-Executive Director
<u>Key Senior Management</u>	
Nicole Lim	CEO
Jordan Tan	COO
Lim Chung Liang	CFO
Darren Khoo Yen Jen	Head of Marketing

For further information on our Directors and Key Senior Management, please refer to Sections 5.2 and 5.4 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.7 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The following table sets out the direct and indirect shareholdings of our Promoters and Substantial Shareholders before and after our IPO:

Name	Nationality/ Place of Incorporation	After the Pre-IPO Acquisition but before our IPO				After our IPO				After our IPO and assuming full exercise of the ESOS Options granted in conjunction with our Listing			
		Direct		Indirect		Direct		Indirect		Direct		Indirect	
		No. of Shares (⁽¹⁾ '000)	(⁽¹⁾)%	No. of Shares (⁽¹⁾ '000)	(⁽¹⁾)%	No. of Shares (⁽²⁾ '000)	(⁽²⁾)%	No. of Shares (⁽²⁾ '000)	(⁽²⁾)%	No. of Shares (⁽³⁾ '000)	(⁽³⁾)%	No. of Shares (⁽³⁾ '000)	(⁽³⁾)%
<u>Promoters and Substantial Shareholders</u>													
Nicole Lim	Malaysian	-	-	882,000 ⁽⁴⁾	100.0	-	-	737,000 ⁽⁴⁾	67.0	3,000 ⁽⁵⁾	0.3	737,000 ⁽⁴⁾	65.2
Jordan Tan	Malaysian	-	-	882,000 ⁽⁴⁾	100.0	-	-	737,000 ⁽⁴⁾	67.0	3,000 ⁽⁵⁾	0.3	737,000 ⁽⁴⁾	65.2
<u>Substantial Shareholder</u>													
Empire 11	Malaysia	882,000	100.0	-	-	737,000 ⁽⁶⁾	67.0	-	-	737,000 ⁽⁶⁾	65.2	-	-

Notes:

- (1) Based on the enlarged issued Shares after the Pre-IPO Acquisition but before our IPO of 882,000,000.
- (2) Based on the enlarged issued Shares upon our Listing of 1,100,000,000.
- (3) Based on the enlarged issued Shares upon our Listing and assuming full exercise of the ESOS Options granted to the LTIP Eligible Persons in conjunction with our Listing of 1,129,550,000.
- (4) Deemed interested by virtue of his/her shareholding in Empire 11 pursuant to Section 8(4) of the Act.
- (5) Assuming the entire ESOS Options granted to the LTIP Eligible Persons in conjunction with our Listing of 29,550,000 are fully vested and exercised upon our Listing.
- (6) After the Offer for Sale.

For further information on our Promoters and Substantial Shareholders, please refer to Section 5.1 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.8 USE OF PROCEEDS

The Public Issue is expected to raise gross proceeds of approximately RM[●]⁽¹⁾ million which will be used in the following manner:

Description	Estimated timeframe for use from the date of our Listing	RM'000	%
(i) Expansion of outlets (grab-and-go and quick dine-in formats) in various states within Malaysia	Within 36 months	[●]	60.5
(ii) Upgrading and refurbishment of existing outlets	Within 36 months	[●]	9.6
(iii) Working capital	Within 36 months	[●]	23.9
(iv) Defraying fees and expenses in relation to our IPO	Within 3 months	[●]	6.0
Total		[●]	100.0

Note:

(1) We have assumed the Institutional Price and the Final Retail Price will be equal to the Retail Price.

The total gross proceeds from the Offer for Sale of up to approximately RM[●] million will accrue entirely to the Selling Shareholder.

There is no minimum subscription to be raised from our IPO. For detailed information relating to the use of proceeds arising from the Public Issue, please refer to Section 4.6 of this Prospectus.

3.9 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The following table sets out selected combined financial information of our Group for the Financial Years Under Review:

	Audited		
	FYE 31 March		
	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)
Combined statements of profit or loss and other comprehensive income			
Revenue	137,095	184,801	235,600
Cost of sales	(83,019)	(108,118)	(137,326)
GP	54,076	76,683	98,274
PBT	20,208	35,210	51,143
PAT	14,586	26,229	37,920
Other selected financial information			
GP margin (%) ⁽¹⁾	39.4	41.5	41.7
PBT margin (%) ⁽²⁾	14.7	19.1	21.7
PAT margin (%) ⁽³⁾	10.6	14.2	16.1

3. PROSPECTUS SUMMARY (Cont'd)**Key financial ratios**

	FYE 31 March		
	2023	2024	2025
Trade receivables turnover (days) ⁽⁴⁾	43	52	56
Trade payables turnover (days) ⁽⁵⁾	26	25	25
Inventory turnover period (days) ⁽⁶⁾	4	4	5
Current ratio (times) ⁽⁷⁾	1.3	1.7	1.8
Gearing ratio (times) ⁽⁸⁾	0.3	0.3	0.3

Key operational metrics

No. of outlets at the end of the period	81	104	122
SSSG (%) ⁽⁹⁾	12.2	9.8	5.5
Number of tickets ('000)	7,348	9,784	12,216
Average spend per ticket (RM/ticket) ⁽¹⁰⁾	18.7	18.9	19.3
Quantities sold ('000 pieces) ⁽¹¹⁾	65,437	85,955	108,007

Notes:

- (1) Computed based on GP divided by revenue.
- (2) Computed based on PBT divided by revenue.
- (3) Computed based on PAT divided by revenue.
- (4) The trade receivables balances are attributed to the outlet operated on consignment basis as payment at our Group's owned and operated outlets is based on cash, credit card and e-wallets immediately upon the sales of our Group's products. Trade receivables turnover period is computed based on the average trade receivables attributed to our Group's sole consignment outlet (net of allowances for impairment loss) divided by the revenue attributed to our Group's sole consignment outlet for the respective financial years, multiplied by 365 days.
- (5) Computed based on the average trade payables divided by cost of sales of the respective financial years, multiplied by 365 days.
- (6) Computed based on the average inventories divided by cost of sales of the respective financial years, multiplied by 365 days.
- (7) Computed based on current assets divided by current liabilities.
- (8) Computed based on total borrowings (consists of lease liabilities) divided by total equity.
- (9) SSSG is calculated based on revenue from the sushi outlets that have been in operation for at least 12 months during the respective financial year and the corresponding period in the previous financial year.
- (10) Computed based on revenue generated during the financial year divided by total number of tickets during the financial year. The average spending per ticket excludes SST (where applicable).
- (11) Include sushi products and others.

For further information on our operations and financial information, please refer to Sections 7 and 12 of this Prospectus, respectively.

3.10 DIVIDEND POLICY

We target a payout ratio of at least 30.0% of our PAT attributable to owners of our Company for each financial year on a consolidated basis after taking into account the various factors as set out below to determine the level of dividend payments:

- (i) our level of cash, gearing and return on equity and retained earnings;
- (ii) our expected financial performance;
- (iii) our projected levels of capital expenditure and other investment plans;
- (iv) our working capital requirements; and

3. PROSPECTUS SUMMARY (Cont'd)

- (v) any contractual restrictions and/or commitments.

The declaration and payment of any dividend is subject to the confirmation of our Board as well as any applicable law, licence conditions, financial covenants and contractual obligations and provided that such distribution will not be detrimental to our cash requirements or any plans approved by our Board.

The following table sets out the dividends declared and paid by our Group for the Financial Years Under Review:

	FYE 31 March		
	2023	2024	2025
	RM'000	RM'000	RM'000
Dividends declared ⁽¹⁾	-	-	37,000
Dividends paid ⁽²⁾	-	-	37,000 ⁽⁴⁾
PAT	14,586	26,229	37,920
Dividend payout ratio ⁽³⁾	-	-	97.6%

Notes:

- (1) *Comprising a single-tier interim dividend of RM22.0 per ordinary share of Empire Sushi amounting to RM22.0 million and a single-tier final dividend of RM15.0 per ordinary share of Empire Sushi amounting to RM15.0 million in respect of the FYE 31 March 2025 which were paid on 16 December 2024 and 8 August 2025, respectively.*
- (2) *The source of payment is from the internally generated funds of Empire Sushi.*
- (3) *Computed based on dividends declared divided by the PAT of Empire Sushi for each financial year.*
- (4) *Including the single-tier final dividend of RM15.0 million which was declared on 30 July 2025 and paid on 8 August 2025.*

For further details on our dividend policy, please refer to Section 12.3 of this Prospectus.

3.11 NON-COMPLIANCES WITH THE RELEVANT LAWS, REGULATIONS, RULES AND REQUIREMENTS GOVERNING THE CONDUCT OF THE OPERATIONS OF OUR GROUP

As at 27 September 2025, we have not (i) obtained the issuance of the CA for 1 remaining property rented by Empire Sushi as accommodation for its employees; (ii) completed the training, certification and registration for 1 employee designated as the OSHA Coordinator whereas the certification and registration for 70 employees for the outlets requiring an OSHA Coordinator who have completed training is underway; (iii) obtained the requisite approvals for the change of address on the relevant foreign workers' work permits; and (iv) obtained the requisite approvals or permits for external storerooms/storage spaces. The total estimated cost to rectify the non-compliances and the potential maximum penalties for the outstanding non-compliances referred to in Section 7.25 of this Prospectus are approximately RM11.1 million, which represents approximately 21.7% of our Group's PBT for the FYE 31 March 2025, of which RM10.9 million (representing 21.3% of our Group's PBT for the FYE 31 March 2025) potential maximum penalty is attributable to the non-compliance related to the change of address on the relevant foreign workers' work permits which has been submitted and pending approval.

Notwithstanding that the outstanding non-compliance may remain unresolved at the time of our Listing, we will continue to engage with the relevant authorities/parties even after our Listing to resolve and address the outstanding non-compliance in accordance with the directions of the relevant authorities/parties. Our management is following up closely and liaising with relevant authorities/parties to resolve the said non-compliance in the best interest of our Company.

4. DETAILS OF OUR IPO

4.1 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

Event	Time and/or date
Opening of the Institutional Offering	[***]
Issuance of the Prospectus/Opening of the Retail Offering	10.00 a.m., [***]
Closing of the Retail Offering	5.00 p.m., [***]
Closing of the Institutional Offering	[***]
Price Determination Date	[***]
Balloting of applications for our Issue Shares under the Retail Offering	[***]
Allotment/Transfer of our IPO Shares to successful applicants	[***]
Listing	[***]

In the event there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers in Malaysia and make an announcement on the website of Bursa Securities.

4.2 PARTICULARS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus. Upon acceptance, the IPO Shares are expected to be allocated or transferred in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus.

Our IPO consists of the Institutional Offering and the Retail Offering, totalling up to 363,000,000 IPO Shares, representing approximately 33.0% of the enlarged issued Shares.

4.2.1 Institutional Offering

The Institutional Offering involves the offering of up to 293,000,000 IPO Shares (comprising up to 145,000,000 Offer Shares and 148,000,000 Issue Shares), representing up to approximately 26.6% of the enlarged issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, at the Institutional Price in the following manner:

- (i) 137,500,000 Offer Shares, representing 12.5% of the enlarged issued Shares to Bumiputera investors approved by the MITI; and
- (ii) 155,500,000 IPO Shares (comprising 7,500,000 Offer Shares and 148,000,000 Issue Shares), representing up to approximately 14.1% of the enlarged issued Shares to institutional and selected investors (other than Bumiputera investors approved by the MITI).

4. DETAILS OF OUR IPO (Cont'd)**4.2.2 Retail Offering**

The Retail Offering involves the offering of 70,000,000 Issue Shares, representing approximately 6.4% of the enlarged issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, at the Retail Price in the following manner:

(i) Allocation to the Eligible Persons

15,000,000 Issue Shares, representing approximately 1.4% of the enlarged issued Shares, are reserved for application by the Eligible Persons in the following manner:

Category of Eligible Persons	No. of Eligible Persons	Aggregate no. of Issue Shares allocated
Our Directors ⁽¹⁾	4	800,000
Eligible employees of our Group ⁽²⁾	•	8,200,000
Persons who have contributed to the success of our Group ⁽³⁾	•	6,000,000
Total	•	15,000,000

Notes:

- (1) *None of our Non-Independent Executive Directors will be allocated any Issue Shares under the Pink Form Allocations. The allocation to our Independent Non-Executive Directors is based on, among others, their respective roles and responsibilities in our Company and collectively, a total of 800,000 Issue Shares have been allocated to them as follows:*

Name	Designation	No. of Issue Shares allocated
Rohaiza Binti Mohamed Basir	Independent Non-Executive Chairperson	200,000
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Independent Non-Executive Director	200,000
Datuk Khairul Idham Bin Ismail	Independent Non-Executive Director	200,000
Elaine Law Soh Ying	Independent Non-Executive Director	200,000
Total		800,000

4. DETAILS OF OUR IPO (Cont'd)

- (2) *The allocation to the eligible employees of our Group who are full-time confirmed employees are based on, among others, length of service, job grade and job responsibilities, performance and past contribution to our Group.*

A total of 600,000 Issue Shares have been allocated to members of the following Key Senior Management:

Name	Designation	No. of Issue Shares allocated
<i>Lim Chung Liang ⁽¹⁾</i>	<i>CFO</i>	<i>400,000</i>
<i>Darren Khoo Yen Jen</i>	<i>Head of Marketing</i>	<i>200,000</i>
Total		600,000

Note:

- (1) *Lim Chung Liang is a sibling to Nicole Lim and deemed a person connected to a Director and controlling shareholder of our Company.*

A total of 400,000 Issue Shares have been allocated to other eligible employees of our Group who are deemed persons connected to Directors and controlling shareholders of our Company as follows:

Name	Designation	No. of Issue Shares allocated
<u>Person Connected</u>		
<i>Lim Chung Jian ⁽¹⁾</i>	<i>Operation Support Manager</i>	<i>200,000</i>
<i>Tan Sin Boon ⁽²⁾</i>	<i>Senior Area Manager</i>	<i>200,000</i>
Total		400,000

Notes:

- (1) *Lim Chung Jian is a sibling to Nicole Lim and deemed a person connected to a Director and controlling shareholder of our Company.*
- (2) *Tan Sin Boon is a sibling to Jordan Tan and deemed a person connected to a Director and controlling shareholder of our Company.*
- (3) *The allocation to persons who have contributed to the success of our Group is based on, among others, their length of business relationship with our Group, the nature and terms of their business relationship with our Group and the level of their contribution and support to the success of our Group.*

(ii) Allocation via balloting to the Malaysian Public

55,000,000 Issue Shares, representing 5.0% of the enlarged issued Shares, are reserved for application by the Malaysian Public via balloting, of which 27,500,000 Issue Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

4. DETAILS OF OUR IPO (Cont'd)

In summary, subject to the clawback and reallocation provisions set out in Section 4.2.3 of this Prospectus, our IPO Shares will be allocated in the following manner:

Category	Offer for Sale		Public Issue		Total	
	No. of Shares	(1)% of our enlarged issued Shares	No. of Shares	(1)% of our enlarged issued Shares	No. of Shares	(1)% of our enlarged issued Shares
	('000)		('000)		('000)	
Retail Offering:						
Eligible Persons:						
- Our Directors ⁽²⁾	-	-	800	0.1	800	0.1
- Eligible employees of our Group	-	-	8,200	0.8	8,200	0.8
- Persons who have contributed to the success of our Group	-	-	6,000	0.5	6,000	0.5
Malaysian Public (via balloting):						
- Bumiputera	-	-	27,500	2.5	27,500	2.5
- Non-Bumiputera	-	-	27,500	2.5	27,500	2.5
Sub-total	-	-	70,000	6.4	70,000	6.4
Institutional Offering:						
Bumiputera investors approved by the MITI	137,500	12.5	-	-	137,500	12.5
Other institutional and selected investors	7,500	0.7	148,000	13.4	155,500	14.1
Sub-total	145,000	13.2	148,000	13.4	293,000	26.6
Total	145,000	13.2	218,000	19.8	363,000	33.0

Notes:

(1) Based on the enlarged issued Shares upon our Listing of 1,100,000,000.

(2) None of our Non-Independent Executive Directors will be allocated any Issue Shares under the Pink Form Allocations.

4. DETAILS OF OUR IPO (Cont'd)

The completion of the Retail Offering and the Institutional Offering are inter-conditional. Our IPO is also subject to the public shareholding spread requirement under the Listing Requirements as set out in Section 4.2.5 of this Prospectus.

4.2.3 Clawback and reallocation

The Retail Offering and the Institutional Offering shall be subject to the following clawback and reallocation provisions:

- (i) If our Issue Shares allocated to the Eligible Persons (subject to the reallocation process for the Eligible Persons as set out below) are under-subscribed, such Issue Shares may be allocated to the other institutional and selected investors under the Institutional Offering or the Malaysian Public under the Retail Offering or a combination of both, at the discretion of the Sole Bookrunner and us;
- (ii) if our IPO Shares allocated to Bumiputera investors approved by the MITI ("**MITI Tranche**") are under-subscribed, such IPO Shares shall be allocated to Bumiputera public investors under the Retail Offering via the balloting process as mentioned in Section 4.2.2(ii) of this Prospectus.

If after the above reallocation, the MITI Tranche is still under-subscribed under the Institutional Offering, and there is a corresponding over-subscription for our IPO Shares under the Institutional Offering and for the Issue Shares under the Retail Offering by the non-Bumiputera investors, our IPO Shares will be clawed back from the MITI Tranche and allocated firstly, to the Malaysian institutional investors under the Institutional Offering, and thereafter to the other institutional and selected investors under the Institutional Offering, and subsequently to the other Malaysian Public under the Retail Offering;

- (iii) subject to items (i) and (ii) above, if there is an over-subscription in the Retail Offering and there is a corresponding under-subscription in the Institutional Offering, our IPO Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering; and
- (iv) subject to item (i) above, if there is an over-subscription in the Institutional Offering and there is a corresponding under-subscription in the Retail Offering, our Issue Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

There will be no clawback and reallocation if there is an over-subscription or under-subscription in both the Institutional Offering and the Retail Offering or an under-subscription in either the Institutional Offering or the Retail Offering but no over-subscription in the other.

Any Issue Shares not taken up by any of the Eligible Persons ("**Excess Issue Shares**") will be made available for application by the other Eligible Persons who have applied for the Excess Issue Shares on top of their pre-determined allocation and allocated on a fair and equitable basis in the following priority:

- (aa) firstly, allocation on a pro-rata basis to our Directors and eligible employees of our Group who have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for;
- (bb) secondly, allocation of any surplus Excess Issue Shares after (aa) above on a pro-rata basis to persons who have contributed to the success of our Group who have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for; and

4. DETAILS OF OUR IPO (Cont'd)

(cc) thirdly, to minimise odd lots.

Our Board reserves the right to allot Excess Issue Shares applied for in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (aa) to (cc) above is achieved. Our Board also reserves the right to accept or reject any Excess Issue Shares application, in full or in part, without assigning any reason.

Once completed, the steps involving items (aa) to (cc) above will not be repeated. Should there be any balance of the Excess Issue Shares thereafter, such balance will be made available for clawback and reallocation as described in item (i) above. Any Issue Shares under the Retail Offering not applied for after being subject to the clawback and reallocation provisions above shall be underwritten by the Sole Underwriter.

As at the LPD, to the extent known to our Company:

- (i) none of our Substantial Shareholders, Directors or Key Senior Management who have indicated that they intend to subscribe for our IPO Shares, save for our IPO Shares made available for application under the Pink Form Allocations; and
- (ii) there is no person who intends to subscribe for more than 5.0% of the IPO Shares.

4.2.4 Priority of the offering

In the event the demand for the IPO Shares is less than 363,000,000 IPO Shares, the Public Issue shall take precedence over the Offer for Sale. The demand for the IPO Shares shall be firstly satisfied with the Issue Shares under the Public Issue, and following that, any excess demand will be satisfied with the Offer Shares under the Offer for Sale.

4.2.5 Minimum subscription level

There is no minimum subscription level in terms of the proceeds to be raised from our IPO. However, in order to comply with the public shareholding spread requirement under the Listing Requirements or as approved by Bursa Securities, the minimum subscription level (in terms of number of IPO Shares) will be the number of Shares required to be held by public shareholders of our Company.

Under the Listing Requirements, we are required to have a minimum of 25.0% of our Shares held by at least 1,000 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If the above requirement is not met, we may not be able to proceed with our Listing. Please refer to Section 9.3.5 of this Prospectus for details in the event there is a delay in or termination of our Listing.

4.2.6 LTIP

In conjunction with our Listing, we have established the LTIP which entails the granting of ESGS Shares and ESOS Options to the LTIP Eligible Persons.

The LTIP shall be administered by the LTIP Committee and governed by the By-Laws.

In implementing the LTIP and subject to prevailing legislation and the Listing Requirements, the LTIP Committee may, at its sole and absolute discretion, decide that the exercise of the ESOS Options by Grantees shall be satisfied through:

4. DETAILS OF OUR IPO (Cont'd)

- (i) issuance of new Shares;
- (ii) any other methods as may be permitted by the Act or any other relevant laws or authorities, as amended from time to time; or
- (iii) a combination of any of the above.

In considering the modes of satisfaction as referred to in items (i) to (iii) above, the LTIP Committee will take into consideration, among others, factors such as the prevailing market price of the Shares, funding consideration, dilutive effects of any such issuance on our share capital base and funding requirement of our Group.

On the other hand, the award of ESGS Shares to Grantees shall be satisfied through:

- (i) the acquisition and/or transfer of existing Shares (including treasury shares, if any);
- (ii) any other methods as may be permitted by the Act or any other relevant laws or authorities, as amended from time to time; or
- (iii) a combination of any of the above.

The salient features of the LTIP are as follows:

(i) Maximum number of Shares available under the LTIP

The total number of Shares which may be made available under the LTIP shall not in aggregate exceed 10.0% ("**Maximum Limit**") of the total number of issued Shares (excluding treasury shares, if any) at any point of time during the duration of the LTIP.

In this regard, the Maximum Limit upon our Listing is 110,000,000 Shares, representing 10.0% of the enlarged issued Shares (excluding treasury shares, if any).

(ii) Basis of allocation and maximum allowable allocation

Subject to the Maximum Limit and any adjustments which may be made under the By-Laws, the LTIP Committee shall, in its sole and absolute discretion, determine the aggregate number of Shares that may be allocated between the ESOS and the ESGS to be offered to any one class/grade of the LTIP Eligible Persons.

Not more than 10.0% of the total number of Shares to be made available under the LTIP shall be allocated to any LTIP Eligible Persons who, either singly or collectively through persons connected with the LTIP Eligible Persons, holds 20.0% or more of the total number of issued Shares (excluding treasury shares, if any).

Not more than 80.0% of the Awards shall be allocated in aggregate to the directors and senior management of the companies in our Group which are not dormant.

4. DETAILS OF OUR IPO (Cont'd)

The basis of determining the aggregate number of the Shares that may be offered to the LTIP Eligible Persons shall be at the sole and absolute discretion of the LTIP Committee after taking into consideration, among others, the position, performance, contribution, length of service, fulfilment of the eligibility criteria as referred to in the By-Laws or such other matters which the LTIP Committee may in its sole and absolute discretion deems fit.

(iii) Duration of the LTIP

The LTIP shall be in force for a duration of 5 years from its effective date (following full compliance with all relevant requirements of the Listing Requirements) and our Board shall have the discretion to extend the duration provided that the initial period of the LTIP and such extension shall not in aggregate exceed the duration of 10 years from its effective date.

(iv) Eligibility

Subject to the discretion of the LTIP Committee, any LTIP Eligible Person who fulfils the following criteria as at the date of the letter or electronic mail in which the award is offered by the LTIP Committee to the LTIP Eligible Person to participate in the LTIP ("**Award Date**") shall be eligible to participate in the LTIP and qualify for consideration and/or selection by the LTIP Committee if:

- (a) such person is at least 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (b) he/she is employed on full-time basis and is on the payroll of any company within our Group which is not dormant, and who has been confirmed in service/employment as a full-time employee of our Group, and has not at the relevant point in time served a notice of resignation or received a notice of termination;
- (c) in respect of a Director who, on the Award Date, is on the payroll of our Group and is involved in the day-to-day management of any company within our Group ("**Executive Director**"), the Executive Director must have been appointed as an Executive Director for such period as may be determined by the LTIP Committee prior to and up to the Award Date and has not at the relevant point in time served a notice of resignation or received a notice of termination; and/or
- (d) he/she falls within any other categories or criteria as may be determined by the LTIP Committee from time to time in its absolute discretion.

For the avoidance of doubt, subject to the sole and absolute discretion of the LTIP Committee, an employee who attains the prescribed retirement age but is offered to continue to serve our Company and/or any company within our Group (which is not dormant) on a full-time basis shall not be excluded as an LTIP Eligible Person.

(v) Exercise price

The LTIP Eligible Persons are not required to pay for the ESGS Shares they are entitled to receive upon vesting of such ESGS award.

Subject to any adjustments made under the By-Laws and pursuant to the Listing Requirements, the exercise price in respect of an ESOS Option shall be:

4. DETAILS OF OUR IPO (Cont'd)

- (a) in respect of any ESOS award which is made in conjunction with our Listing, the Final Retail Price; and

in respect of any ESOS award made subsequent to our Listing, based on the volume-weighted average market price of the Shares for the 5 Market Days immediately preceding the Award Date less a discount of not more than 10% therefrom or such other percentage or discount as may be permitted by Bursa Securities and/or any other relevant authorities from time to time, as determined by the LTIP Committee which shall be binding and conclusive.

Subject to the discretion of the LTIP Committee, in conjunction with our Listing, we intend to offer up to 29,550,000 ESOS Options to the LTIP Eligible Persons, subject to the vesting conditions, if any. Assuming 29,550,000 ESOS Options are fully exercised into 29,550,000 new Shares, such Shares will represent approximately 2.7% of the enlarged issued Shares. The exercise price for the said 29,550,000 ESOS Options shall be the Final Retail Price.

The 29,550,000 ESOS Options are proposed to be vested over 4 tranches as follows:

Vesting tranche	Vesting Percentage	Maximum number of Shares to be allocated
On the date of our Listing	25.0	7,387,500
1 st anniversary of our Listing	25.0	7,387,500
2 nd anniversary of our Listing	25.0	7,387,500
3 rd anniversary of our Listing	25.0	7,387,500
Total		29,550,000

As we do not intend to grant any ESGS Shares within a year from our Listing, we have not identified the LTIP Eligible Persons to be granted the ESGS Shares as at the date of this Prospectus.

The following is the proposed specific allocation of the ESOS Options to our eligible Directors, eligible Key Senior Management and persons connected to them in conjunction with our Listing:

Name	Designation	No. of ESOS Options allocated
<u>Directors and Key Senior Management</u>		
Nicole Lim	Non-Independent Executive Director and CEO	3,000,000
Jordan Tan	Non-Independent Executive Director and COO	3,000,000
<u>Key Senior Management</u>		
Lim Chung Liang ⁽¹⁾	CFO	400,000
Darren Khoo Yen Jen	Head of Marketing	200,000
<u>Persons Connected</u>		
Lim Chung Jian ⁽¹⁾	Operation Support Manager	200,000
Tan Sin Boon ⁽²⁾	Senior Area Manager	200,000
Total		7,000,000

4. DETAILS OF OUR IPO (Cont'd)**Notes:**

- (1) *Lim Chung Liang and Lim Chung Jian are siblings to Nicole Lim.*
 (2) *Tan Sin Boon is a sibling to Jordan Tan.*

Any further offer, allocation or allotment under the ESOS to any of our eligible Directors, major shareholders, CEO and persons connected to them other than as stated above and made subsequent to our Listing, shall require the prior approval of our shareholders in a general meeting.

The grant of the ESOS Options in conjunction with our Listing will not have any immediate effect on our consolidated NA and NA per Share until such time new Shares are issued when the ESOS Options are exercised.

For illustrative purposes only, assuming the entire 29,550,000 ESOS Options are granted and vested immediately upon our Listing, and that all ESOS Options are exercised at an exercise price of RM[●], being the Retail Price, the indicative pro forma financial effects based on our audited combined financial statements for the FYE 31 March 2025 are as follows:

	Upon our Listing	Assuming full exercise of the ESOS Options granted in conjunction with our Listing
	(RM'000)	(RM'000)
NA / Total equity	[●] ⁽¹⁾	[●] ⁽²⁾
No. of Shares ('000)	1,100,000	1,129,550
NA per Share (RM)	[●]	[●]
Total borrowings	20,625	20,625
Gearing ratio (times) ⁽³⁾	[●]	[●]

Notes:

- (1) *Based on the pro forma combined NA as at 31 March 2025, after adjusting for the Pre-IPO Acquisition, the dividends declared and paid prior to our IPO, the expected gross proceeds to be raised from the Public Issue and the defrayment of fees and expenses relating to our Listing.*
- (2) *Assuming the entire 29,550,000 ESOS Options granted to the LTIP Eligible Persons in conjunction with our Listing are fully vested immediately upon our Listing and exercised at the Retail Price.*
- (3) *There were no outstanding bank borrowings as at 31 March 2025. For the purposes of computing the gearing ratio, the total borrowings refer to total lease liabilities as at 31 March 2025 divided by total equity.*

Any potential effect on the NA per Share will depend on the number of ESOS Options that have been vested and the exercise price of the ESOS Options. Pursuant to the By-Laws, the LTIP Committee may review and determine at its own discretion the vesting conditions. The ESOS Options will be vested with the Grantee if the vesting conditions are satisfied. Further, the LTIP Committee may at any time and from time to time, before or after the ESOS Option is granted, limit the exercise of the ESOS Option to a maximum number of Shares and/or such percentage of total Shares comprised in the ESOS Option during such periods within the ESOS Option period (as stipulated in the By-Laws) and impose any other terms and/or conditions deemed appropriate by the LTIP Committee in its sole discretion.

4. DETAILS OF OUR IPO (Cont'd)

4.2.7 Share capital

Upon completion of our IPO, our share capital will be as follows:

	No. of Shares	RM'000
After the Pre-IPO Acquisition	882,000,000	29,988
To be issued under the Public Issue	218,000,000	⁽¹⁾ [●]
Enlarged number of issued Shares and share capital upon our Listing	1,100,000,000	[●]

Note:

(1) Calculated based on the Retail Price and after deducting the estimated listing expenses of approximately [●] which is directly attributable to the Public Issue and allowed to be debited against our share capital.

The Offer for Sale would not have any effect on our issued share capital as the Offer Shares are already in existence prior to our IPO.

4.2.8 Classes of shares and ranking

As at the date of this Prospectus, we only have one class of shares, being ordinary shares.

The Issue Shares will, upon issuance and allotment, rank equally in all respects with our existing issued Shares including voting rights and rights to all dividends as well as other distributions that may be declared subsequent to the date of issuance and allotment of the Issue Shares, subject to any applicable Rules of Bursa Depository.

The Offer Shares rank equally in all respects with our existing issued Shares including voting rights and rights to all dividends as well as other distributions that may be declared subsequent to the date of transfer of the Offer Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attached to any Shares which we may issue in the future, our shareholders shall, in proportion to the Shares held by them, be entitled to share the profits paid out by us as dividends or other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At any general meeting of our Company, each of our shareholders shall be entitled to vote in person or by proxy or by an attorney or by duly authorised representative. Any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting is voted by poll. On a poll, each shareholder present either in person, by proxy, by an attorney or by a duly authorised representative shall have one vote for each Share he holds or represents. A proxy may but need not be a member of our Company.

4. DETAILS OF OUR IPO (Cont'd)

4.3 SELLING SHAREHOLDER

The Offer Shares to be offered by the Selling Shareholder and its shareholding in our Company before and after our IPO and its material relationship with our Group for the past 3 years and up to the LPD are as follows:

Selling Shareholder	Material relationship with our Group	After the Pre-IPO Acquisition but before our IPO				After our IPO			
		Shares to be offered under the Offer for Sale		Assuming the IPO Shares are fully subscribed		Upon our Listing and assuming full exercise of the ESOS Options			
		No. of Shares (⁽¹⁾ '000)	(⁽¹⁾ %)	No. of Shares (⁽²⁾ '000)	(⁽²⁾ %)	No. of Shares (⁽³⁾ '000)	(⁽³⁾ %)	No. of Shares (⁽³⁾ '000)	(⁽³⁾ %)
Empire 11 ⁽⁴⁾	Holding company and substantial shareholder	882,000	100.0	145,000	16.4	737,000	67.0	737,000	65.2

Notes:

- (1) Based on the enlarged issued Shares after the Pre-IPO Acquisition but before the Proposed IPO of 882,000,000.
- (2) Based on the enlarged issued Shares upon our Listing of 1,100,000,000.
- (3) Based on the enlarged issued Shares upon our Listing and assuming full exercise of 29,550,000 ESOS Options granted to the LTIP Eligible Persons in conjunction with our Listing of 1,129,550,000.
- (4) Empire 11 is an investment holding company equally owned by Nicole Lim and Jordan Tan, being our Promoters, Directors and Key Senior Management. Nicole Lim and Jordan Tan are also directors of Empire 11. Empire 11 was jointly nominated by Nicole Lim and Jordan Tan to hold their respective equity interests in our Company pursuant to the Pre-IPO Acquisition. Please refer to Section 6.1.2 of this Prospectus for details of the Pre-IPO Acquisition.

4. DETAILS OF OUR IPO (Cont'd)

4.4 BASIS OF ARRIVING AT THE PRICE OF OUR IPO SHARES AND REFUND MECHANISM

4.4.1 Retail Price

The Retail Price was determined and agreed upon by our Directors and the Selling Shareholder in consultation with the Principal Adviser, Sole Underwriter and the Sole Bookrunner, after taking into consideration the following factors:

- (i) PE Multiple of approximately [●] times based on our EPS of 3.45 sen after taking into account our PAT of RM37.9 million for the FYE 31 March 2025 and the enlarged issued Shares of 1,100,000,000;
- (ii) our pro forma combined NA per Share of RM[●] as at 31 March 2025, our IPO and use of proceeds based on the enlarged issued Shares of 1,100,000,000;
- (iii) our competitive strengths, as follows:
 - (a) we have a leading market position as sushi chain operation in Malaysia based on revenue and number of outlets, providing us with financial strength to sustain, grow, and further expand our business;
 - (b) our business is modular and scalable, facilitating fast and simplified procedures to expand our chain of sushi outlets;
 - (c) all our outlets are located in shopping centres, hypermarkets, airport retail mall and transit hub malls which enhances our brand visibility to sustain and drive business growth;
 - (d) we have capabilities in developing new and improved sushi menu;
 - (e) our proven 15-year track record in sushi chain operations, together with the majority of our outlets being Halal-certified, serves as a trusted reference for new customers and demonstrates our adaptability and relevance in the mass market; and
 - (f) we have experienced Executive Directors and Key Senior Management to sustain and grow our business;
- (iv) our business strategies and plans, as follows:
 - (a) expansion of sushi chain operations in Malaysia; and
 - (b) upgrading selected existing sushi outlets;
- (v) prospects of the food service industry in Malaysia driven by the growth in domestic consumption, food and beverages and accommodation subsector, private consumptions, tourism and urbanisation as well as the rise of e-commerce and food delivery platforms, as described in Section 8 of this Prospectus; and
- (vi) prevailing market conditions, including market performance of key global indices and companies involved in similar businesses listed on Bursa Securities and regional stock exchanges, current market trends as well as investors' sentiments.

The Final Retail Price will be determined after the Institutional Price is determined on the Price Determination Date and will be the lower of:

- (a) the Retail Price; or

4. DETAILS OF OUR IPO (Cont'd)

- (b) the Institutional Price.

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest thereon. Please refer to Section 4.4.3 of this Prospectus for details of the refund mechanism.

The Final Retail Price and the Institutional Price will be announced within 2 Market Days from the Price Determination Date on Bursa Securities' website. In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment for the IPO Shares.

4.4.2 Institutional Price

The Institutional Price will be determined by a bookbuilding process wherein prospective institutional and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of IPO Shares they would be prepared to acquire and the price they would be prepared to pay for the IPO Shares in respect of the Institutional Offering. This bookbuilding commenced on [***] and will end on [***]. Upon completion of the bookbuilding process, the Institutional Price will be fixed by our Directors and the Selling Shareholder in consultation with the Sole Bookrunner on the Price Determination Date.

4.4.3 Refund mechanism

If the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest. The refund will be made:

- (i) in the form of cheques to be despatched by ordinary post to the address maintained with Bursa Depository for applications made via the Application Form; or
- (ii) by crediting into the accounts of the successful applicants with the Participating Financial Institution for applications made via the Electronic Share Application; or
- (iii) by crediting into the accounts of the successful applicants with the Internet Participating Financial Institution or Participating Securities Firm for applications made via Internet Share Application,

within 10 Market Days from the date of final ballot of applications, at the successful applicants' own risk.

For further details on the refund mechanism, see Section 15.9 of this Prospectus.

4.4.4 Expected market capitalisation

Based on the Retail Price, the total market capitalisation of our Company upon our Listing would be approximately RM[●] million.

You should note that the market price of our Shares upon our Listing is subject to the vagaries of market forces and other uncertainties. You are reminded to carefully consider the risk factors as set out in Section 9 of this Prospectus.

4. DETAILS OF OUR IPO (Cont'd)

4.5 DILUTION

4.5.1 NA per Share

Dilution is the amount by which the price paid by retail, institutional and selected investors for our Shares exceeds our pro forma combined NA per Share after our IPO.

Our pro forma combined NA per Share as at 31 March 2025 after adjusting for dividends declared and paid subsequent to 31 March 2025 comprising the final dividend in respect of the FYE 31 March 2025 of RM15.0 million which was declared on 30 July 2025 and paid on 8 August 2025, the 1st interim dividend in respect of the FYE 31 March 2026 of RM15.0 million which was declared on 22 August 2025 and paid on 1 September 2025 and the 2nd interim dividend in respect of the FYE 31 March 2026 of RM12.0 million to be declared and paid prior to our Listing (collectively to be referred to as “**Subsequent Events**”), the Pre-IPO Acquisition and before adjusting for our IPO was [●], based on the enlarged issued Shares after the Pre-IPO Acquisition of 882,000,000.

The following table illustrates the dilution effect on our pro forma combined NA as at 31 March 2025 on a per Share basis assuming the Retail Price is equal to the Final Retail Price and the Institutional Price:

	<u>RM</u>
Final Retail Price / Institutional Price	[●]
Pro forma combined NA per Share as at 31 March 2025 after adjusting for the Subsequent Events, the Pre-IPO Acquisition and before adjusting for our IPO	[●]
Pro forma combined NA per Share as at 31 March 2025, after adjusting for the Subsequent Events, the Pre-IPO Acquisition and after adjusting for the use of proceeds from the Public Issue	[●]
Increase in pro forma combined NA per Share to our existing shareholders	[●]
Dilution in pro forma combined NA per Share to retail/institutional and selected investors	[●]
Dilution in pro forma combined NA per Share to retail/institutional and selected investors as a percentage to the Retail Price/Institutional Price	[●]%

4. DETAILS OF OUR IPO (Cont'd)**4.5.2 Effective cost per Share**

Save as disclosed below, none of our substantial shareholders, Directors, Key Senior Management or persons connected to them had acquired, obtained the right to acquire and/or subscribe for our Shares in the past 3 years and up to the LPD:

Name	Date of investment	No. of Shares	Allotted/ transferred	Total consideration (RM)	Effective cost per Share (RM)
Nicole Lim	25 September 2023	1 ⁽¹⁾	Allotted	1.00	1.00
Jordan Tan	25 September 2023	1 ⁽¹⁾	Allotted	1.00	1.00
[Empire 11]	[***]	[2 ⁽²⁾]	[Transferred]	[2.00]	[1.00]
		[881,999,998 ⁽³⁾]	[Allotted]	[29,988,000.00] [(Otherwise than cash)]	[0.034]

Notes:

- (1) Being the subscribers' Shares issued and allotted pursuant to the incorporation of our Company.
- (2) In conjunction with the Pre-IPO Acquisition, the 2 Shares which were equally held by Nicole Lim and Jordan Tan respectively [were] acquired by and transferred to Empire 11 such that our Company became a wholly-owned subsidiary of Empire 11 upon completion of the Pre-IPO Acquisition.
- (3) Being the new Shares issued and allotted pursuant to the Pre-IPO Acquisition.

4. DETAILS OF OUR IPO (Cont'd)**4.6 USE OF PROCEEDS**

We expect to use the gross proceeds from the Public Issue amounting to RM[●] million⁽¹⁾ in the following manner:

Description	Estimated timeframe for use from the date of our Listing	RM million	%
(i) Expansion of outlets (grab-and-go and quick dine-in formats) in various states within Malaysia	Within 36 months	[●]	60.5
(ii) Upgrading and refurbishment of existing outlets	Within 36 months	[●]	9.6
(iii) Working capital	Within 36 months	[●]	23.9
(iv) Defray fees and expenses for our IPO and Listing	Within 3 months	[●]	6.0
Total		[●]	100.0

Note:

(1) We have assumed that the Institutional Price and Final Retail Price will be equal to the Retail Price.

Further details on the use of proceeds from the Public Issue is as follows:

4.6.1 Expansion of sushi chain operations in Malaysia

In line with our target market, which is focused on the mass market, we will continue to target shopping complexes in both urban and suburban areas as well as [heavily populated commercial neighbourhoods with a mix of office and retail space] to gain a steady stream of customers.

Our Group plans to utilise RM[●] million of the gross proceeds from the Public Issue to expand our network of sushi chain operations by setting up an additional 56 new outlets in both grab-and-go and quick dine-in formats, into key locations within Malaysia between the FYE 31 March 2027 and the FYE 31 March 2029. In addition, for our new outlets, we require available floor space with a flexible size requirement, ranging from approximately 200 to 1,000 square feet.

Further, in line with our planned sushi outlet expansion, we will expand our workforce by hiring additional 550 service crew to run our new sushi chain outlets.

Based on our experience in establishing new sushi chain outlets with similar set-up and operational budgets during the Financial Years Under Review and up to the LPD, the said expansion costs of RM[●] million comprises estimated initial set-up cost of RM[●] million, estimated staff cost of RM[●] million and estimated rental cost of RM[●] million.

The breakdown of the 56 new outlets to be opened between the FYE 31 March 2027 and the FYE 31 March 2029 is as follows:

4. DETAILS OF OUR IPO (Cont'd)

	Number of new sushi outlets			
	FYE 31 March 2027	FYE 31 March 2028	FYE 31 March 2029	Total
Multi-format sushi outlets	15	18	23	56
Peninsular Malaysia	15	15	21	51
East Malaysia	-	3	2	5
Total	15	18	23	56
Estimated costs⁽¹⁾ (RM million)	[•]	[•]	[•]	[•]

Note:

- (1) *Include set-up costs such as renovation and interior fit-out costs (including installation of flooring, wall finishes, signage, lighting, and panels in line with our brand identity), cooking and food preparation equipment costs (including refrigerated display units, sushi preparation tables, cold storage facilities, food-grade shelving and point-of-sale system), IT and systems (including integration of point-of-sale system, inventory tracking, and digital payment infrastructure), staff cost for our outlet service crew and rental costs.*

As part of the process in establishing a new outlet, we will conduct research analysis in identifying suitable shopping complexes as our new outlet site including conducting cost analysis and developing financial projections, followed by a physical site visit and outlet set-up. Please refer to Section 7.11.2 of this Prospectus for further details on our process in establishing a new sushi chain outlet.

The capital expenditure and start-up costs for each new outlet will vary depending on factors such as the fit-out requirements of the relevant premise owner, the locality and condition of the site, and the intended size of the new outlet.

The operating format of the new outlets will be determined based on the suitability of each location, taking into consideration several factors, including the availability of exhaust provision, size and layout of available space as well as the commercial terms negotiated with the premise owner.

The estimated timeframe for use of proceeds to be raised from the IPO for the expansion of outlets of 36 months was arrived at after taking into consideration the estimated time required for careful site selection, phased recruitment and training of staff to maintain consistent quality, prudent management of capital expenditure and cash flow, as well as the relevant regulatory approvals and fit-out works. The gradual rollout also allows our Group to incorporate market feedback and manage the risk of market saturation while supporting sustainable long-term growth.

Further details on our expansion plan are set out in Section 7.5.2 of this Prospectus.

4.6.2 Upgrading selected existing sushi outlets

Our Group intends to utilise RM[•] million of the gross proceeds from the Public Issue to upgrade 27 existing outlets with planned upgrading works taking place between the FYE 31 March 2027 and the FYE 31 March 2029. We plan to commence upgrading and refurbishment works at selected outlets, including renovations and replacement of fittings and equipment, the details of which are set out below:

4. DETAILS OF OUR IPO (Cont'd)

	Number of existing outlets			
	FYE 31 March 2027	FYE 31 March 2028	FYE 31 March 2029	Total
Existing outlets				
Peninsular Malaysia	8	9	10	27
Estimated costs⁽¹⁾ (RM million)	[●]	[●]	[●]	[●]

Further details on the upgrades of our existing outlets are set out in Section 7.5.2 of this Prospectus.

4.6.3 Working capital

Our Group plans to utilise RM[●] million of the gross proceeds from the Public Issue for working capital expenses, comprising the following:

- (i) RM[●] million for the purchase of input materials for our existing and new sushi outlets as follows:
 - (a) prepared and fresh ingredients used in our sushi products such as fresh and prepared seafood and meat, sauces and seasonings and dry ingredients including rice and dried seaweed sheets;
 - (b) packaging materials and consumables including plastic trays and lids, small plate food covers, plastic spoons, paper boxes, disposable wooden chopsticks, paper napkins and plastic bags; and
 - (c) beverages including tea, fruit and carbonated drinks.
- (ii) RM[●] million for miscellaneous working capital expenses such as marketing costs for our campaigns and promotional vouchers as well as utilities.

4.6.4 Defray fees and expenses for our IPO and our Listing

The estimated fees and expenses for our IPO and Listing to be borne by us are approximately RM[●] million, comprising the following:

	RM'000
Professional fees ⁽¹⁾	[●]
Fees payable to authorities	[●]
Brokerage fee, underwriting commission and placement fees	[●]
Other expenses relating to our IPO and Listing ⁽²⁾	[●]
Total	[●]

Notes:

- (1) This includes professional fees for, among others, the Principal Adviser, legal advisers, Reporting Accountants, company secretaries, Independent Business and Market Research Consultant, Internal Control Consultant, Issuing House and Share Registrar.
- (2) This includes related fees and expenses in connection with our IPO, such as printing and advertising, travel and roadshow expenses, and media related expenses.

4. DETAILS OF OUR IPO (Cont'd)

If the actual fees and expenses for our IPO and Listing are higher than estimated, the shortfall will be funded using our internally generated funds. However, if the actual fees and expenses for our IPO and Listing are lower than estimated, the surplus will be used for our working capital.

The actual proceeds accruing to our Group will depend on the Institutional Price and the Final Retail Price. If the actual proceeds are higher than budgeted above, the excess will be used for our working capital requirements. Conversely, if the actual proceeds are lower than budgeted above, the proceeds allocated for our working capital requirements will be reduced.

Given the timing of the use of proceeds to be raised from the Public Issue may not be immediate and as part of our efficient capital management to maximise profit income, we intend to place the proceeds raised from the Public Issue or any balance (including accrued profit, if any) in profit-bearing accounts with licensed financial institution(s) in Malaysia and/or in money-market deposit instruments/funds.

Our Company will not receive any proceeds from the Offer for Sale. The gross proceeds from the Offer for Sale of up to approximately RM[●] million will accrue entirely to the Selling Shareholder. The Selling Shareholder will bear its own expenses including, but not limited to, the placement fees as well as other miscellaneous expenses in relation to the Offer for Sale which is estimated to be approximately RM[●] million.

4.7 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.7.1 Brokerage Fee

We will pay the brokerage in respect of our Issue Shares under the Retail Offering at the rate of [●]% (exclusive of applicable tax) of the Final Retail Price in respect of all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

The Sole Bookrunner is entitled to charge brokerage commission to successful applicants under the Institutional Offering. For the avoidance of doubt, such brokerage commission under the Institutional Offering will not be payable by us or the Selling Shareholder.

4.7.2 Underwriting commission

As stipulated in the Retail Underwriting Agreement, the Sole Underwriter has agreed to underwrite our Issue Shares under the Retail Offering for an underwriting commission of [●]% (exclusive of applicable tax) of the Retail Price multiplied by the total number of our Issue Shares underwritten under the Retail Offering in accordance with the terms of the Retail Underwriting Agreement.

4.7.3 Placement fee

The Selling Shareholder for the Offer Shares and us for our Issue Shares will pay the Sole Placement Agent a placement fee and selling commission of up to [●]% (exclusive of applicable tax) of the Institutional Price multiplied by the number of IPO Shares placed out to the institutional and selected investors under the Institutional Offering in accordance with the terms of the Placement Agreement.

4. DETAILS OF OUR IPO (Cont'd)

4.8 DETAILS OF THE UNDERWRITING, PLACEMENT AND LOCK-UP ARRANGEMENTS

4.8.1 Underwriting

We have entered into the Retail Underwriting Agreement with the Sole Underwriter to severally and not jointly (nor jointly and severally) underwrite 70,000,000 Issue Shares under the Retail Offering ("**Underwritten Shares**"), subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus and upon the terms and subject to the conditions of the Retail Underwriting Agreement.

Details of the underwriting commission are set out Section 4.7.2 of this Prospectus, while the salient terms of the Retail Underwriting Agreement are as follows:

- (i) [***].

4.8.2 Placement

We and the Selling Shareholder expect to enter into the Placement Agreement with the Sole Bookrunner in relation to the placement of up to 293,000,000 IPO Shares under the Institutional Offering, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus. We and the Selling Shareholder will be requested, on a several basis, to give various representations, warranties and undertakings, and to indemnify the Sole Placement Agent against certain liabilities in connection with our IPO. The terms of the Placement Agreement are subject to negotiations and may include termination events that are different from those under the Retail Underwriting Agreement as set out in Section 4.8.1 of this Prospectus.

4.8.3 Lock-up arrangement

[***]

4.9 TRADING AND SETTLEMENT IN SECONDARY MARKET

Upon our Listing, our Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS, which is operated by Bursa Depository. This will be effected in accordance with the Rules of Bursa Depository and the provisions of the SICDA. Accordingly, we will not deliver share certificates to the subscribers or purchasers of the IPO Shares.

Beneficial owners of our Shares are required under the Rules of Bursa Depository to maintain our Shares in CDS accounts, either directly in their names or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as our shareholders in respect of the number of Shares credited to their respective CDS accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares sold and the buyer's CDS account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market.

Shares held in CDS accounts may not be withdrawn from the CDS except in the following instances:

- (i) to facilitate a share buy-back;
- (ii) to facilitate conversion of debt securities;
- (iii) to facilitate company restructuring process;

4. DETAILS OF OUR IPO (Cont'd)

- (iv) where a body corporate is removed from the Official List;
- (v) to facilitate a rectification of any error; and
- (vi) in any other circumstances as determined by Bursa Depository from time to time, after consultation with the SC.

Trading of shares of companies listed on Bursa Securities is normally done in “board lots” of 100 shares. Investors who desire to trade less than 100 shares are required to trade under the odd lot board. Settlement of trades done on a “ready” basis on Bursa Securities generally takes place on the second Market Day following the transaction date, and the payment for the securities is generally settled on the second Market Day following the transaction date.

It is expected that our Shares will commence trading on Bursa Securities approximately 10 Market Days after the close of the Institutional Offering. Subscribers or purchasers of our Shares will not be able to sell or otherwise deal in our Shares (except by way of book-entry transfer to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

5.1 PROMOTERS AND/OR SUBSTANTIAL SHAREHOLDERS

5.1.1 Particulars and shareholdings

The details of our Promoters and Substantial Shareholders and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Nationality/ Place of Incorporation	After the Pre-IPO Acquisition but before our IPO		After our IPO		Assuming full exercise of the ESOS Options granted in conjunction with our Listing		
		Direct	No. of Shares (⁽¹⁾ %)	Indirect	No. of Shares (⁽¹⁾ %)	Direct	No. of Shares (⁽²⁾ %)	Indirect
		No. of Shares (⁽¹⁾ %)	No. of Shares (⁽¹⁾ %)	No. of Shares (⁽¹⁾ %)	No. of Shares (⁽²⁾ %)	No. of Shares (⁽²⁾ %)	No. of Shares (⁽³⁾ %)	No. of Shares (⁽³⁾ %)
<u>Promoters and Substantial Shareholders</u>		(⁽¹⁾ 000)	(⁽¹⁾ 000)	(⁽¹⁾ 000)	(⁽²⁾ 000)	(⁽²⁾ 000)	(⁽³⁾ 000)	(⁽³⁾ 000)
Nicole Lim	Malaysian	-	-	882,000 ⁽⁴⁾	100.0	-	737,000 ⁽⁴⁾	65.2
Jordan Tan	Malaysian	-	-	882,000 ⁽⁴⁾	100.0	-	737,000 ⁽⁴⁾	65.2
<u>Substantial Shareholder</u>								
Empire 11	Malaysia	882,000	100.0	-	737,000 ⁽⁶⁾	67.0	-	-

Notes:

- (1) Based on the enlarged issued Shares after the Pre-IPO Acquisition but before our IPO of 882,000,000.
- (2) Based on the enlarged issued Shares upon our Listing of 1,100,000,000.
- (3) Based on the enlarged issued Shares upon our Listing and assuming full exercise of the ESOS Options granted to the LTIP Eligible Persons in conjunction with our Listing of 1,129,550,000.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (4)

Deemed interested by virtue of his/her shareholding in Empire 11 pursuant to Section 8(4) of the Act.
- (5)

Assuming the entire ESOS Options granted to the LTIP Eligible Persons in conjunction with our Listing of 29,550,000 are fully vested and exercised upon our Listing.
- (6)

After the Offer for Sale.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

The Shares held by our Promoters and our Substantial Shareholders do not have different voting rights from our other shareholders.

Save as disclosed above, there are no other persons who is able to, directly or indirectly, jointly or severally, exercise control over our Company.

As at the LPD, there is no arrangement between our Company and our Promoters and our Substantial Shareholders, with any third party of which may result in a change in control of our Company at a date subsequent to our IPO and our Listing.

5.1.2 Profiles of our Promoters and/or Substantial Shareholders

(i) Nicole Lim as Promoter and Substantial Shareholder

Nicole Lim, a Malaysian aged 35, is our Promoter, Substantial Shareholder, Non-Independent Executive Director and CEO. She was appointed to our Board in September 2023.

Nicole Lim completed her secondary education at Sekolah Menengah Kebangsaan Sultan Abdul Aziz, Teluk Intan, Perak in 2007. Upon completing her secondary education, she enrolled in Kolej Tunku Abdul Rahman, Kampar branch (now known as Universiti Pengurusan dan Teknologi Tunku Abdul Rahman) in Perak to pursue a Certificate in Business Studies (Business Administration) in 2008. Nicole Lim withdrew from her course in 2009 to establish her first entrepreneurial venture together with Jordan Tan through a partnership, a registered business known as BB Little Kitchen, a food and beverage café located in close proximity to her college in Kampar, Perak in December 2009. This marked the beginning of her journey in entrepreneurship, business ownership and operational management.

In November 2010, Nicole Lim and Jordan Tan saw the opportunity to venture into the business of grab-and-go sushi and set up a partnership under *Empire Sushi* to undertake such business on a consignment basis. They subsequently decided to cease and close down BB Little Kitchen in Kampar in May 2011 and ventured into another business partnership of selling sizzling hotplate Japanese food in Kuala Lumpur through Empire Successfully which was set up by Nicole Lim and Jordan Tan in July 2011.

In July 2013, Nicole Lim and Jordan Tan decided to close down Empire Successfully to focus on the business of *Empire Sushi*. Following the growth of the business of *Empire Sushi*, Nicole Lim and Jordan Tan incorporated Empire Sushi Group Sdn Bhd in December 2013 to own and operate sushi outlets under the *Empire Sushi* brand. *Empire Sushi* ceased operations in April 2015.

In January 2020, Empire Sushi was incorporated by Nicole Lim and Jordan Tan to assume all the business operations from Empire Sushi Group Sdn Bhd. Empire Sushi Group Sdn Bhd ceased operations and was placed under members' voluntary winding-up in March 2025.

In her capacity as CEO, Nicole Lim is primarily responsible for the overall strategic direction and strategy development of our Group, and she has led and grown our Group's business over the years with 132 outlets as at the LPD. She played a pivotal role in formulating the strategic direction of our Group, which includes corporate planning, branding and marketing initiatives, and her contributions have been instrumental in driving the growth and market presence of our Group.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Her notable achievements include being awarded Young Entrepreneur of the Year of the Star Outstanding Business Awards (SOBA) in 2018, 2020 and 2023, respectively, by Star Media Group, SME Woman Entrepreneur Award of the SME Malaysia Platinum Business Award 2019 by Star Media Group, Top 10 Finalist of the Creative Young Entrepreneur Award 2019 by Junior Chamber International (JCI) Malaysia, Winner of the JCI Creative Young Entrepreneur Award 2020 by Junior Chamber International (JCI) Malaysia, Honoree for Business, Economic and/or Entrepreneurial Accomplishment of the JCI Ten Outstanding Young Malaysians Award 2021 by Junior Chamber International (JCI) Malaysia and Entrepreneur of the Year of the EY Emerging Entrepreneur of the Year 2022 Malaysia by Ernst & Young.

Nicole Lim is the spouse of Jordan Tan, who is our Non-Independent Executive Director and COO and the sibling of Lim Chung Liang, who is our CFO.

(ii) Jordan Tan as Promoter and Substantial Shareholder

Jordan Tan, a Malaysian aged 43, is our Promoter, Substantial Shareholder, Non-Independent Executive Director and COO.

He was appointed to our Board in September 2023. Jordan Tan completed his secondary education at Sekolah Menengah Kebangsaan Desa Perdana, Kuala Lumpur in 1999. Upon completing his secondary education, he worked for a company that operates grab-and-go sushi counters in supermarkets and he was based at one of such counters in a supermarket in Kuala Lumpur from 2000 to 2003, supporting daily kitchen operations where he gained valuable insights into the daily operations of a grab-and-go sushi outlet. Between 2003 and 2006 after leaving the said job, Jordan Tan worked as a sales and marketing person for two other companies in the Klang Valley that were in the business of distributing mobile phone accessories and kitchen appliances.

In March 2006, Jordan Tan decided to embark on his first business venture with his partner where they set up the business of Sushi Terminal, a grab-and-go sushi kiosk. He later met Nicole Lim in 2009 and together they set up and registered a business known as BB Little Kitchen, a food and beverage café located in Kampar in December 2009.

In November 2010, Jordan Tan and Nicole Lim saw the opportunity to venture into the business of grab-and-go sushi and set up a partnership under *Empire Sushi* to undertake such business on a consignment basis. They subsequently decided to cease and close down BB Little Kitchen in Kampar, Perak in May 2011 and ventured into another business partnership of selling sizzling hotplate Japanese food in Kuala Lumpur through Empire Successfully, which was set up by Jordan Tan and Nicole Lim in July 2011.

In July 2013, Jordan Tan and Nicole Lim decided to close down Empire Successfully and in 2014, Jordan Tan also withdrew from the business partnership in Sushi Terminal to focus on the business of *Empire Sushi*. Following the growth of the business of *Empire Sushi*, Jordan Tan and Nicole Lim incorporated Empire Sushi Group Sdn Bhd in December 2013 to own and operate sushi outlets under the *Empire Sushi* brand. *Empire Sushi* ceased operations in April 2015.

In January 2020, Empire Sushi was incorporated by Jordan Tan and Nicole Lim to assume the business operations from Empire Sushi Group Sdn Bhd.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Empire Sushi Group Sdn Bhd ceased operations and was placed under members' voluntary winding-up in March 2025.

Jordan Tan has approximately 22 years in the F&B industry, including approximately 19 years in sushi outlet operations. In his capacity as Non-Independent Executive Director and COO, he is primarily responsible for overseeing overall outlet operations, developing and enhancing the menus which includes exploring diverse ingredient combinations and preparation techniques, with a focus on incorporating local flavour profiles to create appealing new and enhanced menu items.

Jordan Tan is the spouse of Nicole Lim, who is our Non-Independent Executive Director and CEO and the brother-in-law of Lim Chung Liang, who is our CFO.

(iii) **Empire 11 as our Substantial Shareholder**

Empire 11 was incorporated in Malaysia under the Act on 13 December 2018 as a private limited company under the name of Hero Holdings Sdn Bhd and subsequently changed its name to Empire 11 Group Sdn Bhd on 10 August 2022.

As at the LPD, Empire 11's principal activity is investment holding.

As at the LPD, the total issued share capital of Empire 11 is RM2 comprising 2 ordinary shares in Empire 11, with Nicole Lim and Jordan Tan each holding 1 ordinary share. As at the LPD, Nicole Lim and Jordan Tan are the directors of Empire 11.

Please refer to Section 5.1.1 of this Prospectus for details of Empire 11's shareholding (before and after our IPO) in our Company.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.1.3 Changes in our Promoters' and/or Substantial Shareholders' shareholdings in our Company

The following tables set out the changes in our Promoters' and/or Substantial Shareholders' shareholdings in our Company during the past 3 years up to the LPD:

Name	As at 31 March 2023 ⁽¹⁾			As at 31 March 2024		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares
Promoters and Substantial Shareholders						
Nicole Lim	-	-	-	1	50.0	-
Jordan Tan	-	-	-	1	50.0	-
Substantial Shareholder						
Empire 11	-	-	-	-	-	-

Note:

⁽¹⁾ Our Company was incorporated on 25 September 2023.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name	As at 31 March 2025			After the Pre-IPO Acquisition		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%	No. of Shares	%	No. of Shares	(1)%
<u>Promoters and Substantial Shareholders</u>						
Nicole Lim	1	50.0	-	-	-	882,000 ⁽²⁾ 100.0 ⁽²⁾
Jordan Tan	1	50.0	-	-	-	882,000 ⁽²⁾ 100.0 ⁽²⁾
<u>Substantial Shareholder</u>						
Empire 11	-	-	-	-	882,000	100.0 -

Notes:

- (1) Based on our enlarged issued Shares after the Pre-IPO Acquisition but before our IPO of 882,000,000.
- (2) Deemed interested by virtue of his/her shareholding in Empire 11 pursuant to Section 8(4) of the Act.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.1.4 Amounts/Benefits paid/given or intended to be paid/given to our Promoters and our Substantial Shareholders

Save for the dividends paid to Nicole Lim and Jordan Tan as disclosed below and the remuneration and material benefits-in-kind paid or proposed to be paid to our Directors who are also our Promoters and Substantial Shareholders as disclosed in Section 5.2.4 of this Prospectus, there is no amount and benefit that has been or is intended to be paid or given to our Promoters and our Substantial Shareholders within the 2 years preceding the date of this Prospectus and up to the LPD.

In respect of the FYE 31 March 2025, Empire Sushi has declared and paid dividend in aggregate of RM37.0 million, comprising an interim dividend of RM22.0 million and a final dividend of RM15.0 million. In respect of the FYE 31 March 2026, Empire Sushi has declared and paid an interim dividend of RM15.0 million. The amount of dividends declared and paid to our Promoters and Substantial Shareholders are as tabulated below:

Substantial Shareholders	Entitlement date / Payment date		
	1 May 2024 / 16 December 2024	30 July 2025 / 8 August 2025	22 August 2025 / 1 September 2025
	RM'000	RM'000	RM'000
Nicole Lim	11,000	7,500	7,500
Jordan Tan	11,000	7,500	7,500
Total	22,000	15,000	15,000

Further, Empire Sushi proposes to declare a further interim dividend for the FYE 31 March 2026 of RM12.0 million which is intended to be paid prior to the submission of confirmation of registration of this Prospectus to the SC.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2 BOARD OF DIRECTORS

5.2.1 Particulars and shareholdings

The details of our Directors and their respective shareholding in our Company before and after our IPO are as follows:

Directors	Designation	Before our IPO			After our IPO			Assuming full exercise of the ESOS Options granted in conjunction with our Listing		
		Direct	(1)%	Indirect	Direct	(2)%	Indirect	Direct	(6)%	Indirect
		No. of Shares ('000)		No. of Shares ('000)	No. of Shares ('000)		No. of Shares ('000)	No. of Shares	(6)%	No. of Shares
Rohaiza Binti Mohamed Basir	Independent Non-Executive Chairperson	-	-	-	-	*	-	200 ⁽⁴⁾	*	-
Nicole Lim	Non-Independent Executive Director and CEO	-	-	882,000 ⁽³⁾	-	-	737,000 ⁽³⁾	3,000 ⁽⁵⁾	0.3 ⁽⁶⁾	737,000 ⁽³⁾
Jordan Tan	Non-Independent Executive Director and COO	-	-	882,000 ⁽³⁾	-	-	737,000 ⁽³⁾	3,000 ⁽⁵⁾	0.3 ⁽⁶⁾	737,000 ⁽³⁾

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Directors	Designation	Before our IPO			After our IPO			Assuming full exercise of the ESOS Options granted in conjunction with our Listing		
		Direct		Indirect	Direct		Indirect	Direct		Indirect
		No. of Shares ('000)	(1)%	No. of Shares ('000)	(2)%	No. of Shares ('000)	(2)%	No. of Shares	(6)%	No. of Shares
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-
Datuk Khairul Idham Ismail	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-
Elaine Law Soh Ying	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-

Notes:

- * Negligible
- (1) Based on the enlarged issued Shares after the Pre-IPO Restructuring but before our IPO of 882,000,000.
- (2) Based on the enlarged issued Shares upon our Listing of 1,100,000,000.
- (3) Deemed interested by virtue of his/her shareholding in Empire 11 pursuant to Section 8(4) of the Act.
- (4) Assuming he/she fully subscribes his/her entitlement under the Pink Form Allocation.
- (5) Assuming he/she fully exercised his/her ESOS Options granted to him/her under the LTIP in conjunction with our Listing.
- (6) Based on the enlarged issued Shares of 1,129,550,000 assuming full exercise of 29,550,000 ESOS Options granted in conjunction with our Listing.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.2 Profiles of our Directors

Save for the profiles of Nicole Lim and Jordan as set out in Section 5.1.2 of this Prospectus, the profiles of our other Directors are as follows:

(i) **Rohaiza Binti Mohamed Basir**

Rohaiza Binti Mohamed Basir, a Malaysian aged 57, is our Independent Non-Executive Chairperson. She was appointed to our Board on 25 August 2025. She graduated with a degree in Bachelor of Law from Universiti Malaya in 1990.

After completion of her degree, she commenced her pupillage with Messrs Rashid & Lee (currently known as Messrs Shahrizat Rashid & Lee), a law firm, in May 1990 and upon completion of her pupillage, she was admitted as Advocate and Solicitor of the High Court of Malaya in March 1991.

Upon her admission, she commenced her legal career with Messrs Rashid & Lee as a legal associate from March 1991 to May 1992, where she was involved in corporate and conveyancing matters with a focus on unit trust fund, banking documentation and corporate finance. She then joined Messrs Allen & Gledhill (currently known as Messrs Lee Hishammudin Allen & Gledhill), a law firm, as a legal associate from May 1992 to January 1994 where she was primarily involved in corporate and conveyancing matters, including advising on joint venture projects and setting up of business in Malaysia. She then took a break from February 1994 to January 2010 to start her family. In February 2010, she joined Messrs Azwar & Associates, a law firm, as a Senior Equity Partner where she co-manage the administrative functions of the firm and she was also involved in conveyancing matters. She retired from the partnership of Messrs Azwar & Associates in March 2025.

She is a member of the Malaysian Bar since 1991 and an audit committee member of the Institute of Internal Auditors Malaysia since May 2023. She is also an independent non-executive director for several companies, namely Tong Herr Resources Berhad, a company listed on the Main Market of Bursa Securities, principally involved in the business of manufacturing and sale of stainless steel fasteners including nuts, bolts, screws and all other threaded items and manufacture of aluminum extrusion and its related products; Poh Kong Holdings Berhad, a company listed on the Main Market of Bursa Securities, principally involved in the business of manufacturers, suppliers, distributors, importers and exporters, agents, merchants of and dealers in (either by wholesale or retail) articles, objects and merchandise in the form of gold, silver, bronze, platinum; and U Mobile Holdings Berhad, an unlisted public company principally involved in the business of mobile telecommunications.

(ii) **Syed Razif Al-Idid B. Syed Sidi Al-Idid**

Syed Razif Al-Idid B. Syed Sidi Al-Idid, a Malaysian age 55, is our Independent Non-Executive Director. He was appointed to our Board on 25 August 2025.

He graduated with a Bachelor of Science in Economics with Statistics from University of Bristol, United Kingdom in June 1993. He was admitted as an Associate of The Institute of Chartered Accountants in England and Wales in September 1997 and then to Fellow in July 2012. He was admitted as a member of the Malaysian Institute of Accountants since April 1999.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Upon graduation, he joined KPMG London, United Kingdom in August 1993 as Trainee Chartered Accountant. During his tenure at KPMG London, he was involved in conducting audits on clients within the financial sector. In December 1997, he left KPMG London as Assistant Manager and returned to Malaysia.

In the same month, he joined Smith Zain Securities Sdn Bhd, which was then under Merrill Lynch International, as Industry Analyst, where he wrote buy or sell recommendations on listed stocks relating to the telecommunication, oil and gas, and technology sectors in Malaysia. In June 2000, he left Smith Zain Securities Sdn Bhd and moved to Singapore to join ING Barings Securities (Singapore) Pte Ltd as a Regional Telecommunications Analyst in the Equities Research Department where he was responsible for conducting research and analysis for the telecommunication sector and was involved in the IPO exercise of a major telecommunication company in Malaysia.

In September 2004, he left ING Barings Securities (Singapore) Pte Ltd and joined UBS AG, Singapore Branch as director of the Equities Research Department where he was involved in conducting research and analysis, developing forecast earnings and compiling research reports for clients as well as involved in the IPO exercise of a major telecommunication company in Singapore. In January 2007, he was redesignated to Client Advisor of UBS AG, Singapore Branch where he was responsible for managing wealth portfolios and offshore banking services for ultra-high net worth clients. He resigned in April 2009 from UBS AG, Singapore Branch and joined Credit Suisse Group as Senior Private Banker and was responsible for managing the wealth portfolio and offshore banking services for clients. In September 2010, he resigned from Credit Suisse Group and joined Coutts & Co Ltd as director where he was in-charge of managing a team of private bankers covering the Malaysian market.

In April 2013, he left Coutts & Co Ltd and returned to UBS AG, Singapore Branch as Client Advisor of the Wealth Management Division where he was responsible for managing the assets and investments of ultra-high net worth clients until October 2017. In November 2017, he joined CIMB Bank Berhad as Head of Private Banking in Singapore where he was in-charge of managing CIMB's private banking business in Singapore. In October 2022, he was redesignated to Head of Private Banking Sales where he led teams of private bankers covering the Southeast Asian markets until July 2023.

In August 2023, he joined Bank of Singapore, a subsidiary of OCBC Bank, as Managing Director where he heads a team of private bankers covering the Southeast Asian markets with focus on the Malaysian market. He retired from Bank of Singapore in June 2025.

He is an Independent Non-Executive Director and the Chairperson of the Audit and Risk Management Committee of Ocean Fresh Berhad, a company listed on the ACE Market of Bursa Securities, principally involved in the processing and trading of frozen seafood products and provision of frozen seafood processing services. He is also a director of a private limited company in Singapore, details of which are set out in Section 5.2.3(iv) of this Prospectus.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(iii) **Datuk Khairul Idham bin Ismail**

Datuk Khairul Idham bin Ismail, a Malaysian aged 49, is our Independent Non-Executive Director. He was appointed to our Board on 25 August 2025. He graduated with a degree in Bachelor of Laws from Kings College London in 1998.

After completion of his degree, he commenced his pupillage with Messrs David Chong & Co, a law firm, in November 1999 and upon completion of his pupillage, he was admitted as an Advocate and Solicitor of the High Court of Malaya in September 2000.

Upon his admission, he commenced his legal career with Messrs David Chong & Co as a legal associate from October 2000 to December 2002, where he was involved in corporate and commercial matters. In January 2003, he joined the corporate secretarial and legal department of Malaysia Mining Corporation Berhad (later known as MMC Corporation Berhad), a company which was listed on the Main Market of Bursa Securities prior to its delisting in December 2021, as a legal executive and was subsequently promoted to senior legal executive in January 2005. During his employment with MMC Corporation Berhad, he obtained his company secretary licence and was primarily involved in corporate secretarial, legal and regulatory compliance matters.

He left MMC Corporation Berhad in May 2006 to join Messrs. Naqiz & Partners as a senior associate in June 2006. He was subsequently promoted to Partner in January 2008 and to Managing Partner in January 2015. His areas of practice include all corporate and commercial matters (including corporate restructuring, public-private partnership and privatisation), capital markets, private equity and fund management, Islamic banking and finance, construction and real estate transactions, infrastructure and projects and intellectual property.

He is a member of the Malaysian Bar since 2000 and an office bearer of Koperasi Dinar Berhad (a co-operative body established under the Co-operative Societies Act 1993) since May 2024.

He is an independent non-executive chairman for Niche Capital Emas Holdings Berhad, a company listed on the Main Market of Bursa Securities, principally involved in the business of mineral exploration and mining, construction and services and trading of precious metals and stones. He is also a director of several private limited companies, details of which are set out in Section 5.2.3(v) of this Prospectus.

(iv) **Elaine Law Soh Ying**

Elaine Law Soh Ying, a Malaysian aged 47, is our Independent Non-Executive Director. She was appointed to our Board on 25 August 2025.

She graduated with a degree in Bachelor of Laws in Law from University of Leicester, United Kingdom in July 2000. She then undertook the professional law course in Malaysia from September 2000 until June 2001 and later obtained the Certificate in Legal Practice from the Legal Profession Qualifying Board Malaysia in March 2002. In September 2001, she returned to the University of Leicester, United Kingdom to pursue her Master of Laws (in International Commercial Law) ("LLM") and completed the same in September 2002. She was awarded the degree in LLM in January 2003.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

After completion of the LLM, she commenced her pupillage with Messrs Raja, Darryl & Loh, a law firm, in October 2002 and thereafter was admitted as Advocate and Solicitor of the High Court of Malaya in September 2003. She is also a Certified Professional Coach after having completed a coach training program accredited by the International Coaching Federation with Corporate Coach Academy, Malaysia in December 2021.

She then joined Messrs Zain & Co, a law firm, as a legal associate from September 2003 to June 2006 where she was involved in civil litigation and arbitration matters. From June 2006 to December 2006, she joined Messrs Foong & Partners, a law firm, as a legal associate where she was primarily involved in corporate advisory work.

Subsequently, she joined Messrs Azman Davidson & Co, a law firm, from January 2007 to June 2021 as a legal associate in the corporate and commercial department. She was promoted to Senior Associate in January 2011 and was subsequently admitted as Partner in January 2012 where she was one of the partners responsible for the corporate and commercial department as well as intellectual property department of the firm. While in Messrs Azman Davidson & Co, her practice areas encompassed advising on mergers and acquisitions, joint ventures, shareholders' agreements and foreign investments into Malaysia, as well as various commercial contracts drafting. She was also involved in advising on IPO exercises on Bursa Securities and acting as Malaysian counsel in IPO exercises on the Singapore Exchange. In the intellectual property practice area, she has provided advisory work relating to intellectual property laws and assisted clients in trademark registration.

In October 2020, she set up a sole proprietorship business, namely Emerging Leaders Coaching & Consulting which specialises in coaching, training and consulting.

In July 2021, she joined Messrs Law Kuan Yew & Co, a law firm, as a Partner where she is currently still active and is specialising in the practise areas of corporate and commercial law as well as intellectual property law, particularly on trademark advisory and registration.

She is a member of the Institute of Corporate Directors Malaysia since December 2024. She is also an independent non-executive director for several companies, namely KJTS Group Berhad, a company listed on the ACE Market of Bursa Securities principally involved in the business of integrated building support services; Kucingko Berhad, a company listed on the ACE Market of Bursa Securities, principally involved in the business of 2D animation production services; and V Aesthetics Holdings Limited, an unlisted public company incorporated in Singapore (and registered as a foreign company in Malaysia) principally involved in the business of provision of aesthetic services.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.3 Principal directorships and principal business activities of our Directors outside our Group

The following table sets out the principal directorships as at the LPD (“**Present Directorship**”) of our Directors and those which were held within the past 5 years up to the LPD (“**Past Directorship**”) as well as their involvement in principal business activities outside our Group as at the LPD:

(i) Rohaiza Binti Mohamed Basir

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Present Directorship						
Poh Kong Holdings Berhad	Investment holding company; and Manufacturers, suppliers, distributors, importers and exporters, agents, merchants of and dealers in (either by wholesale or retail) articles, objects and merchandise in the form of gold, silver, bronze, platinum	Director	2.6.2023	-	-	-
U Mobile Holdings Berhad ⁽¹⁾	Activities of holding companies	Director	12.7.2024	-	-	-
Jernih Rimbun Sdn Bhd	Property investment	Director	25.5.1995	-	33.3	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Tong Herr Resources Berhad ⁽²⁾	Investment holding	Director	22.5.2023	-	-	-
Kuchinta Holdings Sdn Bhd	Activities of holding companies; other business support service activities not elsewhere classified	Director	4.1.1995	-	50.0	-
Past Directorship						
Aumas Resources Berhad	Investment holding	Director	9.11.2022	31.8.2024	-	-
Eplas Global Berhad	Activities of holding companies	Director	2.9.2024	30.4.2025	-	-
Other business involvement outside our Group						

Nil

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Notes:

(1) The company and its subsidiaries are principally engaged in the business of mobile telecommunications.

(2) The company and its subsidiaries are principally engaged in business of manufacturing and sale of stainless steel fasteners including nuts, bolts, screws and all other threaded items and manufacture of aluminum extrusion and its related products.

(ii) Nicole Lim

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct	Indirect
					(%)	(%)
Present Directorship						
Empire 11	Investment holding company	Director	13.12.2018	-	50.0	-
Empire Legend Group Sdn Bhd	Importer, supplier and dealer of food materials, kitchen equipment and utensils. As at the LPD, the company has not commenced operations.	Director	4.5.2018	-	50.0	-
Empire Sushi Group Sdn Bhd (In members' voluntary winding-up)	To carry on the business as proprietors of Japanese restaurants, refreshment and tea room, cafes and snack bars	Director	11.12.2013	-	50.0	-
Teikokuka Sdn Bhd	To purchase, sell and rent for any persons freehold or other house property, buildings or lands, or any share or shares, interest or interests therein, and	Director	29.9.2014	-	50.0	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Previous Directorship						
A Sushi Group Sdn Bhd (Dissolved on 20 March 2024)	to transact on commission or otherwise the general business of a land and property agent	Director	3.3.2020	-	50.0	-
Other business involvement outside our Group						
Nil						

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(iii) Jordan Tan

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Present Directorship						
Empire 11	Investment holding company	Director	13.12.2018	-	50	-
Empire Legend Group Sdn Bhd	Importer, supplier and dealer of food materials, kitchen equipment and utensils. As at the LPD, the company has not commenced operations.	Director	4.5.2018	-	50	-
Empire Sushi Group Sdn Bhd (In members' voluntary winding-up)	To carry on the business as proprietors of Japanese restaurants, refreshment and tea room, cafes and snack bars	Director	11.12.2013	-	50	-
Teikokuka Sdn Bhd	To purchase, sell and rent for any persons freehold or other house property, buildings or lands, or any share or shares, interest or interests therein, and to transact on commission or otherwise the general business of a land and property agent	Director	29.9.2014	-	50	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Previous Directorship						
A Sushi Group Sdn Bhd (Dissolved on 20 March 2024)	Food or beverage, food and beverage preparation in market stalls/hawkers	Director	3.3.2020	-	50.0	-
Other business involvement outside our Group						
Nil						
(iv)	Syed Razif Al-Idid B. Syed Sidi Al-Idid					
Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Present Directorship						
Ocean Fresh Berhad ⁽¹⁾	Investment holding company	Director	1.10.2023	-	-	-
Previous Directorship						

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)

Nil

Other business involvement outside our Group

Nil

Notes:

* Negligible

(1)

The company and its subsidiaries are principally engaged in the processing and trading of frozen seafood products and provision of frozen seafood processing services.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(v) Datuk Khairul Idham Bin Ismail

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Present Directorship						
Dropee Technology Sdn Bhd	Activities of consultants other than architecture, engineering and management consultants; other information technology service activities not elsewhere classified; wholesale of a variety of goods without any particular specialisation not elsewhere classified	Director	5.10.2021	-	-	40.0 ⁽¹⁾
Duriex Sdn Bhd	Export and import of other tropical and subtropical fruits not elsewhere classified; export and import of durian	Director	4.9.2018	-	33.3	-
Fundamental Business Concepts (M) Sdn Bhd	Seminars and event organisers	Director	16.10.2014	-	-	-
iKenanga Technology Sdn Bhd	ICT; communication and supply machinery; and general trading	Director	21.2.2023	-	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Kiara Kesas Sdn Bhd	Activities of holding companies. As at the LPD, it is not holding shares in any company and has no business and operations	Director	2.9.2020	-	50.0	-
Megaset Sdn Bhd	Activities of holding companies. As at the LPD, it is not holding shares in any company and has no business and operations	Director	2.4.2019		100.0	-
MyET Education Sdn Bhd	Engage in provision of education for primary, secondary and any other level of study locally and overseas, tuition studies and related online studies methods using information technology, providing consultancy services, commission agent and to transact in whatsoever other business activities that the company desire from time to time	Director	12.11.2020	-	-	-
Myett Sdn Bhd	Tuition centre, other information technology service activities not elsewhere classified; primary education (public)	Director	21.12.2010	-	100.0	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Peak Well Systems (M) Sdn Bhd	Distribution of oil and gas well intervention products and services	Director	14.3.2012	-	26.0	-
Qiscus Malaysia Sdn Bhd	To carry on the business of information technology and telecommunication	Director	24.3.2021	-	-	-
Sovereign Strait Sdn Bhd	General traders	Director	23.9.2008	-	50.0	-
Waqlee Ventures Sdn Bhd	Stock, share and bond brokers	Director	9.3.2021	-	50.0	-
Previous Directorship						
Agensi Pengerjaan Masal Database Sdn Bhd (Dissolved on 16 September 2022))	To carry on the business as private employment agency to recruit and place a worker to another employer	Director	30.11.2018	-	35.0	-
BChaincrest Sdn Bhd	Other information technology service activities not elsewhere classified	Director	3.11.2017	25.4.2025	30.0 ⁽³⁾	-
Birch Capital Sdn Bhd	Investment holding	Director	16.3.2021	24.12.2021	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Definite Privilege Sdn Bhd (Dissolved on 23 February 2022)	Business of mail order sales services and management company	Director	20.3.2015	-	50.0	-
Ficus Group Capital Sdn Bhd	Venture capital companies	Director	1.4.2021	1.6.2021	-	-
I Destinasi Sdn Bhd	Agency for bank's consumer financing products	Director	31.5.2022	16.2.2023	-	-
Ovanti Limited	Provision of advanced fintech and digital commerce software solutions, empowering institutional clients to securely and efficiently authenticate end-user customers while seamlessly managing banking, purchasing, and payment transactions	Director	26.11.2020	3.5.2023	-	-
Kismos Development Sdn Bhd (Dissolved on 22 October 2021)	Development of building projects for own operation, i.e. for renting of space in these buildings, activities of holding companies, wholesale of a variety of goods without any particular	Director	18.8.2014	-	50.0	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
	specialisation not elsewhere classified					
MSL Healthcare Sdn Bhd (Dissolved on 5 May 2023)	Web portals, computer programming activities and computer facilities management	Director	13.11.2018	-	30.0	-
Securenik Solutions Sdn Bhd	Stock, share and bond brokers; information communication technology (ICT) system security; security systems	Director	4.12.2020	17.12.2020	30.0	-
Other business involvement outside our Group						

Tadika Global Edu Care Sdn Bhd Other management consultancy activities not elsewhere classified; child day-care activities/nursery; pre-primary education (private)/kindergarten

100.0 -

Notes:

- (1) Deemed interested by virtue of his interest in Waglee Ventures Sdn Bhd pursuant to Section 8 of the Act.
- (2) Its subsidiaries are engaged in the business of mineral exploration and mining, construction and services and trading of precious metals and stones.
- (3) He held 30.0% equity interest in BChainrest Sdn Bhd prior to the disposal of such interest on 29 May 2025 to a third party, not related to Datuk Khairul Idham bin Ismail.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(vi) Elaine Law Soh Ying

Name of company	Principal business activities	Designation	Date of appointment	Date of resignation	Involvement in business activities other than as a director	
					Direct (%)	Indirect (%)
Present Directorship						
KJTS Group Berhad ⁽¹⁾	Activities of holding companies	Director	21.11.2022	-	*	-
V Aesthetics Holdings Limited ⁽²⁾	Investment holding	Director	22.11.2024	-	-	-
Kucingko Berhad ⁽³⁾	Activities of holding companies	Director	15.9.2023	-	*	-
Previous Directorship						
Nil						
Other business involvement outside our Group						
Emerging Leaders Coaching & Consulting ⁽⁴⁾	Coaching, training and consulting	Sole proprietor	-	-	-	-

Notes:

- * Negligible
- (1) The company and its subsidiaries are principally engaged in the business of integrated building support services.
- (2) V Aesthetics Holdings Limited is principally involved in the business of provision of aesthetic services.
- (3) The company and its subsidiaries are principally engaged in the business of 2D animation production services.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (4) *A registered business (sole proprietorship) pursuant to the Registration of Business Act 1956. It has not commenced business as at the LPD.*

The involvement of our Directors in business activities outside our Group as stated above will not affect their commitment, ability to perform their responsibilities and contribution to our Group in their respective roles as our Directors. Further, the involvement of our Executive Directors in business activities outside our Group does not preclude them from allocating or committing their time and effort to our Group as follows:

- (i) Empire Legend Group Sdn Bhd has not commenced operations, and not in a competing business; and
- (ii) Teikokuka Sdn Bhd is a property investment holding company, which does not require the involvement of our Executive Directors in the day-to-day management of the company.

The involvement of our Non-Executive Directors in business activities outside our Group does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the management and day-to-day management of our Group.

Save as disclosed in Section 5.2.3 of this Prospectus, as at the LPD, none of our Directors is involved in any other principal business activities outside of our Group.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.4 Directors' remuneration and material benefits-in-kind

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid and proposed to be paid to our Directors for services rendered in all capacities to our Company for the FYE 31 March 2025 and FYE 31 March 2026 are as follows:

FYE 31 March 2025 (Paid)	Fees	Salaries	Bonuses	EPF and SOCSSO	Allowances	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Independent Non-Executive Directors							
Rohaiza Binti Mohamed Basir	-	-	-	-	-	-	-
Syed Razif Al- Idid B. Syed Sidi Al-Idid	-	-	-	-	-	-	-
Datuk Khairul Idham Bin Ismail	-	-	-	-	-	-	-
Elaine Law Soh Ying	-	-	-	-	-	-	-
Non-Independent Executive Directors							
Nicole Lim	-	626	1,198	349	-	68 ⁽¹⁾	2,240
Jordan Tan	-	636	1,198	351	-	56 ⁽¹⁾	2,241

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

FYE 31 March 2026		Fees		Salaries		Bonuses		EPF and SOCSO		Allowances		Benefits-in-kind		Total	
(Proposed to be paid)		RM'000		RM'000		RM'000		RM'000		RM'000		RM'000		RM'000	
Independent Non-Executive Directors															
Rohaiza Binti Mohamed Basir	58	-	-	-	-	-	-	-	-	5	-	-	-	63	
Syed Razif Al-Idid B. Syed Sidi Al-Idid	51	-	-	-	-	-	-	-	-	5	-	-	-	56	
Datuk Khairul Idham Bin Ismail	43	-	-	-	-	-	-	-	-	5	-	-	-	48	
Elaine Law Soh Ying	43	-	-	-	-	-	-	-	-	5	-	-	-	48	
Non-Independent Executive Directors															
Nicole Lim	-	624	1,450	395	-	68 ⁽¹⁾	2,538								
Jordan Tan	-	624	1,450	395	-	44 ⁽¹⁾	2,513								

Note:

(1) Consists of motorcar and other related benefits, petrol provided without car and/or driver

The remuneration of our Directors includes salaries, bonuses, fees and allowances as well as other benefits. As set out in our Constitution, any change in our Directors' fees must be approved by our shareholders pursuant to a resolution passed at a general meeting. The remuneration for each of our Directors is subject to annual review by our Nomination and Remuneration Committee.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3 BOARD PRACTICES

5.3.1 Directors' term of office

Our Board is entrusted with the responsibility for the overall direction, strategy, performance and management of our Group. The date of expiration of the current term of office for each of our Directors and the period for which each of them has served in that office is as follows:

Name	Designation	Date of appointment	No. of years and months in office	Date of expiration of the current term of office
Rohaiza Binti Mohamed Basir	Independent Non-Executive Chairperson	25 August 2025	Less than 1 year	At the next AGM in 2025
Nicole Lim	Non-Independent Executive Director and CEO	25 September 2023	1 year, 11 months	At the next AGM in 2025
Jordan Tan	Non-Independent Executive Director and COO	25 September 2023	1 year, 11 months	At the next AGM in 2025
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Independent Non-Executive Director	25 August 2025	Less than 1 year	At the next AGM in 2025
Datuk Khairul Idham Bin Ismail	Independent Non-Executive Director	25 August 2025	Less than 1 year	At the next AGM in 2025
Elaine Law Soh Ying	Independent Non-Executive Director	25 August 2025	Less than 1 year	At the next AGM in 2025

According to our Constitution, an election of Directors shall take place each year at the AGM of our Company, one-third of the Directors for the time being, or if their number is not 3 or a multiple of 3, then the number nearest to 1/3, shall retire from office and be eligible for re-election provided always that all Directors shall retire from office at least once every 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he/she retires.

Our Directors to retire every year shall be the Directors who have been longest in office since the last election or appointment, but as between persons who became or were last re-elected Directors on the same day, the Directors to retire shall (unless they otherwise agree among themselves) be determined by lot.

A Director appointed by our Board to fill in a casual vacancy or as an addition to our existing Board, shall hold office only until the conclusion of the next AGM of our Company and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors to retire by rotation at such meeting.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3.2 Responsibilities of our Board

Our Board has adopted a charter which sets out, among others, the following principal responsibilities of our Board for the effective discharge of its functions:

- (i) setting the strategic direction of our Group while exercising oversight on management;
- (ii) setting the corporate values and promoting a good corporate governance culture within our Group, which reinforces ethical, prudent and professional behaviour and ensure that its obligations to shareholders and other stakeholders are met;
- (iii) reviewing, challenging, and deciding on management's proposals for our Company and monitoring their implementation by management;
- (iv) ensuring that the strategic plan of our Company supports long-term value creation and includes strategies on economic, environmental, and social considerations underpinning sustainability (including setting our Company's sustainability strategies, priorities and targets and communication of the same, including performance against these targets, to internal and external stakeholders), as well as evaluating its operations and set science based emissions reductions target to support cleaner and sustainable growth;
- (v) supervising and assessing management performance to determine whether the business is being properly managed;
- (vi) ensuring there is a sound framework for internal controls and risk management;
- (vii) understanding and identifying the principal risks of the business of our Group and recognising that the business decisions involve the taking of appropriate risks as well as ensuring the implementation of appropriate internal control systems and mitigation measures to manage these risks;
- (viii) setting the risk appetite within which our Board expects management to operate and ensuring that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- (ix) ensuring that Key Senior Management has the necessary skills and experience and there are measures in place to provide for the orderly succession of our Board and Key Senior Management;
- (x) ensuring that our Company has in place procedures to enable effective, transparent and regular communication with stakeholders, including channels for stakeholders to provide their views and feedback including complaints, and such channel shall be available at all times and our Company shall acknowledge and address the stakeholders' views, feedback and complaints appropriately;
- (xi) ensuring that all members of our Board are able to understand financial statements and form a view on the information presented;
- (xii) ensuring the integrity of our Company's financial and non-financial reporting. Each Director shall read the financial statements of our Company and carefully consider whether what it discloses is consistent with our Director's own knowledge of our Group's affairs;
- (xiii) overseeing and evaluating the conduct and sustainability of the businesses of our Group;

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (xiv) reviewing and adopting the overall strategic direction, business plans, and annual budgets of our Group, including major capital commitments;
- (xv) establishing key performance indicators and succession plans;
- (xvi) reviewing and approving new ventures, major acquisitions and disposal of undertakings and properties;
- (xvii) reviewing the adequacy and integrity of our Group's internal control systems, risk management, and management information systems;
- (xviii) supervising the creation and execution of the investor relations program or shareholders' communication policy for our Company to facilitate productive communication;
- (xix) ensuring our Group's core values, vision and mission and shareholders' interests are met; and
- (xx) ensuring all significant systems and procedures are in place for our Group to run effectively, efficiently, and meet all legal and contractual requirements.

5.3.3 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established by our Board on 26 August 2025. Our Audit and Risk Management Committee comprises the following members:

Name	Designation	Directorship
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Chairperson	Independent Non-Executive Director
Datuk Khairul Idham Bin Ismail	Member	Independent Non-Executive Director
Elaine Law Soh Ying	Member	Independent Non-Executive Director

The terms of reference of our Audit and Risk Management Committee include the following:

- (i) review the quarterly results and the year end financial statements before the approval by our Board, focusing particularly on any changes in or implementation of major accounting policy, significant matters highlighted including financial reporting issues, significant judgments made by the management, significant and unusual events or transactions, and how these matters are addressed, significant adjustments resulting from audit; integrity of financial statements; the going concern assumption and compliance with accounting standards and other legal requirements;
- (ii) consider any matters concerning the appointment and re-appointment, the audit and non-audit fees and any questions of resignation or dismissal of external auditors on an annual basis based on established policies and procedures, and annually assess the suitability, objectivity and independence of the external auditors;

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (iii) review with the external auditors the audit plan, audit report, evaluation and findings of the systems of risk management and internal control, assistance given by the employees to the external auditors, the external auditors' management letter and management's response with regard to problems and reservations arising from their audits;
- (iv) review the internal audit plan, processes, the results of internal audit assessments or investigations undertaken and whether or not appropriate action is taken on the recommendations made and report the same to our Board;
- (v) review any related party transaction and conflict of interest situation that arose, persist or may arise within our Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts;
- (vi) overseeing our Group's risk management and processes in identifying, evaluating, monitoring and managing significant risks within our Group for compliance with the applicable laws and regulations; and
- (vii) carry out such other functions or assignments as may be delegated by our Board from time to time or required by the regulatory authority.

5.3.4 Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was established by our Board on 26 August 2025. Our Nomination and Remuneration Committee comprises the following members:

Name	Designation	Directorship
Datuk Khairul Idham Bin Ismail	Chairperson	Independent Non-Executive Director
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Member	Independent Non-Executive Director
Elaine Law Soh Ying	Member	Independent Non-Executive Director

The terms of reference of our Nomination and Remuneration Committee include, among others, the following:

- (i) review the size, structure, balance, and composition of our Board and our Board Committees to ensure optimal performance;
- (ii) evaluate annually the necessary mix of skills, experience, core competencies, and diversity (including age, cultural background, and gender) of our Board and our Board Committees. This includes identifying and reviewing the core competence, skills, knowledge, and other qualities essential for Non-Executive Directors to contribute effectively to the balance and overall effectiveness of our Board;
- (iii) identify, review, assess, recommend and nominate suitable candidates for appointment as Directors of our Company, as well as our Directors who are due to retire and seeking re-election at the AGMs of our Company;

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (iv) evaluate annually the effectiveness of our Board, our Board Committees, and the contribution of each individual Director, including CEO, taking into account each Director's competence, character, experience and time commitment;
- (v) review and assess annually the independence of our Independent Non-Executive Directors, ensuring that they meet the identified independence criteria and are not disqualified under the relevant regulations, giving consideration to not only whether a director's background and current activities qualify him or her as independent but also whether the director can act independently of management;
- (vi) oversee a diverse development and implementation of succession planning of our Board and Key Senior Management taking into account the challenges and opportunities faced by our Company and the skills and expertise needed for our Company to execute our strategies;
- (vii) assist our Board in formulating policies, guidelines and set criteria for the composition of various components of remuneration such as basic salary, bonus, and other benefits for our Directors and Key Senior Management;
- (viii) ensure that remuneration packages and benefits for our Directors align with our Company's business strategies, long-term objectives, and remuneration policy, as well as comply with all laws, rules, regulations, and guidelines set by relevant authorities and our Board; and
- (ix) carry out such other functions or assignments as may be delegated by our Board from time to time.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.4 KEY SENIOR MANAGEMENT

5.4.1 Particulars and shareholdings

The direct and indirect shareholdings of our Non-Independent Executive Directors, namely Nicole Lim and Jordan Tan who are also part of our Key Senior Management are set out in Section 5.2.1 of this Prospectus. The following table sets out the direct and indirect shareholding of our other Key Senior Management before and after our IPO:

Name	Designation	Nationality	Before our IPO			After our IPO			Assuming full exercise of the ESOS Options granted in conjunction with our Listing		
			Direct		Indirect	Direct		Indirect	Direct		Indirect
			No. of Shares ('000)	%		No. of Shares ('000)	(1)%	No. of Shares ('000)	No. of Shares (2)%	No. of Shares (2)%	
Lim Chung Liang	CFO	Malaysian	-	-	-	(1000)	*	-	800	*	-
Darren Khoo Yen Jen	Head of Marketing	Malaysian	-	-	-	200 ⁽³⁾	*	-	400	*	-

Notes:

- * Negligible
- (1) Based on the enlarged issued Shares upon our Listing of 1,100,000,000.
- (2) Based on the enlarged issued Shares of 1,129,550,000 assuming full exercise of the ESOS Options granted in conjunction with our Listing.
- (3) Assuming they fully subscribe for their respective entitlements under the Pink Form Allocations.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.4.2 Profiles of our Key Senior Management

The profiles of our Non-Independent Executive Directors, namely Nicole Lim and Jordan Tan who are also part of our Key Senior Management are set out in Section 5.1.2 of the Prospectus. The profiles of our other Key Senior Management are as follows:

(i) **Lim Chung Liang**

Lim Chung Liang, a Malaysian aged 37, is our CFO. He obtained his Certificate in Business Studies (Accounting) from Kolej Tunku Abdul Rahman (now known as Universiti Pengurusan dan Teknologi Tunku Abdul Rahman), in 2007, and subsequently completed his Diploma in Accounting and Business with the Association of Chartered Certified Accountants (ACCA) in 2017. In 2023, he completed his Master of Business Administration with UNITAR International University. He has been a member of the Institute of Public Accountants, Australia since 2024 and an associate member of Certified Public Accountant, Australia since 2025.

He began his career as an audit assistant with P.S. Yap & Co (then known as P.S. Yap & Associates) in December 2009, where he assisted in the provision of audit services to clients. After a year, he left P.S. Yap & Associates to join Russ Ooi & Associates in January 2011 where he also worked as an audit assistant until June 2012.

In July 2012, he rejoined P.S. Yap & Co (then known as P.S. Yap & Associates) as an audit and tax assistant. He was then promoted to audit senior in January 2016 where he was mainly involved in handling statutory audits and tax filings. He left P.S. Yap, Isma & Associates in July 2016 and joined Guan & Associates in August 2016 as an audit senior where he was responsible for leading and handling statutory audit assignments.

In December 2017, he left Guan & Associates to join us (under Empire Sushi Group Sdn Bhd) in January 2018 as a Finance Manager where he was in charge of maintaining the accounts of the company. He was promoted to General Manager in January 2019.

In January 2020, he was transferred from Empire Sushi Group Sdn Bhd to Empire Sushi Sdn Bhd. As General Manager, Jack Lim is primarily responsible for the cash flow and financial management of our Group, and he also oversees the accounting, taxation, company secretarial matters and internal control functions of our Group. In July 2025, Jack Lim was promoted as our CFO.

Jack Lim is the sibling of Nicole Lim, our Non-Independent Executive Director and CEO, and the brother-in law of Jordan Tan, our Non-Independent Executive Director and COO. As at the LPD, he does not hold any directorship or shareholdings outside our Group.

(ii) **Darren Khoo Yen Jen**

Darren Khoo Yen Jen, a Malaysian aged 36, is our Head of Marketing. He obtained his Diploma in Mass Communication from KDU University College (now known as University of Wollongong (UOW) Malaysia) in 2010.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

After his graduation, he took a short break before he began his career as a marketing and operation executive with A-Look group of companies in April 2011, where he was involved in supporting end-to-end marketing project coordination and ensuring brand consistency. In February 2014, he resigned from A-Look group of companies to join Hanlow Holdings Sdn Bhd as a retail operation executive in March 2014 where he was primarily involved in the retail operations, including recruiting, training, managing and supporting the store managers and sales staff.

In June 2017, he left Hanlow Holdings Sdn Bhd to join Metro Eyewear Holdings Sdn Bhd as operation manager in July 2017 where he was responsible for overseeing the retail operations, and assisting with store openings and maintenance.

He left Metro Eyewear Holdings Sdn Bhd in March 2020 and joined Empire Sushi in May 2020 as Marketing Manager. As Marketing Manager, he is primarily responsible for developing and executing marketing strategies across our outlets, managing brand partnerships and enhancing overall brand visibility. In July 2025, he was promoted to Head of Marketing.

His notable achievements include being awarded under The Star Outstanding Business Awards (SOBA) by Star Media Group for Best in Marketing (Silver) in year 2021 and 2022 respectively, Best in Customer Service (Gold) in year 2021 and 2022 respectively, Best in Marketing (Gold) in year 2023, and Best in CSR (Gold) in year 2023.

He does not have any family relationships with any of our Promoters, Directors and/or Substantial Shareholders.

5.4.3 Involvement of our Key Senior Management in other principal business activities

Save for the Present Directorships/shareholdings and the Previous Directorships of Nicole Lim and Jordan Tan as well as their involvement in principal business activities outside our Group as at the LPD as set out in Section 5.2.3 of this Prospectus, Lim Chung Liang and Darren Khoo Yen Jen do not have any principal directorships and are not involved in any principal business activities outside our Group as at the LPD and did not hold any principal directorship outside our Group in the past 5 years preceding the LPD.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.4.4 Key Senior Management's remuneration and material benefits-in-kind

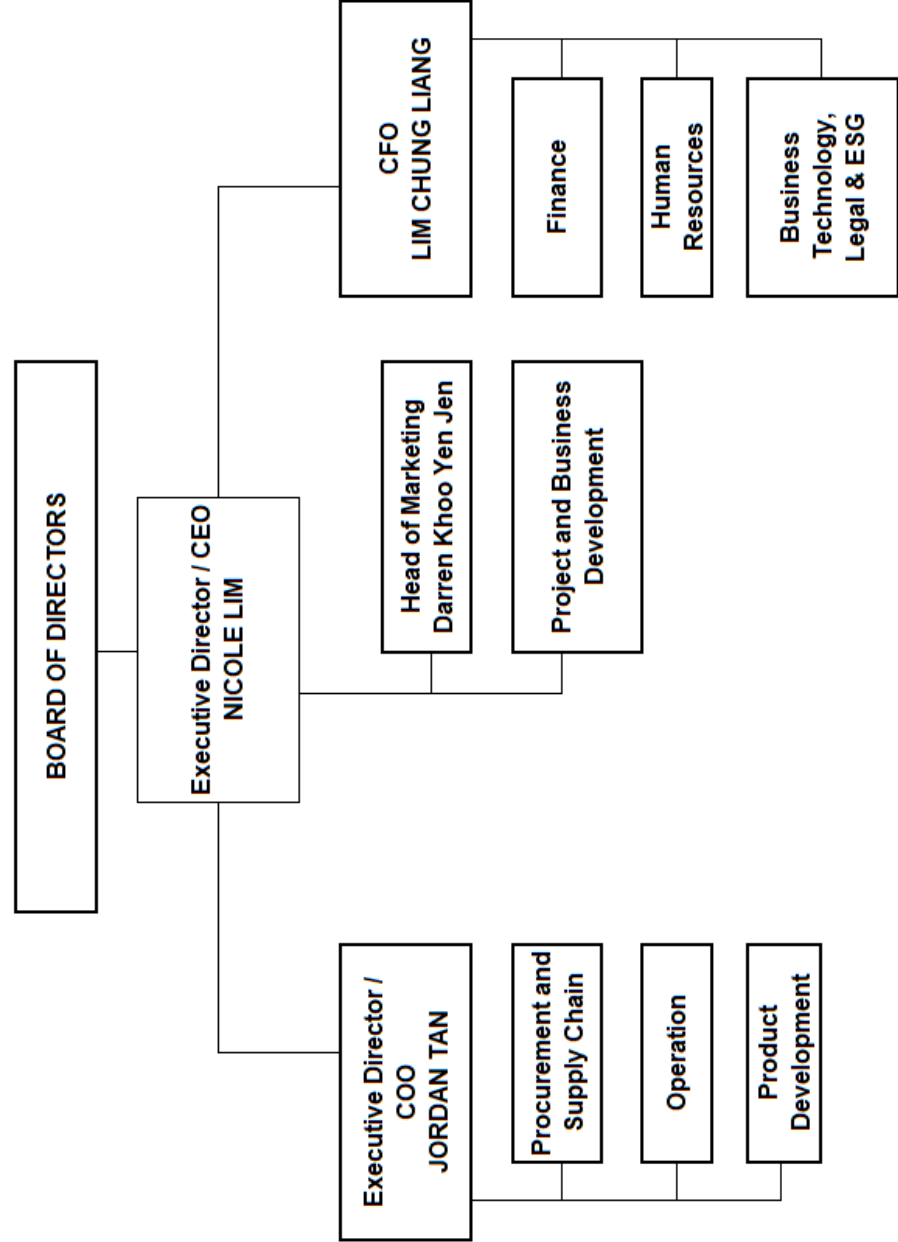
Save for the remuneration and material benefits-in-kind (including any contingent or deferred compensation) paid to our Non-Independent Executive Directors as disclosed in Section 5.2.4 of this Prospectus, the aggregate remuneration and material benefits-in-kind (including any contingent or deferred compensation) paid and proposed to be paid to our other Key Senior Management for services rendered in all capacities to our Company for the FYE 31 March 2025 and FYE 31 March 2026 are as follows:

Name	Remuneration band	
	FYE 31 March 2025	FYE 31 March 2026
	(Paid) RM'000	(Proposed to be paid) RM'000
Lim Chung Liang	900 to 950	950 to 1,000
Darren Khoo Yen Jen	200 to 250	250 to 300

As at the LPD, our Group does not have any key technical personnel.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.5 MANAGEMENT REPORTING STRUCTURE



5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.6 DECLARATION BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoters, Directors and Key Senior Management has been involved in any of the following events (whether within or outside Malaysia):

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which such person was a partner or any corporation of which he/she was a director or member of key senior management;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last 10 years, charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) in the last 10 years, any judgement was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his/her part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (v) in the last 10 years, he/she was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his/her part that relates to the capital market;
- (vi) being the subject of any order, judgment or ruling of any court, government or regulatory authority or body temporarily enjoining him/her from engaging in any type of business practice or activity;
- (vii) in the last 10 years, such person has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; or
- (viii) has any unsatisfied judgement against such person.

5.7 ASSOCIATIONS BETWEEN OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Save as disclosed below, there are no family relationships and/or associations between any of our Promoters, Substantial Shareholders, Directors and Key Senior Management as at the LPD:

Name	Position/Capacity	Relationship/Association
Nicole Lim	Promoter, Substantial Shareholder, Non-Independent Executive Director and CEO	<ul style="list-style-type: none"> • Spouse of Jordan Tan • Sibling of Lim Chung Liang
Jordan Tan	Promoter, Substantial Shareholder, Non-Independent Executive Director and COO	<ul style="list-style-type: none"> • Spouse of Nicole Lim • Brother-in-law of Lim Chung Liang

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

<u>Name</u>	<u>Position/Capacity</u>	<u>Relationship/Association</u>
Lim Chung Liang	CFO	<ul style="list-style-type: none"> • Sibling of Nicole Lim • Brother-in-law of Jordan Tan

5.8 OTHER MATTERS

As at the LPD, there are no existing or proposed service contracts entered into or to be entered into by our Directors or Key Senior Management with our Group which provide for benefits upon termination of employment.

6. INFORMATION ON OUR GROUP

6.1 OUR COMPANY

6.1.1 History and background

Our Company was incorporated in Malaysia under the Act on 25 September 2023 as a private limited company under the name of Empire Premium Food Sdn Bhd. Our Company was subsequently converted into a public company on 18 September 2025.

Our Company is principally involved in the business of investment holding while our sole subsidiary, Empire Sushi is principally involved in the operation of multi-format sushi chain.

The history of our business can be traced back to 2010 with the commencement of our grab-and-go sushi operations under the *Empire Sushi* brand, initially operating under Empire Sushi Enterprise which was equally owned by the Sellers who are also our co-founders and Promoters, Nicole Lim and Jordan Tan.

We initially started our operations in hypermarkets on consignment basis where our sushi and related products were displayed for sale in selected hypermarkets in the central region of Peninsular Malaysia.

Empire Sushi Group Sdn Bhd was subsequently incorporated in December 2013 to take over and carry on the operations of Empire Sushi Enterprise. Empire Sushi Enterprise ceased operations in April 2015 following the completion of the transfer of its business operations to Empire Sushi Group Sdn Bhd.

In 2020, the Sellers incorporated Empire Sushi to progressively assume all grab-and-go sushi operations from Empire Sushi Group Sdn Bhd as part of an internal reorganisation that was meant to position the *Empire Sushi* brand and our multi-format sushi chain business under a new corporate vehicle that carries a name which is solely dedicated to the *Empire Sushi* brand for greater visibility and resolved any ambiguity on the Company's true nature, scale and offerings arising from the use of "group" in its name. Prior to the completion of the Pre-IPO Acquisition, Empire Sushi was equally owned by co-founders and Promoters, Nicole Lim and Jordan Tan.

Subsequently, Empire Sushi Group Sdn Bhd ceased operations and was placed under members' voluntary winding-up in March 2025. Please refer to Section 7.1 of this Prospectus for details of our Group's history and business development.

In conjunction with the Pre-IPO Acquisition, our Company acquired the entire equity interest in Empire Sushi for a total purchase consideration of approximately RM30.0 million. Further details of the Pre-IPO Acquisition are set out in Section 6.1.2 below.

6.1.2 Pre-IPO Acquisition

On 17 September 2025, our Company entered into a conditional share sale agreement with the Sellers for the acquisition of the entire equity interest in Empire Sushi, comprising 1,000,002 ordinary shares in Empire Sushi ("**Empire Sushi Shares**"). The total purchase consideration of approximately RM30.0 million was arrived at on a willing-buyer willing-seller basis after taking into consideration the following:

- (a) audited NA of Empire Sushi as at 31 March 2025 of approximately RM72.0 million;
- (b) final dividend for the FYE 31 March 2025 of RM15.0 million declared on 30 July 2025 and paid on 8 August 2025;

6. INFORMATION ON OUR GROUP (Cont'd)

- (c) interim dividend for the FYE 31 March 2026 of RM15.0 million declared on 22 August 2025 and paid on 1 September 2025; and
- (d) further interim dividends [proposed to be] declared by Empire Sushi for the FYE 31 March 2026 of RM12.0 million [and to be] paid prior to the submission of confirmation of registration of this Prospectus to the SC.

The purchase consideration represents a PB Multiple of approximately 1 time of the adjusted NA (after accounting for the abovementioned dividends) of Empire Sushi as at 31 March 2025 of approximately RM30.0 million.

The Pre-IPO Acquisition was completed on [***] for a total purchase consideration of approximately RM30.0 million and was wholly satisfied by the issuance and allotment of 881,999,998 new Shares at an issue price of approximately RM0.034 per Share to Empire 11. Concurrently and in conjunction with the Pre-IPO Acquisition, the 2 Shares equally held by Nicole Lim and Jordan Tan respectively then [were] acquired by and transferred to Empire 11 such that our Company became a wholly-owned subsidiary of Empire 11.

The Empire Sushi Shares [were] acquired free from all charges, liens, pledges, trusts and other encumbrances and with all rights, benefits and entitlements attaching thereto from the date of completion of the Pre-IPO Acquisition.

6.1.3 Share capital

As at the LPD, our issued share capital is [RM29,988,002], comprising [882,000,000] Shares. Our Company does not have any treasury shares as at the LPD.

The changes in our issued share capital since our incorporation and up to the LPD are as follows:

Date of allotment	No. of Shares allotted	Consideration	No. of cumulative Shares	Cumulative issued share capital
				RM
25 September 2023	2	Cash	2	2
[***]	[881,999,998] (RM0.034 per Share)	[Otherwise than cash] ⁽¹⁾	[882,000,000]	[29,988,002]

Note:

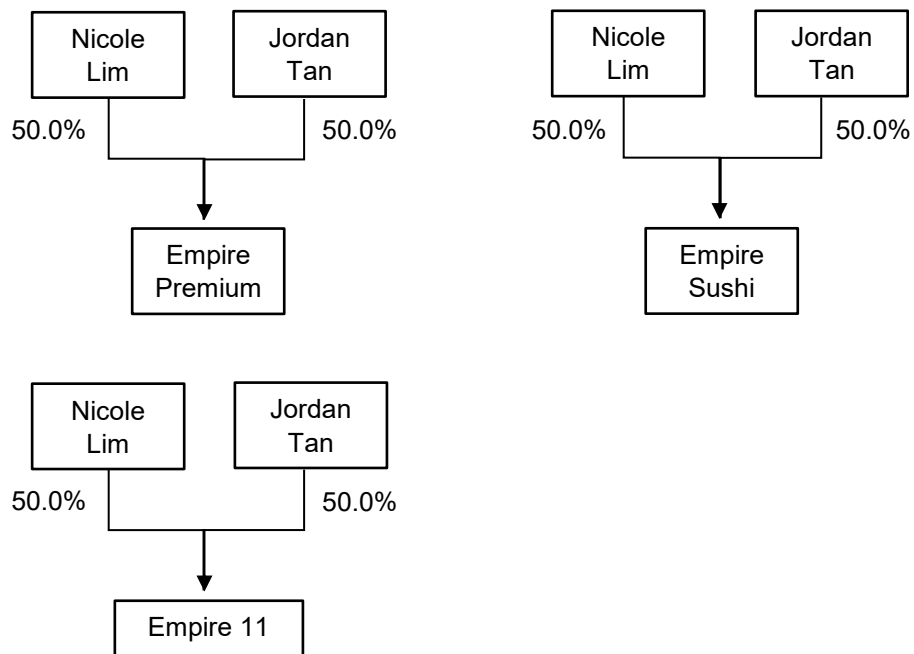
- (1) Pursuant to the Pre-IPO Acquisition.

6. INFORMATION ON OUR GROUP (Cont'd)

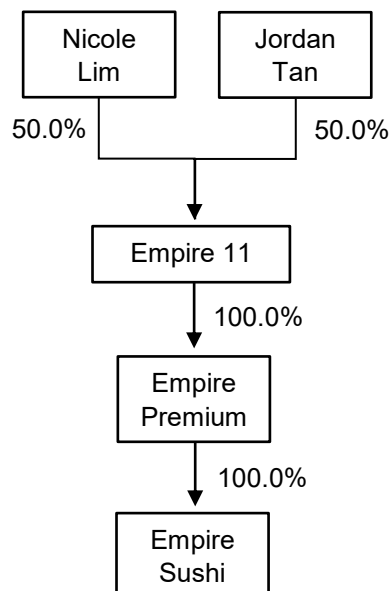
6.2 OUR GROUP STRUCTURE

Our Group structure as at the [LPD] is as follows:

Before the Pre-IPO Acquisition

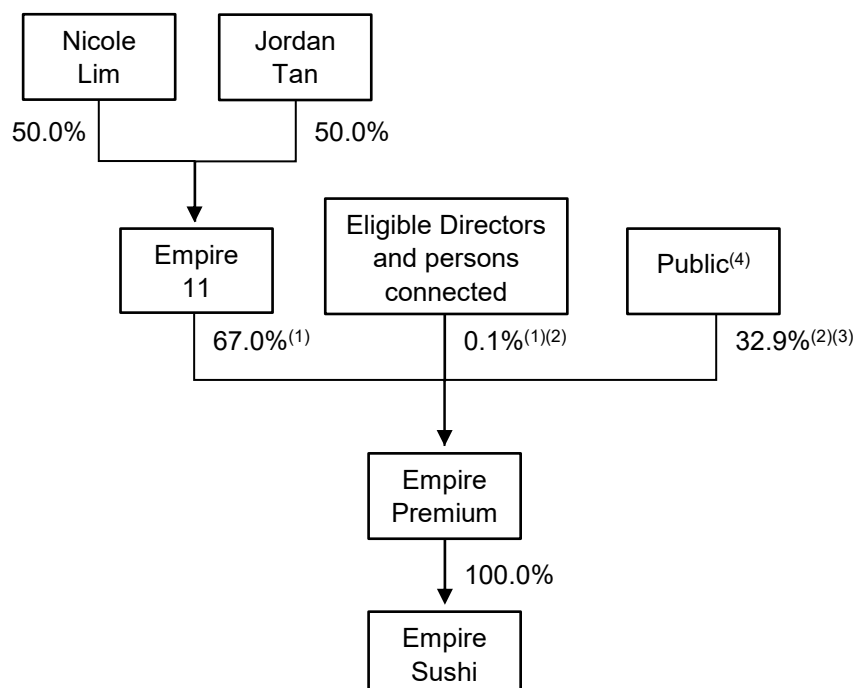


Our Group structure following the completion of the Pre-IPO Acquisition is as follows:



6. INFORMATION ON OUR GROUP (Cont'd)

Our Group structure following the completion of our IPO will be as follows:



Notes:

- (1) Computed based on the enlarged number of Shares upon our Listing of 1,100,000,000.
- (2) Assuming the 15,000,000 Shares allocated to the Eligible Persons under the Pink Form Allocations are fully subscribed.
- (3) Excluding 1,600,000 IPO Shares which were allotted via the Pink Form Allocations to our Independent Non-Executive Directors and employees of our Group (including a Key Senior Management) who are persons connected to our Directors and assuming that the remaining Pink Form Allocations are allocated to the Eligible Persons who meet the definition of "public" under the Listing Requirements.
- (4) Refers to all persons or members of the public who meets the definition of "public" under the Listing Requirements.

6.3 OUR SUBSIDIARY

The details of our subsidiary as at the LPD is as follows:

Name and registration number	Date and country of incorporation	Share capital	Our effective equity interest	Principal activities
		RM	%	
Empire Sushi 202001002564 (1358883-D)	21 January 2020 Malaysia	1,000,002	100.0	Operation of multi-format sushi chain ⁽¹⁾

Note:

- (1) Empire Sushi has on 11 September 2025 filed the relevant forms to change its principal activity to "operation of multi-format sushi chain".

6. INFORMATION ON OUR GROUP (Cont'd)

6.3.1 Empire Sushi

Empire Sushi was incorporated in Malaysia under the Act on 21 January 2020 as a private limited company. The principal place of business of Empire Sushi is at No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor Darul Ehsan, Malaysia.

Empire Sushi is principally involved in the operation of multi-format sushi chain.

As at the LPD, the issued share capital of Empire Sushi is RM1,000,002 comprising 1,000,002 ordinary shares. There has been no change in the issued share capital of Empire Sushi during the Financial Years Under Review and up to the LPD.

As at the LPD, Empire Sushi does not have any subsidiary, associate or joint venture.

None of our Shares and share capital in our subsidiary were issued and allotted at a discount or have any special terms or any instalment payment terms. Our issued Shares and the issued shares of our subsidiary are fully paid-up.

As at the LPD, neither our Company nor our subsidiary is involved in any bankruptcy, receivership or similar proceedings.

During the last financial year and up to the LPD, there were no:

- (a) public take-over offers by third parties in respect of our Shares; and
- (b) public take-over offers by our Company in respect of other companies' securities.

7. BUSINESS OVERVIEW

7.1 OVERVIEW

Our Company was incorporated in Malaysia under the Act on 25 September 2023 as a private limited company under the name of Empire Premium Food Sdn Bhd. Our Company was subsequently converted into a public company on 18 September 2025.

We are an owner-operator of a chain of sushi food service outlets operating under our brand, *Empire Sushi*. Our sushi chain targets the mass market, offering accessible and convenient localised Japanese food focusing on ready-to-eat sushi. As at the LPD, we operate a total of 132 *Empire Sushi* outlets comprising 117 grab-and-go sushi outlets and 15 quick dine-in sushi outlets, across 12 states and 2 federal territories in Malaysia. With the exception of 1 consignment-based outlet, we directly own and operate all our outlets under our *Empire Sushi* brand.

The table below sets out the key events and milestones in the history and development of our business:

Year	Key Event and Milestone
2010 – 2014	In 2010, we commenced our grab-and-go sushi operations on a consignment basis in hypermarkets.
	In 2014, we opened first owned and operated <i>Empire Sushi</i> outlet in a rented space in Berjaya Times Square in Kuala Lumpur, within the central region of Peninsular Malaysia which operated under the <i>Empire Sushi</i> brand.
	In 2014, our grab-and-go sushi operations also expanded into the northern region of Peninsular Malaysia where we opened <i>Empire Sushi</i> outlet in First Avenue Mall in Penang.
2015 - 2020	In 2015, we expanded into the quick dine-in sushi outlet operations where we opened our first <i>Empire Sushi</i> quick dine-in sushi outlet in Amanjaya Mall in Sungai Petani, Kedah. Since then, we continued to expand our quick dine-in sushi outlet operations.
	As part of our geographical market expansion plans, we expanded our grab-and-go sushi chain outlet operations to the east coast region of Peninsular Malaysia where we opened <i>Empire Sushi</i> outlets in Kuantan City Mall in Pahang and Mesra Mall in Terengganu in 2017 and 2019, respectively.
	In 2018, we also expanded to the southern region of Peninsular Malaysia where we opened our <i>Empire Sushi</i> outlet in City Square Mall in Johor.
	In 2019, as part of our strategy to provide ease of accessibility, we launched our <i>Empire Sushi</i> mobile application. The mobile application is an online ordering platform for pick-up by the customer or delivery to the customer's doorstep. In addition, we introduced a membership programme which enables our customers to collect points and earn rewards.
2021 up to the LPD	We obtained our first Halal certification from JAKIM for our grab-and-go sushi outlets in 2021. As at the LPD, a total of 112 out of 132 of our <i>Empire Sushi</i> outlets have obtained Halal certification and we will be certifying our remaining outlets on a progressive basis.
	We expanded to East Malaysia in 2023 where we opened our <i>Empire Sushi</i> grab-and-go sushi outlets in Vivacity Megamall and AEON Mall Kuching Central in Sarawak.
	Leveraging on our experience in quick dine-in sushi outlet operations, we commenced our first quick dine-in sushi outlet featuring a conveyor belt in Setia City Mall in Selangor in 2024.

7. BUSINESS OVERVIEW (Cont'd)

7.2 ACCREDITATIONS, AWARDS AND RECOGNITIONS

For the Financial Years Under Review and up to the LPD, we obtained the following awards and recognitions:

Year	Key award and recognition	Issuing party
2024	The BrandLaureate Award: Fast moving growing sustainable Business & Brands Award 2024 – Most Preferred Brand	The World Brands Foundation
2024	Putra Aria Brand Awards under the Restaurants and Fast-Food Outlets (Gold)	Association of Accredited Advertising Agents Malaysia
2023	Star Outstanding Business Awards for the following categories: - Best in Retail (Platinum) - Best Halal Product/Service (Platinum) - Best in Marketing (Gold) - Best in CSR (Gold) - Best Employer (Silver)	Star Media Group
2023	Putra Aria Brand Awards under the Restaurants and Fast Food (Bronze)	Association of Accredited Advertising Agents Malaysia
2022	Star Outstanding Business Awards for the following categories: - Best in Retail (Platinum) - Best Employer (Platinum) - Best in Marketing (Silver) - Best in Customer Service (Silver) - Best Halal Product/Service (Silver)	Star Media Group
2022	Sin Chew Business Excellence Award for the following: - Product Excellence Award - Retail Excellence Award	Sin Chew Daily

As at the LPD, a total of 112 of our *Empire Sushi* outlets have obtained Halal certification, as follows:

	Central region	Northern region	Southern region	East coast region	Total
No. of Halal-certified outlets	55	25	21	11	112

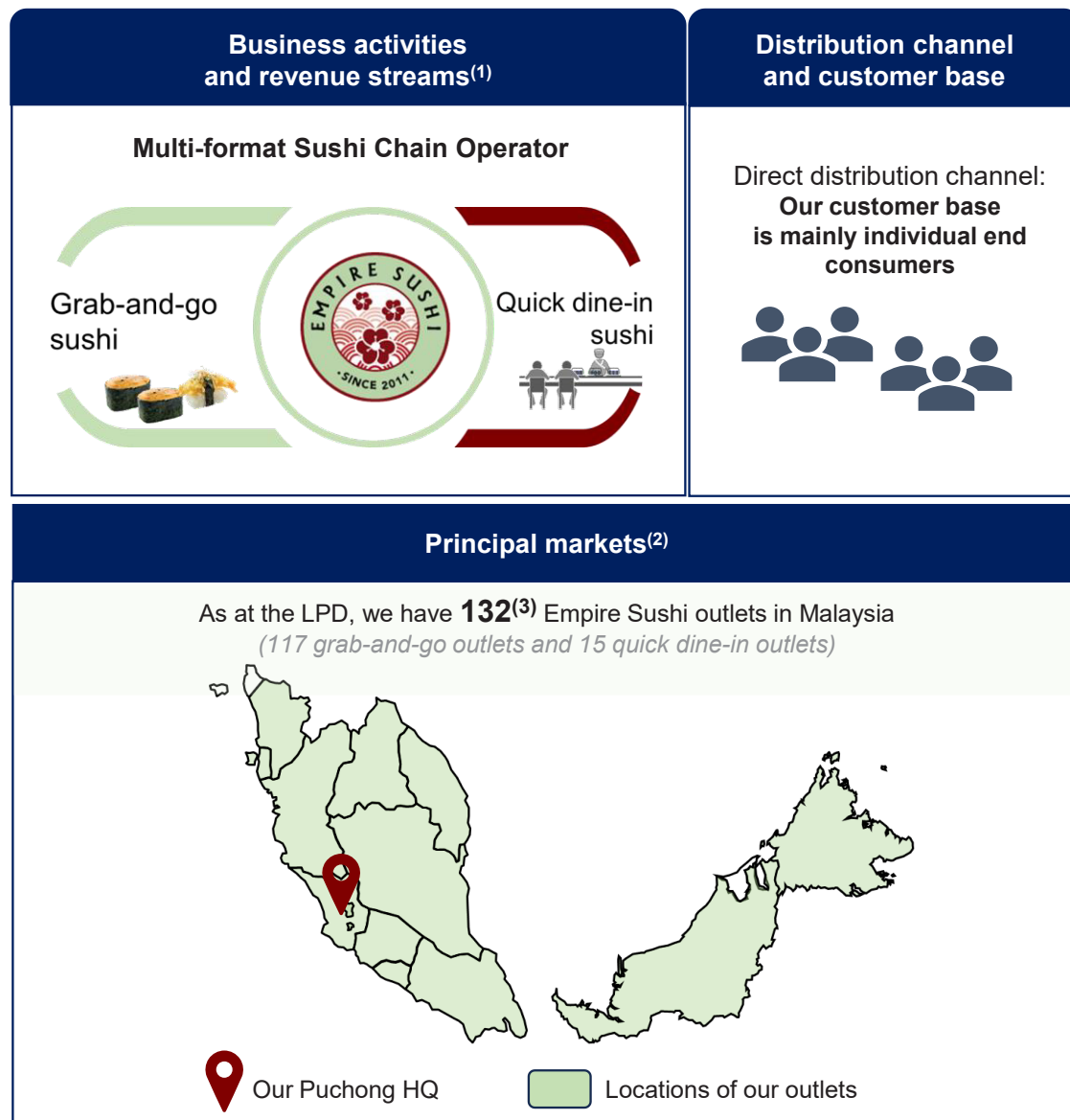
In addition to the Halal certification obtained by our Group, 2 of our outlets are HACCP certified.

7. BUSINESS OVERVIEW (Cont'd)

7.3 OUR BUSINESS

7.3.1 Our business model

Our business model is as follows:



Notes:

- (1) Our revenue was derived from multi-format sushi chain operations. For the Financial Years Under Review, revenue from grab-and-go sushi operations accounted for 84.8%, 87.5% and 87.0% of our revenue and the remaining 15.2%, 12.5% and 13.0% of our revenue was derived from our quick dine-in sushi outlets for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.
- (2) For the Financial Years Under Review, all of our revenue was derived from our network of multi-format sushi chain operations in Malaysia.
- (3) As at the LPD, 112 of the Group's Empire Sushi outlets, representing approximately 84.8% of our Empire Sushi outlets, have obtained Halal certifications.

7. BUSINESS OVERVIEW (Cont'd)

A summary of the key features of our owned and operated outlets as well as an outlet operating under the consignment model are summarised as below:

	Owned and operated outlets	Consignment outlet
Number of outlets under <i>Empire Sushi</i> brand as at LPD	131	1
Store format	Independent store	Chiller counter-within-a-store
Outlet renovation	Empire Sushi	Consignee
Staffing	Empire Sushi	Empire Sushi
Operational aspects:		
- Sales and issuance of receipts to customers	Empire Sushi	Consignee
- Menu and recipes	Empire Sushi	Empire Sushi
- On-site preparation and sourcing of ingredients	Empire Sushi	Empire Sushi
Revenue	Empire Sushi	Revenue sharing

7.3.2 Business activities and revenue streams

We are a chain **owner-operator** of our brand of *Empire Sushi* outlets:

- **Grab-and-go sushi**, which operates on an over-the-counter takeaway format with no dine-in services. Conveniently located in shopping centres, hypermarkets, airport retail mall and transit hub malls, our grab-and-go sushi outlets specialise in fresh, ready-to-eat sushi for takeaway. Customers can quickly select their desired items from an enclosed cooler where our on-site prepared products are displayed. As at the LPD, we own and operate 116 grab-and-go sushi outlets in Malaysia.
- **Quick dine-in sushi**, which offers a casual sit-down dining experience. Our quick dine-in outlets serve customers both ready-to-eat sushi and hot dishes, including noodle soup, oden, grilled items, donburi (rice bowls), appetisers, and side dishes. In addition, 1 of our quick dine-in outlets offers a self-service dining experience where plates of freshly prepared sushi and other small dishes rotate on a conveyor belt, allowing customers to simply pick up the items they desire as they pass by. This ensures a fast and convenient meal. As at the LPD, we operate 15 quick dine-in sushi outlets in Peninsular Malaysia.

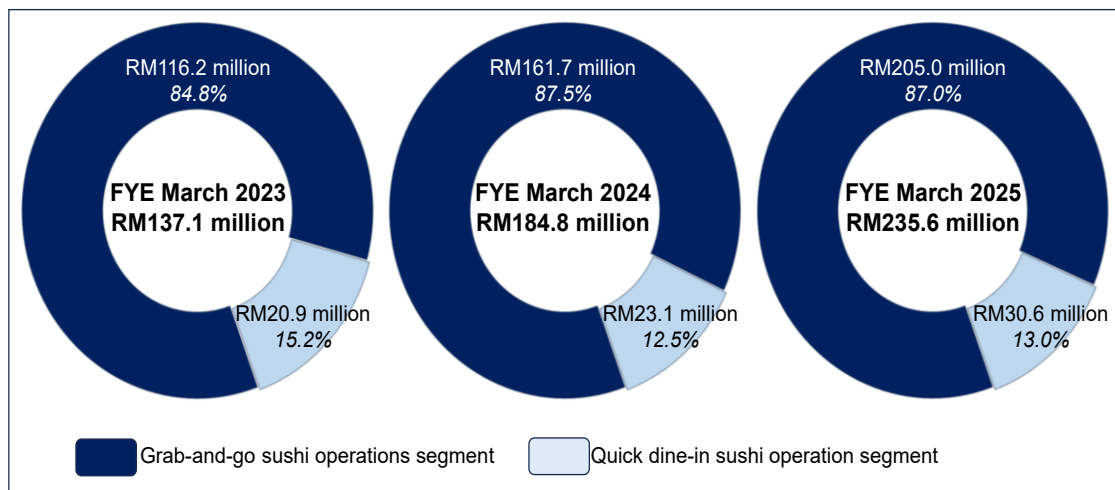
In addition, we also operate 1 grab-and-go sushi outlet on a consignment grab-and-go model, where we prepare our sushi at third-party retailer's premise. Our sushi is sold under our *Empire Sushi* brand at the retailer's outlet. The retailer pays us for the products sold based on an agreed-upon sales-sharing model.

We offer a wide variety of sushi, including, inari (small, seasoned tofu pouches filled with sushi rice and topped with various ingredients), nigiri (small, oval-shaped sushi rice topped with an ingredient), gunkan (small, oval rice balls wrapped in a strip of seaweed to form a "boat" shape, topped with various ingredients), maki and rolls (sliced, rolled sushi with seaweed on the outside and ingredients in the middle), temaki (cone-shaped seaweed sheets filled with sushi rice and various ingredients, then rolled by hand), and onigiri (sushi rice shaped into triangular forms, wrapped with seaweed and filled with various ingredients). All our seafood ingredients for sushi products are cooked, with the sole exception of raw salmon. Our sushi features locally inspired flavours. As at the LPD, we have developed approximately 70 sushi items which are currently made available on our menu offering.

7. BUSINESS OVERVIEW (Cont'd)

As at the LPD, our sushi chain operations are supported by a dedicated workforce of 1,138 employees. All our outlet staff have completed certified food handler training courses, recognised by the MOH which cover essential good hygiene practices and food safety principles.

Our revenue contribution by business activity for the Financial Years Under Review is set out below:



*A small proportion of the grab-and-go sushi operations segment includes 1 consignment outlet which accounted for approximately 0.8% (RM1.1 million), 0.6% (RM1.0 million), and 0.5% (RM1.1 million) of our revenue from the grab-and-go sushi operations segment for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

Our revenue contribution by owned and operated outlets and consignment outlets for the Financial Years Under Review is set out below:

	FYE 31 March 2023		FYE 31 March 2024		FYE 31 March 2025	
	RM'000	%	RM'000	%	RM'000	%
Grab-and-go sushi operations	116,206	84.8	161,731	87.5	204,977	87.0
Sushi products	111,239	81.2	155,260	84.0	197,007	83.6
Others ⁽¹⁾	4,967	3.6	6,471	3.5	7,970	3.4
Quick dine-in sushi operations	20,889	15.2	23,070	12.5	30,623	13.0
Sushi products	18,846	13.7	21,004	11.4	28,097	11.9
Others ⁽²⁾	2,043	1.5	2,066	1.1	2,526	1.1
Total	137,095	100.0	184,801	100.0	235,600	100.0

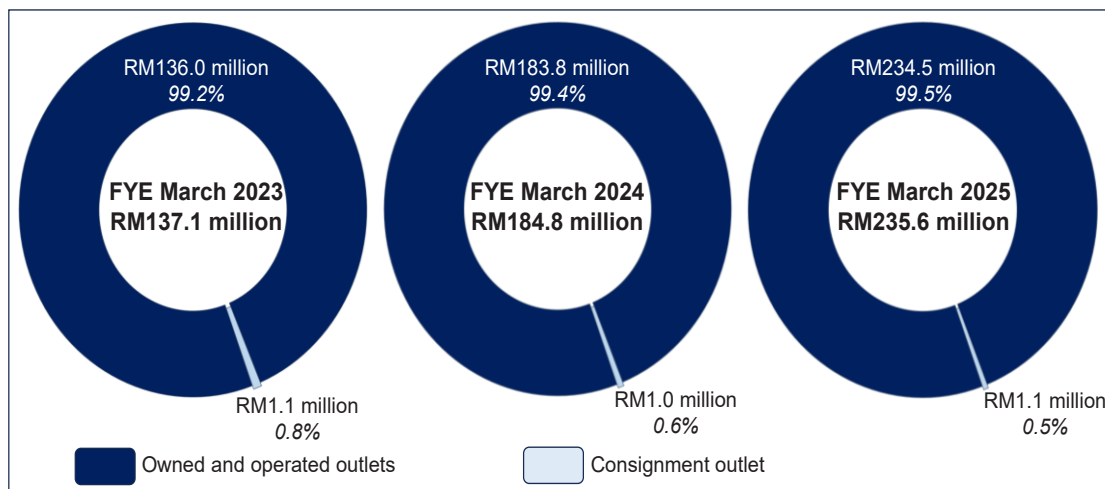
Notes:

(1) Mainly condiments and accompaniments such as soy sauce and wasabi and beverages.

(2) Mainly hot foods such as noodle soup, oden, grilled items, donburi (rice bowls), appetisers, side dishes, beverages and condiments and accompaniments such as soy sauce and wasabi.

7. BUSINESS OVERVIEW (Cont'd)

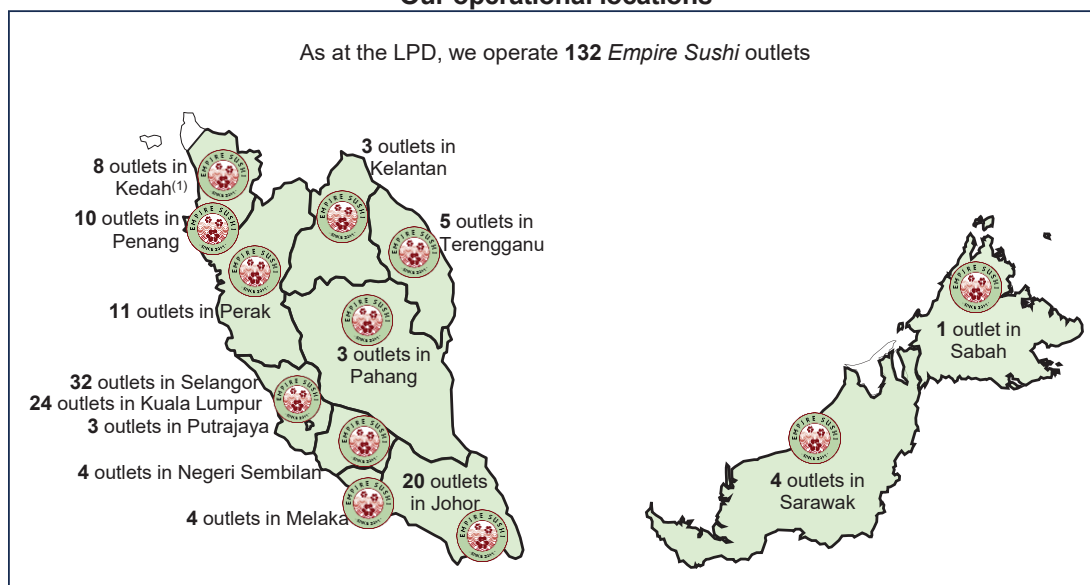
For the Financial Years Under Review, our revenue segmentation by business activity and products are as follows:



7.3.3 Principal market and operational locations

We operate in Malaysia with our head office in Puchong, Selangor. As at the LPD, our *Empire Sushi* outlets are located across 12 states and 2 federal territories in Malaysia as follows:

Our operational locations



Note:

(1) As at the LPD, we own and operate 131 *Empire Sushi* outlets throughout Malaysia and we operate 1 consignment outlet in Kedah.

7. BUSINESS OVERVIEW (Cont'd)

For the Financial Years Under Review, our revenue segmented by geographical region of our outlets is as follows:

	FYE 31 March 2023		FYE 31 March 2024		FYE 31 March 2025	
	RM'000	%	RM'000	%	RM'000	%
Peninsular Malaysia						
- Central region ⁽¹⁾	65,163	47.5	82,691	44.8	106,146	45.1
- Northern region ⁽²⁾	36,272	26.5	43,681	23.6	52,888	22.5
- Southern region ⁽³⁾	18,584	13.6	35,039	19.0	48,164	20.4
- East coast region ⁽⁴⁾	17,076	12.4	20,573	11.1	23,389	9.9
- East Malaysia ⁽⁵⁾	-	-	2,817	1.5	5,013	2.1
Total	137,095	100.0	184,801	100.0	235,600	100.0

Notes:

(1) Comprises Selangor, Kuala Lumpur and Putrajaya

(2) Comprises Penang, Perak and Kedah.

(3) Comprises Johor, Melaka and Negeri Sembilan.

(4) Comprises Terengganu, Pahang and Kelantan.

(5) Comprises Sarawak only. Our sushi outlet located in Sabah only commenced operations subsequent to the FYE 31 March 2025.

7.3.4 Distribution channels and customer base

We adopt a direct distribution channel where we sell our products directly to our customers, who are mainly individual end-consumers, comprising:

- grab-and-go customers from our grab-and-go sushi outlets and consignee's outlet;
- dine-in customers from our quick dine-in sushi outlets; and
- online customers using our own mobile application and third-party platforms.

Our customer base also extends to corporate entities.

For the Financial Years Under Review, our revenue segmentation by customer base is as follows:

Direct distribution channel	FYE 31 March 2023		FYE 31 March 2024		FYE 31 March 2025	
	RM'000	%	RM'000	%	RM'000	%
End-consumers	137,095	100.0	184,801	100.0	235,600	100.0
<i>Grab-and-go customers ⁽¹⁾</i>	<i>101,978</i>	<i>74.4</i>	<i>145,671</i>	<i>78.8</i>	<i>187,266</i>	<i>79.5</i>
<i>Dine-in customers ⁽²⁾</i>	<i>18,936</i>	<i>13.8</i>	<i>21,363</i>	<i>11.6</i>	<i>28,529</i>	<i>12.1</i>
<i>e-commerce platforms ⁽³⁾</i>	<i>16,181</i>	<i>11.8</i>	<i>17,767</i>	<i>9.6</i>	<i>19,805</i>	<i>8.4</i>
Total	137,095	100.0	184,801	100.0	235,600	100.0

Notes:

(1) Referring to the customers who purchased our sushi products from our owned and operated outlets as well as an outlet operating under the consignment model.

(2) Referring to customers from our quick dine-in sushi outlets.

(3) Referring to customers who made purchases through our online mobile application and third-party platforms.

7. BUSINESS OVERVIEW (Cont'd)

7.4 COMPETITIVE STRENGTHS

Our competitive advantages and key strengths will provide us with the platform to grow our business, as set out below:

7.4.1 We have a leading market position as sushi chain operator in Malaysia based on revenue and number of outlets, providing us with financial strength to sustain, grow, and further expand our business

Our leading market position fortified by revenue of RM235.6 million for the FYE 31 March 2025 and supported by a network of 132 sushi outlets comprising 117 grab-and-go sushi outlets and 15 quick dine-in sushi outlets as at the LPD is crucial for sustaining and growing our business. This strong foothold gives us greater control over our product offerings and services which is instrumental in optimising our market access and expanding our reach to maintain our growth trajectory.

We directly operate all *Empire Sushi* outlets supported by a centralised management team at our head office. This team has developed comprehensive SOPs that guide every aspect of our sushi chain operations. These SOPs ensure uniformity in products, services and daily operations across all outlets. Our commitment to consistency is crucial as it reinforces our brand identity, maintains consistent food quality and delivers a consistently positive customer experience.

Unlike franchised models where independent operators may have diverging goals, our sushi chain benefits from unified business objectives across every outlet. This centralised control also gives us better oversight of our employees, ensuring the smooth and efficient operation of all our sushi outlets.

For the Financial Years Under Review, our revenue grew from RM137.1 million in the FYE 31 March 2023 to RM235.6 million in the FYE 31 March 2025, representing a CAGR of 31.1%. In addition, we opened 59 new outlets across Malaysia during the same period. At the same time, our PAT grew from RM14.6 million for the FYE 31 March 2023 to RM37.9 million for the FYE 31 March 2025, representing a CAGR of 61.2%. Our strong growth will provide us with the financial strength to further expand our business, primarily through the establishment of new outlets across Malaysia.

7.4.2 Our business is modular and scalable, facilitating fast and simplified procedures to expand our chain of sushi outlets

Our business operates on a modular and scalable model, enabling us to expand our sushi outlet network quickly using simplified procedures. This structure also provides a robust platform for rapid and efficient growth, as demonstrated by the 69 new outlets we opened in Malaysia during the Financial Years Under Review and up to the LPD.

The modularity of our operations stems from a centralised control over the supply of intermediate processed food products and ingredients. These are delivered to each outlet, allowing store-level operations to focus primarily on final food preparation, cooking and serving customers, whether for takeaway, food delivery or dine-in. Our head office manages this supply chain, utilising third-party logistics providers for scheduled deliveries. Outlet supervisors place orders directly with our procurement centre in our head office and goods are delivered according to pre-determined schedules.

Beyond the supply chain, our operating model also features centrally controlled administrative procedures. This includes providing each sushi outlet with comprehensive ICT F&B service management systems, SOPs, interior layout and theme guidelines as well as marketing materials and promotions. This centralised approach ensures seamless duplication for new outlets, hence maintaining consistency across our brand.

7. BUSINESS OVERVIEW (Cont'd)

The scalability of our sushi chain operations is built on several key aspects as follows:

- **Centralised functions:** We streamline the new outlet setup process through centrally managed functions;
- **Strategic site selection:** Our expertise in selecting suitable locations in urban and suburban areas takes into consideration local population density, foot traffic, visibility, accessibility, proximity to target customers and securing favourable tenancy terms.
- **Centralised "kitchen" via third-party suppliers:** By utilising selected third-party suppliers for intermediate processed food products and ingredients, we effectively create a virtual centralised "kitchen." This allows our outlets to focus on the final preparation required for quick service, especially for takeaways.

The inherent modularity and scalability of our business model are one of our drivers leading to our sustained growth.

7.4.3 All our outlets are located in shopping centres, hypermarkets, airport retail mall and transit hub malls which enhances our brand visibility to sustain and drive business growth

As at the LPD, we operate a total of 132 *Empire Sushi* outlets strategically located in shopping centres, hypermarkets, airport retail mall and transit hub malls within urban and suburban areas across all regions in Malaysia, comprising 127 outlets in Peninsular Malaysia and 5 outlets in East Malaysia.

These locations provide us with high foot traffic, making our sushi chain highly accessible and convenient for potential customers. Being in malls also significantly enhances brand visibility as constant brand exposure builds strong recognition and recall among consumers, which is critical to our business success.

Our presence across 12 states and 2 federal territories in Malaysia gives us extensive market coverage and ensures easy access for potential customers. As a retail F&B service operator, the accessibility of our outlets is crucial for attracting new customers and fostering loyalty for repeat purchases. This broad addressable market is fundamental to our business's sustainability and continued growth.

For the Financial Years Under Review, our revenue breakdown by geographical region and their respective growth rates are set out below:

	FYE 31 March 2023 RM'000	FYE 31 March 2024 RM'000	FYE 31 March 2025 RM'000	CAGR FYE 31 March 2023-2025
Peninsular Malaysia	137,095	181,984	230,587	29.7%
- Central region	65,163	82,691	106,146	27.6%
- Northern region	36,272	43,681	52,888	20.8%
- Southern region	18,584	35,039	48,164	61.0%
- East coast region	17,076	20,573	23,389	17.0%
East Malaysia	-	2,817	5,013	#
Total	137,095	184,801	235,600	31.1%

Note:

Not applicable as our operations in East Malaysia only commenced during the FYE 31 March 2024.

7. BUSINESS OVERVIEW (Cont'd)

7.4.4 We have capabilities in developing new and improved sushi menus

We have the capabilities in developing new and improved sushi menus for our chain of sushi outlets. The development of new and improved sushi menu is spearheaded by our COO, Jordan Tan, who has approximately 19 years of experience in sushi chain operations, and one of our area managers. The development of new and improved sushi menu mainly involves exploring diverse ingredient combinations and preparation techniques with a focus on incorporating local flavour profiles to create appealing new and enhanced menu items.

We continuously refine our menu through in-house tastings and by actively seeking customer feedback. These insights are crucial for enhancing our offerings and ensuring that every new sushi creation aligns with our brand identity, target market and overall concept. In addition, we have implemented recipe standardisation across all outlets. This guarantees that every sushi item is prepared identically, consistently delivering the quality and taste our customers expect, thereby reinforcing our brand identity. As at the LPD, we offer approximately 70 sushi items on our sushi menu.

As the largest sushi chain operator in Malaysia, product excellence is paramount. Our recipes are developed to be widely accepted and appealing to end-consumers. This focus on culinary quality is reflected through our increasing sales volume which grew from 65.4 million pieces for the FYE 31 March 2023 to 108.0 million pieces for the FYE 31 March 2025, representing a CAGR of 28.5%. Our ability to create and enhance our unique recipes is a core strength, crucial for attracting new customers, building customer loyalty and driving recurrent business to sustain and grow our business.

7.4.5 Our proven 15-year track record in sushi chain operations, together with the majority of our outlets being Halal-certified, serves as a trusted reference for new customers and demonstrates our adaptability and relevance in the mass market

We have an established track record in sushi chain operations since 2010 when we launched our first grab-and-go sushi concept, featuring sushi products displayed and sold in hypermarkets on a consignment basis. Since then, our *Empire Sushi* brand network has expanded to a total of 132 outlets in Malaysia comprising of 117 grab-and-go sushi outlets and 15 quick dine-in sushi outlets as at the LPD. The number of sales transactions also increased from 7.3 million transactions for the FYE 31 March 2023 to 12.2 million transactions for the FYE 31 March 2025, represented a CAGR of 28.9%. Meanwhile, the average number of sales transactions per outlet grew at a CAGR of 5.1% between the FYE 31 March 2023 and the FYE 31 March 2025.

Our success is a testament to the widespread acceptance of our products, driven by our innovative sushi menu development, experienced outlet management and strategic ingredient sourcing, all of which support our expanding network. Our commitment to quality is evident in our stringent operational processes and thorough inspections including supply chain audits. These audits extend beyond our premises to trace ingredients back to their sources, ensuring the integrity of our supply chain from ingredients to final products. As at the LPD, 112 of our sushi outlets in Malaysia are Halal-certified. This certification provides us with a crucial platform to cater to Malaysia's mass market. In addition, we are in the process of applying or obtaining Halal certifications for our remaining sushi outlets on a progressive basis.

Our established operating track record and brand awareness combined with a strong customer base will sustain and help grow our business. Our strategy focuses on appealing to the mass market, which is achieved through our sushi products, localised flavours, competitive pricing, targeted marketing, and strategic placement of outlets in shopping centres, hypermarkets, airport retail mall and transit hub malls. This approach provides us access to a large addressable market, which is crucial for sustaining and growing our business.

7. BUSINESS OVERVIEW (Cont'd)

7.4.6 We have experienced Executive Directors and Key Senior Management to sustain and grow our business

We attribute our business growth and operational excellence to our experienced Executive Directors and Key Senior Management. At the helm is our CEO, Nicole Lim, who possesses approximately 15 years of experience in sushi chain operations, having been with us since the launch of our first *Empire Sushi* outlet in 2010. Nicole Lim is primarily responsible for the overall strategic direction and strategy development of our Group. She played a pivotal role in formulating the strategic direction of our Group, which includes corporate planning, branding and marketing initiatives with her contributions being instrumental in driving the growth and market presence of our Group.

Our CEO is supported by our COO, Jordan Tan, who brings approximately 19 years of experience in sushi chain operations. He is primarily responsible for overseeing overall outlet operations, as well as developing and enhancing our menu offerings including exploring diverse ingredient combinations and preparation techniques.

Our CEO and COO are supported by other members of our Key Senior Management, namely:

- Lim Chung Liang, our CFO, who brings approximately 16 years of experience in accounting and finance matters. He is primarily responsible for the cash flow and financial management of our Group, and he also oversees the accounting, taxation, company secretarial matters and internal control functions of our Group;
- Darren Khoo Yen Jen, our Head of Marketing, who brings approximately 14 years of experience in marketing operations. He is primarily responsible for developing and executing marketing strategies across our outlets, managing brand partnerships and enhancing overall brand visibility.

We believe our experienced management team will help to sustain and grow our business. Please refer to Sections 5.1.2 and 5.4.2 of this Prospectus for the profiles of our Executive Directors and Key Senior Management.

7. BUSINESS OVERVIEW (Cont'd)

7.5 BUSINESS STRATEGIES AND PLANS

Moving forward, we will continue to build on our core grab-and-go sushi chain business and expand our operational facilities to drive business sustainability and growth.

7.5.1 Expansion of sushi chain operations in Malaysia

A summary of our business strategies and plans is set out below:



As at the LPD, we operate a total of 132 *Empire Sushi* outlets comprising of 117 grab-and-go sushi outlets and 15 quick dine-in sushi outlets in Malaysia. Part of our business strategy is to expand our market access and coverage in Malaysia by establishing new sushi outlets, thereby growing our business and revenue.

Our sushi chain expansion strategy is aimed at creating a sustainable, profitable and recognisable brand that reaches a broader customer base while upholding our values and commitment to quality. From that perspective, we plan to expand our network of sushi outlets by establishing an additional 69 new outlets over the next 4 years in Malaysia.

Further, in line with our planned sushi outlet expansion, we will expand our workforce by hiring approximately additional 550 service crew to run our new sushi chain outlets.

Based on our experience in establishing new sushi chain outlets with similar set-up and operational budgets during the Financial Years Under Review and up to the LPD, the said expansion costs of RM[●] million comprises of estimated initial set-up cost of RM[●] million, estimated staff cost of RM[●] million and estimated rental cost of [RM●] million.

The total cost of setting-up the 69 new outlets is estimated to be RM[●] million, of which RM[●] million will be funded by the gross proceeds from the Public Issue, while the remaining RM[●] million will be funded via internally generated funds and/or bank borrowings. We plan to implement the expansion plan between the FYE 31 March 2026 and the FYE 31 March 2029. The establishment of new outlets in the FYE 31 March 2026 will be funded via internally generated funds and/or bank borrowings while the new outlets to be established between the FYE 31 March 2027 and the FYE 31 March 2029 will be funded via the proceeds from the Public Issue. The implementation of the expansion plans will be subject to various factors, including, among others, competition, the availability of suitable locations and human resources. A summary of this expansion plan is set out below:

7. BUSINESS OVERVIEW (Cont'd)

	Number of new sushi outlets				Total
	FYE 31 March 2026 ⁽²⁾	FYE 31 March 2027	FYE 31 March 2028	FYE 31 March 2029	
Multi-format sushi outlets					
Peninsular Malaysia	13	15	15	21	64
East Malaysia	-	-	3	2	5
Total	13	15	18	23	69
Estimated costs⁽¹⁾ (RM'000)	12,300	[•]	[•]	[•]	[•]
Source of funds	Internally generated funds / Bank borrowings	Proceeds from the Public Issue	Proceeds from the Public Issue	Proceeds from the Public Issue	

Notes:

(1) Includes set-up costs such as renovation and fit-out costs, cooking and food preparation equipment costs, staff costs and rental costs.

(2) Includes new sushi outlets to commence operations between 1 September 2025 and 31 March 2026.

Since our target market is focused on the mass market, we will continue to strategically target to open our new sushi outlets in shopping centres, hypermarkets, airport retail mall and transit hub malls in both urban and suburban areas as well as heavily populated commercial neighbourhoods with a mix of office and retail space to ensure a steady stream of customers.

We plan to implement the expansion plan by establishing 69 new outlets, which will operate in either grab-and-go or quick dine-in format. The operating format of the new outlets will be determined based on the suitability of each location, taking into consideration several factors, including the availability of exhaust provision, the size and layout of the available space as well as the commercial terms negotiated with the respective premise owner. In addition, for our new outlets, we require available floor space with a flexible size requirement, ranging from approximately 200 to 1,000 sq. ft..

Any excess amount required for the above costs will be funded by internally generated funds and/or bank borrowings. Conversely, if the actual amount for the above costs is lower than budgeted, the excess will be used for working capital purposes to purchase input materials for our operations.

7. BUSINESS OVERVIEW (Cont'd)

7.5.2 Upgrading of selected existing sushi outlets

Part of our business strategy includes upgrading and refurbishment of selected existing sushi outlets including renovations and replacement of fittings and equipment to proactively address wear and tear, rejuvenate the overall outlet aesthetics and elevate the overall experience of our customers. This ensures our outlets continue to be updated, remain modern and are well-maintained.

We plan to implement the upgrading and refurbishment works between the FYE 31 March 2026 and the FYE 31 March 2029. The total cost for the upgrading of existing sushi outlets is estimated to be RM[●] million, of which RM[●] million will be funded by the proceeds from the Public Issue while the remaining RM[●] million will be funded by internally generated funds and/or bank borrowings. A summary of this plan is set out below:

	Number of existing outlets				
	2026	2027	2028	2029	Total
Existing outlets					
Peninsular Malaysia	6	8	9	10	33
Total	6	8	9	10	33
Estimated costs (RM'000)	2,100	[●]	[●]	[●]	[●]
Source of funds	Internally generated funds / Bank borrowings	Proceeds from the Public Issue	Proceeds from the Public Issue	Proceeds from the Public Issue	

7.6 MODE OF OPERATIONS

7.6.1 Owned and operated outlets

For our owned and operated outlets, our mode of operation is payment based on cash, credit card and e-wallets immediately upon the sales of our products. This applies to all our transactions at our grab-and-go and quick dine-in outlets, as well as sales made through e-commerce platforms.

For credit cards and debit cards, we typically will receive payments from the issuing financial service providers on the next business day following the transaction date. For e-wallet transactions, funds are immediately credited into our accounts once the transaction is completed. For purchases made through e-commerce platform, we typically receive payments within 3 working days after the transaction.

7.6.2 Consignment operations

As at the LPD, we have 1 consignment arrangement in place with a third-party hypermarket located in Kedah where we supply our products on a consignment basis. We are paid only for the products sold. The key payment terms for our consignment arrangement is as follows:

- Revenue is shared based on an agreed percentage of products sold; and
- Payments are remitted to us on a monthly basis together with a detailed monthly sales report provided by the consignee.

7. BUSINESS OVERVIEW (Cont'd)

We are responsible for on-site sushi preparation and the disposal of all unsold products at the end of each business operating day, as part of our responsibilities. While we do not cover expenses such as rent and utilities, all food ingredients are sourced by us and the workers deployed at the outlet are our employees.

7.7 PRODUCTS AND SERVICES

7.7.1 Sushi chain operations

We primarily offer a diverse range of localised sushi, from classic inari, nigiri, gunkan, maki and rolls, temaki and onigiri at our sushi outlets. Other complementary condiments and beverages are also available. Our sushi is prepared following standardised, in-house recipes and rigorous food safety practices, ensuring consistency and quality at each of our outlets. In addition to purchasing our products directly in-store, our products are also readily available through various e-commerce platforms.

All of our outlets are conveniently located in shopping centres, hypermarkets, airport retail mall and transit hub malls ensuring easy access for our target customers. Our operating hours typically align with mall business hours, generally from 10.00 a.m. to 10.00 p.m., seven days a week. These hours may be extended until 11.00 p.m. when the premise operators extend their operating hours. This allows us to serve customers for approximately 12 hours a day, extending sales beyond traditional meal periods.

Our sushi chain operates under two distinct outlet formats:

- (i) grab-and-go sushi outlet; and
- (ii) quick dine-in sushi outlet.

7.7.1.1 Our sushi chain brand identity

Our customer base primarily consists of individual end-consumers, with a small portion of our products purchased by businesses and organisations for various events and purposes. As such, consistent brand identity, awareness and representation play key roles in enhancing the ease of recognition, standardised presentation and conveying the correct message across our *Empire Sushi* outlets.

We position our *Empire Sushi* outlets to offer fast, easily accessible Japanese food for the mass market, featuring ready-to-eat sushi adapted to suit local tastes. The visual identity of *Empire Sushi* incorporates both Japanese and local cultural elements. Our main logo features design elements such as the sakura flower, sushi and bamboo leaf, representing Japanese cultural and culinary influence. The logo also includes a character dressed in a traditional Nyonya outfit, representing the local cultural context and our Malaysian heritage.

Visual identity of our Empire Sushi brand



Generally, our outlets display the *Empire Sushi* brand in red signage and feature a standardised wooden-themed design. These elements are typically applied across all our outlets to support brand uniformity for ease of recognition.

7. BUSINESS OVERVIEW (Cont'd)

7.7.1.2 Operational arrangement of our sushi chain

Our sushi chain operates under the following operational arrangements:

(i) Owner-operator

As at the LPD, we own and operate all our outlets directly, except 1 outlet operated on a consignment basis. Our owner-operated outlets are located on rented premises. As an owner-operator, we are responsible for managing all aspects of operations, including capital investment required for setting up each outlet. This involves securing tenancy agreements, interior fit-out, equipment procurement, and the installation of POS and other operational systems.

We manage and control the day-to-day operations of these outlets, which cover recruitment, training, and supervision of outlet staff, procurement and inventory management of ingredients and packaging materials, menu planning and standardisation, pricing and promotional activities as well as implementation of food safety and hygiene standards.

In addition, we implement and manage all operational systems within the outlet, including POS systems for sales tracking, cash handling procedures, and internal reporting mechanisms. Our head office management team also provides ongoing operational support and performance monitoring to ensure consistency across all outlets.

This arrangement allows us to maintain full control over the operations of our outlets, including the management of customer experience, brand presentation, and service quality. It also provides the flexibility to respond to changes in customer preferences, market conditions, and operational requirements.

As at the LPD, we operate 117 grab-and-go sushi outlets and 15 quick dine-in sushi outlets in Malaysia.

Independent store under owned and operated management



(ii) Consignment

Under the consignment arrangement, our products are sold at the consignee's location, operating under a chiller counter-within-a-store concept. We are allocated a dedicated space within the consignee's retail premises, where we display and sell our products at the *Empire Sushi* branded counters set up by the consignee. All equipment, including the display chiller and kitchen equipment, belongs to us. We do not pay rent or utility charges, all of which are imputed in our revenue-sharing arrangement.

7. BUSINESS OVERVIEW (Cont'd)

Although the sales transactions are processed through the consignee's POS system, the daily operations at these locations are fully managed by our service crew. Our service crew are responsible for the preparation, packaging, display, and restocking of products, as well as providing customer service and maintaining food safety and hygiene standards. This ensures that the quality and presentation of our products remain consistent with our brand image and standards. We also retain control over other key aspects such as pricing, product assortment, branding, and marketing materials displayed at the consignment counters.

We retain ownership of the sushi products until sold to end consumers. The consignee pays us for the value of all products sold based on a pre-agreed revenue-sharing arrangement. We are responsible for disposing of all unsold products in accordance with our internal procedures at the end of each business operating day.

As at the LPD, we have 1 grab-and-go sushi outlet operating under the consignment basis located within a supermarket at Pacific Alor Star Mall, Kedah.

7.7.2 Grab-and-go sushi outlet

7.7.2.1 Overview

Our grab-and-go sushi outlet is designed for over-the-counter takeaway service, providing customers with quick access to a variety of ready-to-eat sushi and related food products. All of our grab-and-go outlets are located within shopping centres, hypermarkets, airport retail mall and transit hub malls, targeting customers seeking convenient meal options without the need for dine-in services.

Each outlet features a chiller display counter where ready-to-eat sushi and related products are arranged for self-selection by customers. In addition to chilled items, certain products such as onigiri and handroll sushi are pre-packaged and displayed at ambient temperature on the counter. Food is prepared in advance and replenished throughout the day to maintain product freshness and availability.

Sushi and related products displayed at a chiller display counter



7. BUSINESS OVERVIEW (Cont'd)

Onigiri and handroll sushi displayed at ambient temperature



Customers may select their preferred items directly from the display, and our outlet staff will assist in packing the selected items for takeaway. Alternatively, customers may place orders in advance via our Empire Sushi mobile application for self-pickup or delivery to their designated address. Our delivery services are fulfilled by third-party logistics providers. Our products are also available through third-party food delivery platforms, including GrabFood and Foodpanda.

Our Empire Sushi mobile application



Our grab-and-go outlets are located in dedicated retail units within shopping centres, hypermarkets, airport retail mall and transit hub malls and are generally compact in size. The outlet layout is designed for operational efficiency, featuring designated areas for food preparation, packing, checkout, and product display. While most outlets are intended for takeaway only, some are equipped with limited seating areas for customer convenience.

Our sushi products are prepared on-site at each of our outlets. We implement standardised operating procedures across all outlets to ensure consistency in food preparation, presentation, and hygiene practices.

7. BUSINESS OVERVIEW (Cont'd)

Some of our grab-and-go sushi outlets



7.7.2.2 Our menu

Our sushi chain menu is developed by our in-house team to cater to the mass market, offering a variety of ready-to-eat sushi and related food products. These are prepared daily in-store to maintain freshness, quality and food safety.

Our menu blends Japanese and Malaysian flavours, incorporating local ingredients, spices, and sauces to cater to the tastes of the local market. Most items are offered in convenient, easy-to-eat portions for customer convenience. We regularly review and update our menu, replacing slow-selling items with new offerings to better align with evolving customer preferences and market trends.

Customers may purchase sushi products individually or select from our available combo sets. The main products offered at our grab-and-go sushi outlets can be broadly categorised as follows:

- **Inari:** Sushi consisting of sushi rice filled into a pouch made from seasoned deep-fried tofu skin and topped with various ingredients.
- **Nigiri:** Sushi consisting of a slice of seafood or other toppings placed on top of a small portion of hand-formed sushi rice.
- **Gunkan:** Sushi where a strip of seaweed is wrapped around a ball of rice and topped with ingredients such as fish roe or salad mixtures.
- **Maki and rolls:** Sushi rolls made by layering sushi rice and fillings on a sheet of seaweed, rolled and cut into pieces.
- **Temaki (hand rolls):** Cone-shaped sushi made by wrapping seaweed around sushi rice and various fillings, designed for convenient handheld consumption.
- **Onigiri:** Sushi rice in triangular forms, wrapped with seaweed and filled with various ingredients.
- **Other related food products:** This includes beverages, mochi desserts, condiments and accompaniments that complement our sushi products.

7. BUSINESS OVERVIEW (Cont'd)

Some of our nigiri sushi



Some of our inari sushi



7. BUSINESS OVERVIEW (Cont'd)

Some of our maki and rolls sushi



Some of our gunkan sushi



7. **BUSINESS OVERVIEW** (Cont'd)

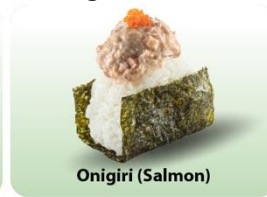
Some of our onigiri



Onigiri (Crab)



Onigiri (Octopus)



Onigiri (Salmon)



Onigiri (Tuna)



Onigiri (Lobster)



Onigiri (Spicy Lobster)



Onigiri (Unagi)

Some of our temaki sushi



Hand Roll (Crab)



Hand Roll (Idako)



Hand Roll (Salmon)



Hand Roll (Tempura Ebi)



Hand Roll (Unagi)

7. BUSINESS OVERVIEW (Cont'd)

Our sushi combo set



7.7.3 Quick dine-in sushi outlet

7.7.3.1 Overview

Our quick dine-in sushi outlet is designed to provide customers with a casual dining experience in a contemporary setting, offering a variety of ready-to-eat sushi and hot dishes including noodle soup, oden, grilled items, donburi (rice bowls), and related food products for on-premises consumption as well as takeaway and delivery. Our quick dine-in outlets are located within shopping centres and hypermarkets, targeting customers seeking dine-in services. It is generally larger in size compared to our grab-and-go outlets. As at the LPD, we have 15 quick dine-in sushi outlets.

Out of the 15 quick dine-in sushi outlets in operation as at the LPD, we have 1 outlet in Setia City Mall which features a conveyor belt system with seating arranged around it. Ready-to-eat sushi and related items are placed on plates with transparent covers and put on a slow-moving conveyor belt for customers to select. The food on the conveyor belt is prepared in advance and regularly replenished throughout the day to ensure freshness and availability.

7. BUSINESS OVERVIEW (Cont'd)

Our quick dine-in sushi outlet



Our quick dine-in sushi outlet with a conveyer belt system in Setia City Mall



7.7.3.2 Our menu

Our quick dine-in outlets feature an expanded menu compared to our grab-and-go outlets. Our quick dine-in outlets offer customers both ready-to-eat sushi and hot dishes such as noodle soup, oden, grilled items, donburi (rice bowls), appetisers, and side dishes. This includes made-to-order items prepared on-site upon request.

Some of our sushi for our quick dine-in sushi outlet



7. BUSINESS OVERVIEW (Cont'd)

Some of our made-to-order noodle soup including ramen and udon



Some of our made-to-order grilled food



7. BUSINESS OVERVIEW (Cont'd)

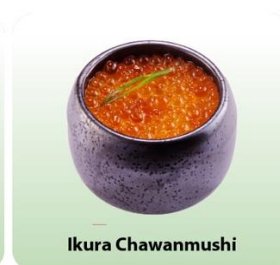
Some of our made-to-order deep-fried food



Some of our made-to-order salad and sashimi



Some of our made-to-order chawanmushi



7. BUSINESS OVERVIEW (Cont'd)

7.7.4 Sushi chain management and operations

7.7.4.1 Centralised management with localised operations

Our sushi outlets are managed centrally with key decisions made at our head office. This centralised approach ensures that all processes involved in our sushi chain operations are streamlined and consistent across all outlets. This approach also enables uniformity in service, product quality and operations as well as economies of scale through the shared utilisation of resources.

Our outlet operations are localised as food ingredients are typically delivered 2 to 3 times per week to each outlet and each outlet prepares the final ready-to-eat product for sale. While the sushi rice is cooked and prepared at each outlet, all other food ingredients are intermediate processed food products and ingredients that we process at our outlets to prepare the final product on-site. Similarly, for our quick dine-in outlets, the dishes commonly prepared on-site include rice and intermediate processed food products and ingredients that require further cooking, such as deep-fried and steamed items, as well as soup-based noodles.

7.7.4.2 Menu and recipe

The menu of our sushi chain is developed in-house by Jordan Tan and one of our area managers at the head office, with certain ingredients such as special prepared sauces and intermediate processed food products and ingredients formulated in collaboration with third-party suppliers. Jordan Tan and one of our area managers are responsible for determining the optimal combination of ingredients for developing new sushi flavour. For selected ingredients that require specialised formulation, such as special prepared sauces and pastes, the formulations are developed jointly with the suppliers based on our specifications and requirements. We retain ownership of the recipes for our special prepared sauces and pastes. As at the LPD, we have entered into non-disclosure agreements with our suppliers, which restrict them from disclosing, among others, the recipes of the ingredients to third parties or from using them for benefit of third parties.

In addition, as part of our measures to protect our recipes from being disclosed to any third party during the day-to-day operations in our sushi outlets, the recipes of our products are divided into parts, where only a specific part of the recipe will be disclosed to the relevant service crew responsible for the preparation. For example, certain service crew may only be provided with the recipe for sushi rice, while the recipe for the sauces and the source of supply are only disclosed to one of our area managers. As such, none of our personnel have access to the full recipe and only authorised personnel have access to the complete recipes as well as the source of supply.

7.7.4.3 Procurement of food ingredients and consumables

The selection of manufacturers and suppliers for our sushi chain is managed centrally by our head office team to ensure a consistent supply of ingredients, packaging materials and other operational necessities that meet our product quality and food safety requirements. In addition, centralised procurement allows us to obtain volume discounts from our suppliers by leveraging bulk purchase volumes for our sushi chain operations.

We assess and select our manufacturers and suppliers based on several key criteria, including, among others, the following:

- Track record and reputation in the market;
- Product quality and consistency;
- Financial strength;
- Adequacy of facilities and equipment to support reliable supply;
- Supply chain capability for sourcing raw and input materials;
- Cleanliness and hygiene standards in the preparation and processing of materials;
- Logistics consideration;

7. BUSINESS OVERVIEW *(Cont'd)*

- Possession of relevant food manufacturing certifications including, GMP, HACCP and Halal certifications; and
- Pricing and other commercial terms.

In addition to the initial selection process, we conduct ongoing assessments to monitor the reliability of our manufacturers and suppliers. This includes regular reviews of product quality, delivery timeliness, consistency of supply, and overall satisfaction with the supplier's service. We also conduct periodic site visits to the manufacturers' or suppliers' facilities as part of our quality assurance and supplier management process.

7.7.4.4 Inventory control and logistics, and quality inspection

Our inventory control process involves monitoring stock levels at the outlet level. Our inventory data is updated daily in our systems, providing our head office with immediate access to the latest information. This information is used to plan replenishment schedules, manage stock rotation, and minimise wastage, particularly for perishable items such as seafood, vegetables, and prepared ingredients. Based on the outlet inventory reports, our head office coordinates procurement and delivery arrangements with suppliers.

Deliveries of purchased materials are carried out according to a fixed delivery schedule and our suppliers will deliver the materials directly to each of our outlets. This arrangement enables us to maintain consistent stock levels across all outlets while ensuring the freshness and quality of the products supplied. Our outlet service crew are responsible for inspecting the quality and quantity of the incoming ingredients when they are delivered.

In addition, our ICT system incorporates data analytic tools to generate detailed wastage reports to identify data including frequently wasted ingredients, reasons for the waste and wastage trends by outlet location. This provides our head office with immediate access to review and monitor.

7.7.4.5 Establishing new outlets

Our head office centrally manages the establishment of new outlets to ensure consistency in outlet format, design, and operational setup. This process involves several key stages, including location assessment, layout planning, fit-out works, and system implementation.

Location assessment is conducted taking into consideration factors such as foot traffic, customer demographics, premises visibility and rental terms. As at the LPD, all our outlets are located within shopping centres, hypermarkets, airport retail mall and transit hub malls. We established all of our sushi outlets in these locations mainly due to the higher foot traffic, which is important in building our brand awareness and exposure. Additionally, these locations offer convenience and accessibility to our target customers.

Once a location is identified, our head office oversees the design and layout planning of the outlet, ensuring alignment with our brand identity and operational requirements. This includes determining the placement of key areas such as the food preparation area, chiller display counter, packing area, and checkout counter.

Fit-out works, including interior finishing, equipment installation, as well as branding and marketing materials, are coordinated and supervised by our head office. Standardised equipment, fixtures and POS systems are installed to maintain uniformity across all outlets.

7.7.4.6 Cash management

Our cash management is primarily focused on overseeing the daily cash flow, ensuring that all transactions are accurately recorded and reported to our head office.

7. BUSINESS OVERVIEW *(Cont'd)*

For outlets operating under the owned and operated arrangement, all sales transactions are processed through our POS system, which records sales data on a real-time basis. Each outlet performs daily sales reconciliation to account for cash and electronic payments, including credit cards, debit cards and e-wallets. Our ICT system incorporates data analytic tools to generate sales reporting including real-time sales data such as sales information by outlet location, menu and items sold and the sales reconciliation reports are updated daily in our systems, providing our head office with immediate access for review and monitoring.

Cash collections from outlets are deposited into our designated bank accounts on a daily basis by the respective outlet supervisors to minimise cash holding at the outlet level. We have established policies and SOP to ensure secure cash handling and transfer, including cash count verification, documentation, and supervision by the outlet supervisor. Any material discrepancies between the cash received and the recorded sales will be investigated to ensure the accuracy and integrity of our financial records and cash management processes.

In addition, our sushi outlets are equipped with a centralised 24-hour CCTV surveillance system to monitor outlet activities, including cash handling processes. Furthermore, we maintain insurance coverage for cash in transit and burglary as part of our cash management practices.

For the outlet under the consignment arrangement, sales transactions are processed through the consignee's POS system. Payments to our Group are made by the consignee on a monthly basis based on the actual sales value of products sold, in accordance with the pre-agreed revenue-sharing arrangement and payment terms.

7.7.4.7 Marketing

Our marketing activities are centrally managed by our head office to ensure consistency in brand identity, product positioning and promotional strategies across all outlets. The scope of centrally managed marketing includes defining target customer groups, brand management, advertisements and promotional campaigns, marketing materials, menu design, pricing strategies and digital marketing. Please refer to Section 7.16 of this Prospectus for further details on our sales and marketing activities.

7.7.4.8 Quality assurance

Our sushi chain is centrally managed by our head office to ensure that all products and services provided across all our outlets meet the required standards for food safety, hygiene, and product consistency.

We implement SOPs across all outlets covering food preparation, handling, storage, display and service. Regular internal monitoring and checks are conducted to ensure compliance with these procedures and regulatory requirements.

All our outlets are equipped with a CCTV surveillance system that is centrally monitored to oversee various activities, including food preparation, customer service and general outlet operations. This system forms part of our quality assurance practices, ensuring that all outlets operate in accordance with established SOPs. The use of the surveillance system helps maintain consistency and quality, allowing us to identify and address any operational issues promptly.

7.7.4.9 Sushi outlet recruitment and management

The key personnel facilitating the day-to-day operations of our outlets include operation managers, outlet supervisors, as well as service crew responsible for customer service, as well as food handling and preparation works.

7. BUSINESS OVERVIEW *(Cont'd)*

Generally, each sushi outlet is staffed with 4 to 8 staff including service crew and outlet supervisor, operating 2 shifts per day. The outlet supervisors are primarily responsible for overseeing outlet operations, including managing staff schedules, ensuring compliance with food safety and hygiene standards, monitoring inventory levels, maintaining product presentation and handling customer service matters. The outlet supervisors will report to their respective area managers, who in turn report directly to our head office.

Each area manager is responsible for supervising various outlets within a designated area. The area manager's role mainly includes monitoring the overall performance of the outlets under their supervision, providing operational guidance to outlet supervisors, and ensuring adherence to SOP.

Our head office oversees the recruitment process and is responsible for determining suitable candidates for the positions of area manager, outlet supervisors and service crew.

Training is provided at the outlet level where outlet supervisors conduct on-the-job training for new recruits. This training covers areas such as food preparation, customer service, hygiene practices, and outlet procedures, ensuring that all staff members are equipped with the necessary skills to perform their roles in accordance with our standards. In addition, we provide training programmes to our area managers and outlet supervisors in areas such as leadership development and marketing to enhance the competencies of our employees.

7.7.4.10 Outlet standard operating procedures

We have established SOPs for all our sushi outlets to ensure consistent operational processes, product quality, food safety, hygiene, and customer service across all our outlets. These SOPs are developed and managed centrally at head office and implemented at the outlet level through staff training, distribution and updates to operational manuals, and regular monitoring.

Some of the key SOPs that we implement for the operation of our sushi outlets are:

- **Daily opening of outlet:** Standard procedures include activities such as equipment checks, food preparation and replenishment, product display setup and cleanliness inspection to ensure readiness for customer service.
- **Food preparation and handling:** Standard procedures covering ingredient handling, food preparation methods according to our recipes, storage requirements, quality check on input materials and presentation of the products.
- **Product display and stock rotation:** Standard procedures for arranging products on display counters, managing product shelf life, and implementing first-in, first-out (FIFO) stock rotation practices to minimise spoilage and ensure that products offered to customers meet quality and freshness standards.
- **Hygiene and cleanliness:** Standard procedures outlining cleaning schedules and hygiene practices for all outlet areas, including food preparation zones, display counters, packing areas, and customer service points. Staff are also required to adhere to personal hygiene standards in line with regulatory requirements and internal policies.
- **Cash handling:** Standard procedures for daily sales reconciliation, cash counting, reporting and secure handling of cash and cash equivalents.
- **Leftover management:** Standard procedures for handling unsold products at the end of each business operating day, including recording, reporting, and disposal procedures. Based on our SOP, any unsold products at the end of each of the business operating day are disposed of in accordance with our disposal procedures.

7. BUSINESS OVERVIEW *(Cont'd)*

- **Customer service:** Standard procedures for customer interaction, order handling, complaint management and service delivery to ensure a consistent customer experience across all outlets.
- **Daily closing of outlet:** Standard procedures involve activities such as inventory checks, recording of unsold products, cleaning and sanitisation of food preparation and service areas, cash reconciliation, and securing of outlet premises.

Our head office monitors compliance with these SOPs through regular checks, including area manager visits, internal audits and review of outlet reports. These measures support operational efficiency and ensure uniform quality in the products and services provided at all outlets.

7.7.4.11 ICT F&B service management system

We maintain a centralised ICT F&B service management system that integrates data from all our outlets. This system consolidates data captured through the POS system, including records of our sales transactions, as well as inventory levels and stock movements. It also incorporates real-time access to CCTV footage from our outlets to support remote supervision of outlet operations by our management team. The centralised system enables our management team from the head office to monitor outlet performance in real time, facilitate inventory management, and support other aspects of operational planning.

Our ICT F&B service management system features business intelligence and analytic tools to collect data from various sources including our POS terminals and inventory system to generate daily sales data by products and locations, inventory and waste management data. This helps to streamline daily operations by providing insights into the operations and also facilitate financial reporting.

Please refer to Section 7.13 of this Prospectus for further details on our ICT F&B service management system.

7.7.5 Net change in number of outlets

The net change in the number of outlets for the Financial Years Under Review and up to the LPD:

7. BUSINESS OVERVIEW (Cont'd)

	FYE 31 March 2023	FYE 31 March 2024	FYE 31 March 2025	From 1 April 2025 up to the LPD
Number of outlets at the beginning of the period	65	81	104	122
- <i>Grab-and-go sushi outlets</i>	55	70	92	108
- <i>Quick dine-in outlet</i>	10	11	12	14
Number of new outlets opened during the period	17	24	18	10
- <i>Grab-and-go sushi outlets</i>	16	23	16	9
- <i>Quick dine-in outlet</i>	1	1	2	1
Number of outlets closed during the period	(1)	(1)	-	-
- <i>Grab-and-go sushi outlets</i>	(1)	(1)	-	-
- <i>Quick dine-in outlet</i>	-	-	-	-
Number of outlets at the end of the period	81	104	122	132
- <i>Grab-and-go sushi outlets</i>	70	92	108	117
- <i>Quick dine-in outlet</i>	11	12	14	15

7.8 OPERATIONAL FACILITIES

As at the LPD, we operate from our head office located in Puchong, Selangor, the details of which are set out below:

Company	Main function	Location
Empire Sushi	Head office	No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor, Malaysia.

As at the LPD, we have a total of 132 operated *Empire Sushi* outlets across the 12 states and 2 federal territories in Malaysia. All our outlets are located on rented premises, save for 1 outlet which operates on a consignment basis within our consignee's premises.

7. BUSINESS OVERVIEW (Cont'd)



As at the LPD, the key details of our sushi outlets are as follows:

	Number of outlets ⁽¹⁾	Total floor area (sq. ft.)
Total Malaysia	131	70,907
Central region of Peninsular Malaysia	59	31,826
Northern region of Peninsular Malaysia	28	15,177
Southern region of Peninsular Malaysia	28	16,699
East Coast region of Peninsular Malaysia	11	5,323
East Malaysia	5	1,882

Note:

(1) Include outlets which are owned and operated by our Group.

7.9 MACHINERY AND EQUIPMENT

As at 31 March 2025, our main machinery and equipment are as follows:

Machinery and equipment	Number of units	NBV as at 31 March 2025 (RM'000)
Sushi machines	246	5,510
Display showcases	326	2,151
Freezers	259	769
Chillers	159	427
TOTAL	990	8,857

7. BUSINESS OVERVIEW (Cont'd)

7.10 OPERATING CAPACITY AND UTILISATION

Our business is mainly focused on sushi chain operations. The measurement of each sushi outlet's capacity, output and utilisation rate cannot be meaningfully determined due to the following reasons:

Grab-and-go sushi outlets

- The absence of dine-in seating means that sales are not limited by seating availability. This makes it difficult to establish a consistent baseline for capacity or utilisation, and eliminates the key variables typically used to estimate capacity, such as turnover rates and average expenditure per seat per day. As such, the operating capacity of our grab-and-go sushi outlets cannot be reasonably measured using conventional dine-in metrics.
- For all our grab-and-go outlets, sushi production is flexible and demand-driven, with output primarily based on customer purchases. For large orders, customers are generally willing to wait or provide advance notice, allowing us sufficient time to fulfil their requests. Additionally, we produce to stock to replenish our display chillers, ensuring we have a buffer for quick restocking when an item runs low. Our production capacity and output are ultimately dependent on the number of staff available, which can be adjusted to meet demand.

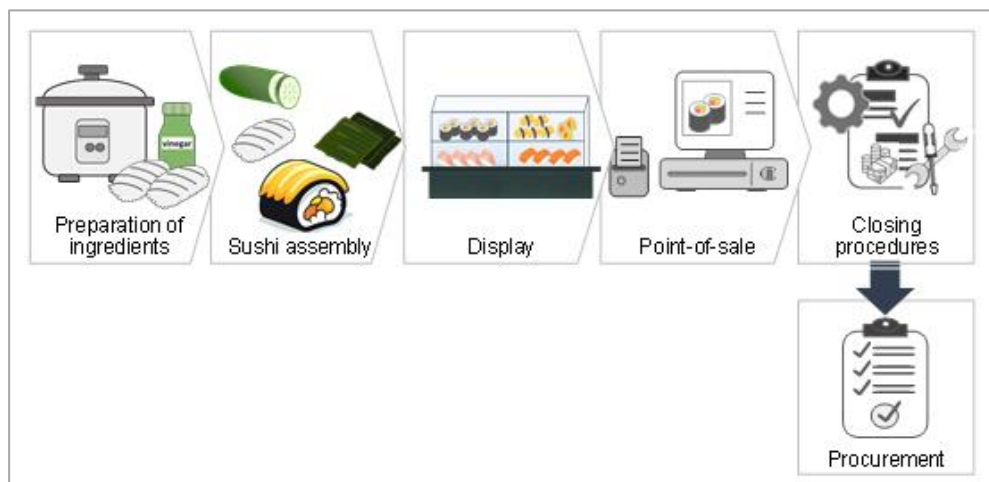
Quick dine-in sushi outlets

- While available seating is one of the factors in determining dine-in capacity, the number of potential turnover and value spent per seat per day per outlet to determine the operating capacity of our quick dine-in sushi outlets cannot be reasonably estimated.
- Each sushi outlet also has takeaway and delivery purchases which are not dependent on available seating, and the capacity to service this segment of the business cannot be reasonably estimated.

7.11 PROCESS FLOW

7.11.1 Sushi chain operations

Generally, the process flow for the operations of our sushi outlets is as follows:



7. BUSINESS OVERVIEW (Cont'd)

- **Preparation of ingredients**

At the start of each day, the service crew at our outlets would carry out the preparation of ingredients, including:

- washing and cooking sushi rice, followed by the addition of seasonings with a vinegar-based mix;
- thawing and apportioning the pre-cooked items such as, battered fried prawns, seasoned mini octopus, grilled fresh water eel, and fish roe; and
- preparing garnishes, sauces, and condiments.

- **Sushi assembly**

The prepared ingredients are then transferred to the sushi assembly station, where our service crew will assemble various sushi items in accordance with the standardised recipes, portion sizes, and hygiene protocols. Their tasks include precise ingredient handling, rolling and shaping sushi, and arranging the products for the next stage of packaging and labelling.

The outlet supervisor oversees the assembly process to ensure adherence to quality, consistency, and food safety standards. This includes conducting regular quality checks on portion accuracy, product appearance and overall presentation, and taste consistency through sampling. The outlet supervisor will also ensure that the service crew at the sushi outlets comply with the SOPs and hygiene practices.

- **Display**

Once assembled, the sushi products are individually arranged on the refrigerated display shelves. We also offer combination packages that include a variety of sushi types in a single set. Our products are sold on a first-in, first-out basis to ensure the earlier produced items that are on display are sold first.

Our staff regularly monitor the product levels on the display shelves and replenish them when they run low.

- **Point-of-sale**

Customers would then select their preferred sushi items from the refrigerated display shelves and proceed to checkout. Multiple payment options are accepted, including cash, credit/debit cards, and e-wallets.

- **Closing procedures**

At the end of each business day, the daily closing procedures are carried out in accordance with our SOPs. This includes:

- discarding all unsold displayed sushi products. The quantity and type of discarded items are recorded in the wastage log for inventory analysis and demand planning;
- cleaning and sanitising the outlet including food preparation areas, equipment, and display shelves, ensuring that equipment, preparation utensils and the premises are clean, hygienic and operationally ready for the following day; and
- conducting cash management procedures, including the reconciliation of sales transactions recorded in the POS system with physical cash, e-wallet, and card payments. Any discrepancies are then reviewed and resolved as part of the daily closing routine.

7. BUSINESS OVERVIEW (Cont'd)

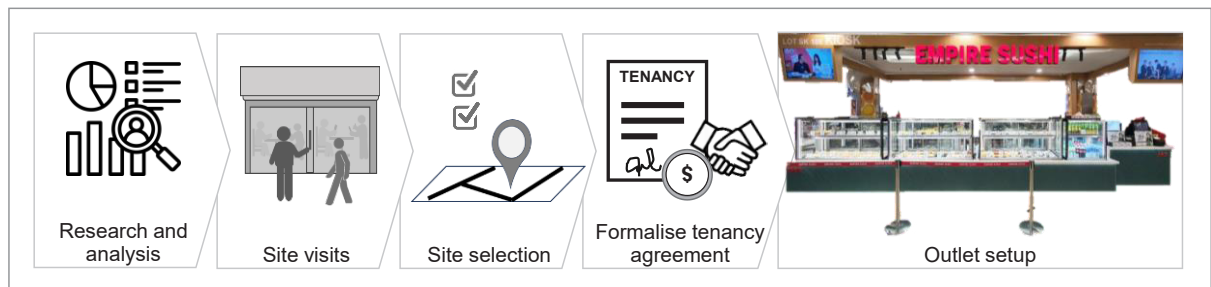
• Procurement

Outlet supervisors are responsible for monitoring the daily inventory levels of key ingredients, including rice, seafood, vegetables, condiments, pastes, sauces, and packaging materials. Based on the current stock levels and projected sales volume, the outlet supervisor would then submit the request for replenishment of items to the central procurement department in the head office.

The central procurement department would then consolidate the orders from all outlets and liaise with approved suppliers to place our purchase orders. Ingredients are then delivered directly to each outlet based on a predetermined delivery schedule, ensuring freshness and continuity in supply.

Visual inspections are conducted upon receipt of ingredients at our outlets, as well as prior to usage. This is to ensure that all ingredients meet quality requirements in terms of size, colour, and texture, as well as hygiene and food safety standards.

7.11.2 Establishing new sushi outlets



The general process flow for the establishment of a new sushi outlet is as follows:

• Research and analysis

The establishment of a new sushi outlet begins with research and analysis to identify the locations that align with our operational and strategic goals. Some of the key considerations include:

- **market research**, which involves assessing the demographics, population density, spending patterns and lifestyle trends. This also includes competitor analysis to evaluate the presence, strength, and pricing strategies of nearby F&B and sushi-focused food service operators; and
- **accessibility and visibility of potential locations**, where we assess proximity to high footfall areas such as office buildings, residential areas, and transport hubs. Some key considerations include ease of access and strong visibility from primary walkways and entrances, which support walk-in and impulse purchases.

Once a list of potential sites has been identified, a cost analysis will be conducted for each location. This includes gathering information on the rental costs, renovation and maintenance costs, and other operational expenditures. A financial projection is then developed for each site, incorporating estimated daily sales volume, gross profit margins and expected payback period to determine the commercial viability of each site.

All our sushi outlets are located in shopping centres, hypermarkets, airport retail mall and transit hub malls, and we will continue with this approach for all new outlets. Typically, shopping mall operators also provide their demographics, customer profile and other pertinent market data for our consideration.

7. BUSINESS OVERVIEW *(Cont'd)*

- **Site visits**

Site visits are conducted to inspect potential sites in person, facilitating decision-making based on actual on-the-ground observations. During these visits, the following are inspected and observed:

- foot traffic patterns, particularly during lunch and dinner hours to determine the potential customer flow;
- proximity to anchor tenants such as supermarkets, cinemas, food courts or lifestyle stores that attract a high volume of visitors;
- visibility and accessibility of the space from main walkways and common areas;
- layout suitability for key components such as refrigerated display shelves, preparation area, POS system and storage compartments;
- access to utilities, including electrical points and internet connectivity; and
- other factors such as mall operational policies and restrictions including operating hours, food preparation limitations, signage guidelines and waste disposal procedures.

- **Selection of site**

Based on the outcomes of our research, analysis, and site visits, the most suitable location is then proposed for management's approval. The selection is guided by a balanced evaluation of key factors such as visibility, foot traffic, operational feasibility, cost-effectiveness and the potential for business success.

- **Formalisation of tenancy agreement**

Once the location is approved, we will proceed with negotiations and formalising the tenancy agreement. This process involves confirming key commercial terms, including the monthly rental, tenure, renovation period, and responsibilities related to maintenance services.

- **Outlet set-up**

After finalising the tenancy, the set-up process begins. This includes the following:

- design, planning and budgeting;
- interior fit-out and branding, including installation of flooring, wall finishes, signage, lighting, and panels in line with our brand identity;
- installation of equipment such as refrigerated display units, sushi preparation tables, cold storage facilities, food-grade shelving and POS systems;
- IT and systems set-up including integration of POS, inventory tracking, temperature monitoring tools and digital payment infrastructure;
- procurement and stocking of initial supplies of sushi ingredients, packaging materials, staff uniforms and marketing materials; and
- compliance and inspection, ensuring all requirements are met for food safety certification, mall fit-out approvals and operational readiness.

7. BUSINESS OVERVIEW (Cont'd)

Once the set-up is completed, the outlet undergoes a final review to ensure it is ready for opening.

7.12 R&D

Our R&D activities primarily focus on the development of new and enhancement of existing sushi products as well as paste and sauce recipes. This supports both our grab-and-go sushi operations and quick dine-in sushi operations. Our continuous R&D activities involve introducing innovative menus by exploring new flavours and tastes, preparation techniques, and utilising specialised sushi-making equipment and machinery. The development of new or enhanced sushi recipes allows us to maintain the interest of existing customers while attracting new ones through variety, freshness, and product innovation.

Generally, the activities that are involved in our R&D include the following:

- **Development of new and enhancement of existing recipes**

Our recipe development process involves experimenting with various ingredient combinations, such as different types of fish, toppings, vegetables, pastes, sauces and seasonings. We also adjust the rice-to-filling ratios to enhance the taste, texture and shelf life of the ingredients. Key considerations include evolving customer preferences, ingredient sourcing, cost, and the suitability of packaging and display under chilled conditions. We collaborate with third-party suppliers to ensure ingredient availability while maintaining our cost targets. Additionally, we assess the compatibility of new recipes with our existing production workflows and sushi-making equipment.

- **Internal tasting and feedback**

During the R&D process, multiple recipe iterations are developed before finalising the selection. Internal tasting sessions are held, involving our R&D team, management, and frontline staff. Feedback is gathered to refine the recipes, focusing on flavour balance, presentation, packaging integrity and ease of production. Only recipes that meet our quality and operational standards move on to the next stage of test marketing.

- **Market acceptance testing and launch**

To evaluate customer acceptance of new products, we may introduce them for a limited time at selected outlets. This allows us to gauge market demand and gather consumer feedback before deciding whether to permanently add the product to our menu. This approach helps us test new concepts while managing risks and minimising operational complexity.

As at the LPD, our development of new and enhanced sushi menu is mainly carried out by our COO, Jordan Tan and one of our area managers. Our R&D is an on-going process and we do not have any separate classification for R&D expenditure during the Financial Years Under Review.

7.13 TECHNOLOGIES USED

We do not employ any specialised technology in our business operations. However, we rely on the technologies in our ICT systems to facilitate the efficient management and operation of our grab-and-go and quick dine-in sushi outlets.

7. BUSINESS OVERVIEW (Cont'd)

(a) Outlet operations

The ICT systems that are implemented at the outlets provide functionalities that support day-to-day operations, including:

- **POS systems**, which facilitate sales transactions by recording, processing, and storing information such as itemised sales data and payment records; and
- **customer loyalty application**, which allows customers to earn and redeem rewards, receive promotions and track their purchase history. Through our customer loyalty application, customers can place orders by selecting their desired outlet and choosing between pickup or delivery options. This enhances the overall customer experience by providing added flexibility and convenience, as well as helping build customer retention and engagement across outlets.

(b) Central management

The central management system connects all outlets to our head office' operations, enabling oversight and supporting functions such as analysis, planning, performance management and reporting.

Our centralised ICT system plays a key role in standardising operations and supporting performance monitoring at both the individual outlet and group levels. It enhances operational efficiency, fosters consistency and provides real-time operational visibility across our entire business. The key functionalities include:

- **real-time sales dashboards**, which consolidate sales data from all outlets and allow performance tracking at both individual and group levels;
- **operational reporting and data analytics**, which support planning, performance analysis, inventory control, and the formulation of promotional strategies; and
- **CCTV monitoring system**, which enables remote visual oversight of outlet operations to support operational compliance and safety.

7.14 SEASONALITY

We experience higher sales in December and January mainly attributed to the festive occasions such as Christmas, New Year and Chinese New Year.

7.15 MATERIAL INTERRUPTIONS IN OUR BUSINESS

We did not experience any material interruptions to our business in the past 12 months.

7.16 MARKETING STRATEGIES AND ACTIVITIES

As a sushi chain operator, our sales and marketing efforts are focused on increasing brand awareness, enhancing brand image, and building brand loyalty for our *Empire Sushi* brand, to strengthen our brand equity. This is achieved through the following approaches:

7. BUSINESS OVERVIEW (Cont'd)

- We will continue to position ourselves as a preferred sushi outlet in Malaysia with a distinctive menu that features Malaysian flavours to meet the tastes of our customers. According to the IMR Report, we held a leading market position as the largest sushi chain operator in Malaysia based on our revenue and number of outlets that we operate as at the LPD.

This is supported by revenue from our *Empire* Sushi chain operations which grew at a CAGR of 31.1% between the FYE 31 March 2023 and the FYE 31 March 2025.

- We will continue to reinforce brand awareness by focusing our marketing strategies on our social media, supplemented with advertising and promotions, including in-store promotions.
- As part of our strategy to cultivate customer loyalty, we have developed a customer loyalty programme which allows our customers to collect points and earn rewards after completing certain “missions”.
- As part of our strategy to enhance customer convenience and market coverage, we will continue to expand our network of sushi outlets with the aim of offering ease of accessibility to our outlets across Malaysia.
- We will retain our pricing strategy which is premised on providing affordability and delivering value to meet the needs of our mass market customers. This is demonstrated by the average unit price of our sushi, which remains relatively affordable at approximately RM2 per piece during the Financial Years Under Review.
- We will continue to place emphasis on maintaining the quality of our sushi. With 112 Halal-certified sushi outlets as at the LPD, we have established a strong and trusted presence in Malaysia catering to diverse consumer needs.

In line with our marketing positioning and strategies, our sales and marketing activities include the following:

(i) Advertisement and promotions:

We will continue to utilise digital marketing and advertising, including third-party social media platforms such as Facebook, Instagram and TikTok. We will continue to publish digital content such as opening of new outlets, product promotions, introduction of new flavours and other digital content to increase our brand awareness, promote customer engagement and generate sales at our outlets.

(ii) In-store promotions:

We organise periodic in-store promotions such as discounts on our sushi products which are applicable for in-store purchases only. The in-store promotions are aimed at increasing foot traffic at our outlets.

In addition, we engage in joint promotions with various third parties to enhance our reach and offer value to customers. This includes collaboration with the following:

- food delivery platform operators that allow us to offer special promotional deals, bundled meals, or exclusive discounts on our sushi products;
- mall operators where we participate in promotional activities with shopping malls by offering exclusive “in-mall” discounts or by collaborating with their loyalty programmes to encourage mall visitors to try our range of sushi; and

7. BUSINESS OVERVIEW (Cont'd)

- petrol kiosk operators where we collaborate with their loyalty programmes for point redemption on our range of sushi.



- Sales and marketing resources

As at the LPD, we have a total of 2 personnel under our marketing department led by our Head of Marketing, Darren Khoo Yen Jen. For the Financial Years Under Review, advertisement and promotion expenses for marketing activities accounted for 0.3%, 0.3% and 0.2% of our revenue for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025 respectively.

7.17 MAJOR CUSTOMERS

Our customers are mainly individual end-consumers comprising:

- take-away and dine-in customers from our sushi outlets; and
- online customers who place orders through our own platform and third-party food delivery platforms.

In addition, we serve corporate entities based on requests for their events and revenue from these corporate entities customers accounted for less than 0.1% of our revenue for the Financial Years Under Review.

Due to the nature of our Group's business, there is no single customer who has made a material contribution to our revenue during the Financial Years Under Review.

7.18 TYPES AND SOURCES OF INPUT MATERIALS

The major types of input materials that we purchased during the Financial Years Under Review are set out below:

7. BUSINESS OVERVIEW (Cont'd)

	FYE 31 March 2023		FYE 31 March 2024		FYE 31 March 2025	
	RM '000	%	RM '000	%	RM '000	%
Prepared and fresh ingredients	47,307	90.8	60,366	90.3	76,219	90.7
- Prepared and fresh produce	35,915	68.9	45,178	67.6	58,064	69.1
- Pastes, sauces, condiments and seasonings	8,136	15.6	10,728	16.0	12,058	14.3
- Dry food ingredients	3,256	6.3	4,460	6.7	6,097	7.3
Packaging materials and consumables	4,462	8.6	6,050	9.0	7,386	8.8
Beverages	320	0.6	456	0.7	422	0.5
Total	52,089	100.0	66,872	100.0	84,027	100.0

The main input materials used in our sushi chain operations are prepared and fresh food ingredients. These ingredients are delivered and used in the preparation of our sushi at our respective outlets. Purchases of prepared and fresh food ingredients accounted for 90.8%, 90.3% and 90.7% of our total purchases of input materials for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

The prepared and fresh food ingredients that we purchase include:

- Prepared and fresh seafood, meats and vegetables such as:
 - (i) fresh seafood such as fresh cut salmon and crabstick (kanikama or surimi);
 - (ii) prepared seafood such as tempura prawn, seasoned mini octopus, grilled freshwater eel and fish roe;
 - (iii) fresh and cooked meat such as boneless and skinless chicken breast or thigh in either cubes or strips; and
 - (iv) fresh fruits and vegetables such as cucumbers, avocados, carrots, spring onions and shiso leaves.
- Pastes, sauces, condiments and seasonings such as soy sauce (shoyu), mayonnaise, vinegar, wasabi, pickled ginger and special pastes and sauces.
- Dry foods such as rice, dried seaweed (nori) in sheets and flakes, sesame seeds, dried bonito flakes (katsuobushi), dried kelp (kombu) and edible oils.

The purchase of packaging materials and consumables which includes plastic trays and lids, small plate food covers, plastic spoons, paper boxes, disposable wooden chopsticks, paper napkins and plastic bags accounted for 8.6%, 9.0% and 8.8% of our total purchases of input materials for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

We also purchase various types of beverages including tea, fruit and carbonated drinks. Purchases of these beverages accounted for 0.6%, 0.7% and 0.5% of our total purchases of input materials for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

During the Financial Years Under Review, our fresh produce and beverages were mainly imported while our packaging materials, pastes, sauces, condiments and seasonings as well as dry food ingredients were mainly sourced locally.

7. BUSINESS OVERVIEW

7.18.1 Sources of our input materials

The breakdown of input materials purchased by source of supply for the Financial Years Under Review is set out below:

	FYE 31 March 2023			FYE 31 March 2024			FYE 31 March 2025			Main country of origin for imported input materials
	RM '000	Domestic (%)	Imported (%)	RM '000	Domestic (%)	Imported (%)	RM '000	Domestic (%)	Imported (%)	
Prepared and fresh produce	35,915	5.5	94.5	45,178	3.6	96.4	58,064	4.1	95.9	China, Norway and Taiwan
Pastes, sauces, condiments and seasonings	8,136	99.0	1.00	10,728	99.0	1.0	12,058	98.9	1.1	New Zealand
Packaging materials and consumables	4,462	100.0	-	6,050	100.0	-	7,386	100.0	-	-
Dry food ingredients	3,256	100.0	-	4,460	100.0	-	6,097	100.0	-	-
Beverages	320	-	100.0	456	-	100.0	422	-	100.0	USA and Singapore
Total	52,089	34.1	65.9	66,872	34.0	66.0	84,027	33.1	66.9	

7. BUSINESS OVERVIEW (Cont'd)**7.19 MAJOR SUPPLIERS**

Our top 5 major suppliers and their contribution to our purchases for the Financial Years Under Review are as follows:

FYE 31 March 2023

Supplier name	Country of origin	RM'000	%	Length of relationship as at the LPD ⁽¹⁾ (years)	Input materials purchased
Supplier AB ⁽²⁾	Malaysia	21,683	41.6	5	Prepared and fresh produce
Supplier C ⁽³⁾	Malaysia	6,487	12.4	5	Sauces and seasonings, prepared and fresh produce
Supplier D ⁽⁴⁾	Malaysia	4,202	8.1	5	Prepared and fresh produce, sauces and seasonings
Supplier E ⁽⁵⁾	Malaysia	3,778	7.3	5	Prepared and fresh produce
Shizusan Pack System (M) Sdn Bhd	Malaysia	3,468	6.7	5	Packaging materials
Total		39,618	76.1		

FYE 31 March 2024

Supplier name	Country of origin	RM'000	%	Length of relationship as at the LPD ⁽¹⁾ (years)	Input materials purchased
Supplier AB ⁽²⁾	Malaysia	25,047	37.4	5	Prepared and fresh produce
Supplier E ⁽⁵⁾	Malaysia	8,196	12.3	5	Prepared and fresh produce
Supplier C ⁽³⁾	Malaysia	7,812	11.7	5	Sauces and seasonings, prepared and fresh produce
Supplier D ⁽⁴⁾	Malaysia	7,245	10.8	5	Prepared and fresh produce, sauces and seasonings
Supplier F ⁽⁶⁾	Malaysia	4,460	6.7	5	Dry food ingredients
Total		52,760	78.9		

7. BUSINESS OVERVIEW (Cont'd)**FYE 31 March 2025**

Supplier name	Country of origin	RM'000	%	Length of relationship as at the LPD ⁽¹⁾ (years)	Main input materials purchased
Supplier AB ⁽²⁾	Malaysia	27,442	32.7	5	Prepared and fresh produce
Supplier C ⁽³⁾	Malaysia	12,883	15.3	5	Sauces and seasonings, prepared and fresh produce
Supplier E ⁽⁵⁾	Malaysia	11,066	13.2	5	Prepared and fresh produce
Supplier D ⁽⁴⁾	Malaysia	8,675	10.3	5	Prepared and fresh produce, sauces and seasonings
Supplier F ⁽⁶⁾	Malaysia	6,096	7.3	5	Dry food ingredients
Total		66,162	78.7		

Notes:

- (1) Rounded up to the nearest whole year if the length of relationship is 6 months or more and vice versa.
- (2) Supplier AB comprises 2 companies incorporated in Malaysia with a common shareholder which are involved in trading of foodstuffs and frozen foods. The names of Supplier AB have not been disclosed pursuant to the non-disclosure agreements entered into with Supplier AB. Supplier AB are not listed on any stock exchanges.
- (3) Supplier C is a company incorporated in Malaysia which is involved in the trading of food items including rice, cooking oil, meat and frozen seafood. The name of Supplier C is not disclosed pursuant to the non-disclosure agreement entered into with Supplier C. Supplier C is not listed on any stock exchanges.
- (4) Supplier D is a company incorporated in Malaysia which is involved in the trading of food products. The name of Supplier D has not been disclosed pursuant to the non-disclosure agreement entered into with Supplier D. Supplier D is not listed on any stock exchanges.
- (5) Supplier E is a company incorporated in Malaysia which is involved in the distribution and retailing of general edible products. The name of Supplier E has not been disclosed pursuant to the non-disclosure agreement entered into with Supplier E. Supplier E is a subsidiary of a company listed on the Tokyo Stock Exchange.
- (6) Supplier F is a company incorporated in Malaysia which is involved in the importation and distribution of rice and fresh goods and other business activities. The name of Supplier F has not been disclosed pursuant to the non-disclosure agreement entered into with Supplier F. Supplier F is not listed on any stock exchanges.

For each of the Financial Years Under Review, the purchases from our top 5 major suppliers accounted for 76.1%, 78.9% and 78.7% of our total purchases for the Financial Years Under Review. For the Financial Years Under Review, Supplier AB was the largest supplier by virtue of our purchases from them which accounted for 41.6%, 37.4% and 32.7% of the total purchases of input materials for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively. Notwithstanding, we are not dependent on and not subject to any concentration risk with respect to Supplier AB due to the reasons set out below:

- (i) **multiple supplier base:** We source input materials such as intermediate processed food products and ingredients from multiple suppliers. In addition to Supplier AB, we also have similar arrangements with 3 other major suppliers, namely Supplier C, Supplier D and Supplier E in respect of importation of selected ingredients as well as the provision of temperature-controlled storage and logistics services to our outlets.

7. BUSINESS OVERVIEW (Cont'd)

- (ii) **availability of alternative food suppliers:** The input materials purchased from Supplier AB are intermediate processed food products and ingredients where we are able to source them from other suppliers (including domestic distributors or importers), if the need arises.
- (iii) **no exclusive contracts:** We do not have any exclusive purchasing agreements with any one supplier that could prevent us from switching suppliers.
- (iv) **proactive procurement practices:** We adopt centralised procurement and price benchmarking to optimise purchases from our supplier base. We also carry out periodic review of purchase prices.

Furthermore, during the Financial Years Under Review, our purchases from Supplier AB is declining in terms of percentage of our purchases.

7.20 EMPLOYEES

As at the LPD, our Group employs a total workforce of 1,176 employees, comprising 1,174 permanent employees and 2 contractual employees. Further, out of the 1,174 employees, 220 are foreign employees.

The breakdown of our employees by business function/department as at the LPD are as follows:

Business function/ department	Local	Foreign	Total
Head office			
Key Senior Management and Heads of Department	13	0	13
Administrative employees	25	0	25
Operations			
Managers	22	1	23
Service Crews	896 ⁽¹⁾	219	1,115
Total	956	220	1,176

Note:

(1) Includes 2 contractual employees

None of our employees belong to any labour union. During the Financial Years Under Review and up to the LPD, there have been no industrial disputes pertaining to our employees.

7.21 TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS

As at the LPD, we have registered 8 material trademarks and submitted an application for 1 material trademark with MyIPO in Malaysia, being the principal market that we operate which are set out in Annexure A of this Prospectus. Save as disclosed in Annexure A of this Prospectus, our Group is not dependent on any other trademarks, brand names and intellectual property rights including patents and copyrights which could materially affect our business or profitability.

7. BUSINESS OVERVIEW (Cont'd)

7.22 MATERIAL PROPERTIES AND MATERIAL EQUIPMENT

Details of our material properties are set out in Annexure B of this Prospectus.

As at the LPD, our Group does not own any material plants and equipment.

7.23 MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS

We have various licences, permits and approvals for our business operations. Details of our major certificates, licences, permits and approvals are set out in Annexure C of this Prospectus. Save as disclosed in Annexure C of this Prospectus, as at the LPD, our Group is not dependent on any other major certificates, licences, permits and approvals for our business operations.

7.24 GOVERNING LAWS AND REGULATIONS

Our business is regulated by specific laws of Malaysia. The relevant laws and regulations governing our Group which do not purport to be an exhaustive description of all laws and regulations to which our business is subject to are summarised below. It is not intended to be a substitute for independent professional advice. Non-compliance with the relevant laws and regulations below may result in monetary and/or custodial penalties and/or other orders being made. Please refer to Section 7.25 of this Prospectus for further details on non-compliances with the relevant laws, regulations, rules and requirements governing the conduct of the operations of our Group.

(i) **Local Government Act 1976, Local Government Ordinance 1961 of Sabah, Trades Licensing Ordinance 1949 of Sabah, Local Authorities Ordinance 1996 of Sarawak, Businesses, Professions and Trades Licensing Ordinance 1958 of Sarawak and the by-laws of the respective local councils and authorities**

It is a legal requirement under the Local Government Act 1976, Local Government Ordinance 1961 of Sabah, Trades Licensing Ordinance 1949 of Sabah, Local Authorities Ordinance 1996 of Sarawak, Businesses, Professions and Trades Licensing Ordinance 1958 of Sarawak, and the by-laws of the respective councils and authorities applicable to where our *Empire Sushi* outlets are located that business and signage licences shall be obtained prior to the commencement of our *Empire Sushi* outlets. No person shall operate any activity of trade, business and industry or use any place or premises for any activity of trade, business and industry without a licence issued pursuant to the relevant by-laws. Generally, these business and signage licences are valid for a period of 6 or 12 months and renewable on a bi-annual or annual basis. Any person who contravenes any provision under the act, ordinances and/or by-laws as mentioned above shall, upon conviction, be liable to a monetary fine and/or imprisonment.

(ii) **Food Act 1983, Food Regulations 1985 and Food Hygiene Regulations 2009**

The Food Act 1983 and the Food Regulations 1985 are laws governing the food safety and quality control including standards, hygiene, import and export, advertisement and accreditation of laboratories. The objective is to protect the public from health hazards and fraud in the preparation, sale and use of foods and for other related matters. The legislation applies to all foods, locally produced or imported, which are sold in the country. It covers a broad spectrum from compositional standards to food additives, nutrient supplements, contaminants, packages and containers, food labelling, procedure for taking samples, food irradiation, provision for food not specified in the regulations and penalties.

7. BUSINESS OVERVIEW (Cont'd)

The Food Hygiene Regulations 2009 governs the registration of food premises and conduct and maintenance of food premises in Malaysia. No person shall use any food premises specified in the Food Hygiene Regulations 2009 for the purposes of, or in connection with the preparation, preservation, packaging, storage, conveyance, distribution or sale of any food or the relabelling, reprocessing or reconditioning of any food except the premises is registered under the Food Hygiene Regulations 2009. A certificate of registration for food premises shall be valid for a period not exceeding 3 years from the date of its issuance. An application for renewal of a certificate of registration for food premises shall be made at least 30 days before its expiry date. Any proprietor, owner, occupier of food premises who fails to comply with any provision under the act and/or regulations as mentioned above shall, upon conviction, be liable to a monetary fine and/or imprisonment.

(iii) **SDBA, Uniform Building By-Laws 2022 under the Local Government Ordinance 1961 of Sabah, and Buildings Ordinance 1994 of Sarawak ("Building Laws")**

The Building Laws is enforced by the local authorities of Malaysia and it provides for the requirement of having a CCC or equivalent for the occupation of any building or any part thereof. Any person who occupies or permits to be occupied any building or any part thereof without a CCC shall, upon conviction, be liable to a monetary fine and/or imprisonment.

(iv) **Trade Descriptions Act 2011, Trade Descriptions (Definition of Halal) Order 2011 and Trade Descriptions (Certification and Marking of Halal) Order 2011**

The Trade Descriptions Act 2011 aims to promote good trade practices and protect the interests of consumers by eliminating false trade descriptions and false or misleading statements, conduct and practices in relation to the supply of goods and services. Halal certification and surveillance in Malaysia have been assigned to the government bodies by virtue of the act.

The Trade Descriptions Act 2011 further standardises the issuance of Halal certificates. JAKIM is appointed as the sole issuer of Halal certificates for any food, goods or related services.

The Trade Descriptions (Definition of Halal) Order 2011 and the Trade Descriptions (Certification and Marking of Halal) Order 2011 give specific legal proviso on matters pertaining to Halal. It provides protection to traders and consumers from unhealthy trade practices. Any person who contravenes any provision under the act and/or orders as mentioned above shall, upon conviction, be liable to a monetary fine and/or imprisonment.

7. BUSINESS OVERVIEW (Cont'd)

(v) Personal Data Protection Act 2010

The Personal Data Protection Act 2010 regulates the processing of personal data in commercial transactions in Malaysia. Such personal data refers to any information that relates directly or indirectly to a data subject, who is identified or identifiable from that information or from that and other information in the possession of a data controller, including any sensitive personal data and expression of opinion about the data subject. The processing of personal data by a data controller must comply with the personal data protection principles as provided under the Personal Data Protection Act 2010. Our Group from time to time collects, stores and processes certain personal data of our consumers when they place orders through our mobile application. Therefore, we are required to comply with the personal data protection principles as provided under the Personal Data Protection Act 2010. Any person who fails to comply with any provision under the act as mentioned above shall, upon conviction, be liable to a monetary fine and/or imprisonment.

(vi) Occupational Safety and Health Act 1994 (“OSHA 1994”)

The OSHA 1994 provides provisions for securing the safety, health and welfare of persons at work, for protecting others against risk to safety or health in connection with the activities of persons at work and for matters connected therewith and applies to all places of work throughout Malaysia save for the work specified in the OSHA 1994.

Employers and every self-employed person must as far as be practicable, ensure the safety, health and welfare at work of all their employees by (including but without limitation):

- (a) the provision and maintenance of plant and systems of work that are, so far as is practicable, safe and without risks to health;
- (b) the making of arrangements for ensuring, so far as is practicable, safety and absence of risks to health in connection with the use or operation, handling, storage and transport of plant and substances;
- (c) the provision of such information, instruction, training and supervision as is necessary to ensure, so far as is practicable, the safety and health at work of their employees;
- (d) so far as is practicable, as regards any place of work under the control of the employer, the maintenance of it in a condition that is safe and without risks to health and the provision and maintenance of the means of access to and egress from it that are safe and without such risks;
- (e) the provision and maintenance of a working environment for their employees that is, so far as is practicable, safe, without risks to health, and adequate as regards facilities for their welfare at work; and
- (f) the development and implementation of procedures for dealing with emergencies that may arise while their employees are at work.

Failure to comply with any of the above provisions constitutes an offence and the employer is liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years or to both.

7. BUSINESS OVERVIEW (Cont'd)

Employers who have 5 or more employees at places of work that have not been so gazetted, are required to appoint an employee to act as an occupational safety and health coordinator to coordinate occupational safety and health issues at the workplace. Any person who contravenes any of the above will be guilty of an offence and will, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 6 months or to both.

Every employer is required to establish a safety and health committee if there are 40 or more persons employed at the place of work or if directed by the Director General of Occupational Safety and Health, failing which the employer shall be guilty of an offence and will, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both. The safety and health committee will, among others, keep under review the measures taken to ensure the safety and health of persons at the workplace.

(vii) **Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSHAA")**

The EMSHAA prescribes the minimum standards of housing, nurseries and accommodation for employees as well as health, hospital, medical and social amenities to be provided by the employers to their employees.

Effective from 1 June 2020, pursuant to the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 ("**Amended Act**"), employers are required to comply with the Amended Act, which includes providing minimum requirements for workers' accommodation such as minimum space requirements, basic facilities as well as safety and hygiene standards.

The EMSHAA provides that no employer or centralised accommodation provider shall use any buildings as accommodation if the building is unfit for human habitation in accordance with the relevant laws. The employer or centralised accommodation provider shall ensure that every accommodation provided for employees complies with the minimum standards required under the Amended Act or any regulations made thereunder.

Pursuant to the EMSHAA, no accommodation shall be provided to an employee unless it is certified with a certificate for accommodation. As such, employers or centralised accommodation providers are required to apply for a certificate for accommodation with the respective JTK in Malaysia. An employer who contravenes the EMSHAA commits an offence and shall on conviction be liable to a fine not exceeding RM50,000. However, based on the frequently asked questions published on the website of JTK, the EMSHAA is only applicable to employers in Peninsular Malaysia and Labuan.

(viii) **Employment Act 1955 ("EA 1955") and Immigration Act 1959/63 ("IA 1959/63")**

The EA 1955 governs the employment laws in Peninsular Malaysia and the IA 1959/63 regulates various aspects of immigration into Malaysia, including the entry of foreign workers into Malaysia.

Section 60K(1) of the EA 1955 provides that no employer shall employ a foreign employee unless prior approval has been obtained from the Director General of Labour ("**DGL**"). Section 60K(5) of the EA 1955 provides that any employer who contravenes Section 60K(1) of the EA 1955 commits an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 5 years or both.

7. BUSINESS OVERVIEW (Cont'd)

Section 55B(1) of the IA 1959/63 provides that any person who employs one or more persons, other than a citizen or a holder of an entry permit who is not in possession of a valid pass shall be guilty of an offence and shall, on conviction be liable to a fine of not less than RM10,000 but not more than RM50,000 or to imprisonment for a term not exceeding 1 year or both for each such employee. Section 55B(3) of the IA 1959/63 provides that where the person at the same time employed more than 5 such employees, that person shall, on conviction be liable to imprisonment for a term of not less than 6 months but not more than 5 years and shall also be liable to whipping of not more than 6 strokes.

7.25 NON-COMPLIANCES WITH THE RELEVANT LAWS, REGULATIONS, RULES AND REQUIREMENTS GOVERNING THE CONDUCT OF THE OPERATIONS OF OUR GROUP

Save as disclosed below, as at the LPD, there are no other non-compliances with the relevant laws, regulations, rules and requirements governing the conduct of the operations of our Group:

7.25.1 Properties rented or provided as accommodation without issued Certificates for Accommodation ("CA")

As at the LPD, we have rented 23 properties as accommodation for Empire Sushi's employees, of which:

- (i) 21 properties have been issued with CAs; and
- (ii) 2 properties have not been issued with CAs.

As at the LPD, we have submitted applications for the issuance of CAs for the remaining 2 properties rented by Empire Sushi as accommodation for its employees to the JTK.

Subsequently on 27 September 2025, we have received the issued CA for 1 out of the 2 properties for which CAs are applied for as at the LPD. As such, only 1 property rented as accommodation for Empire Sushi's employees in Johor Bahru, Johor is pending the issuance of CA as at 27 September 2025.

Based on previous applications submitted for CAs for accommodations in Johor, the approval for CAs has been obtained within an average of 1 month from the submission of application. Notwithstanding, Empire Sushi has submitted all the applications together with all the required supporting documents and has been actively following up with JTK for the applications for CAs to be approved soonest possible.

Pursuant to Section 24D(3) of EMSHAA, Empire Sushi may be liable on conviction to a fine not exceeding RM50,000 per offence. Accordingly, the potential maximum penalty that may be imposed on Empire Sushi for this non-compliance is approximately RM50,000.

As at 27 September 2025, our Group has not received any notices, penalties, or compounds from the relevant authorities in relation to the same. The potential maximum penalty of RM50,000 that may be imposed by the authority also only represents approximately 0.1% of our Group's PBT for the FYE 31 March 2025 and therefore this non-compliance would not have a material adverse impact on our Group.

7. BUSINESS OVERVIEW (Cont'd)

7.25.2 Our Company did not appoint an Occupational Safety and Health Coordinator ("OSHA Coordinator") at our *Empire Sushi* outlets with 5 or more employees

As at the LPD, we have 131 *Empire Sushi* outlets (excluding 1 outlet operating under the consignment basis), out of which 71 *Empire Sushi* outlets operate with 5 or more employees. We have not appointed an employee as the OSHA Coordinator for each of the 71 *Empire Sushi* outlets.

As at 27 September 2025, Empire Sushi has completed the trainings and appointed 70 out of 71 identified employees from the *Empire Sushi* outlets with 5 or more employees as the OSHA Coordinators for the respective outlets. The certification and registration of the appointed OSHA Coordinators with DOSH are in progress. Unfortunately, due to the recent flood in Kota Kinabalu, Sabah, the training and certification for the remaining 1 employee designated to be the OSHA Coordinator at Imago Shopping Mall outlet has been postponed to a later date. Our Group expects to complete the training and certification for the said employee by end October 2025.

Pursuant to Section 29A(4) of the OSHA 1994, Empire Sushi may be liable on conviction to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 6 months or to both. Accordingly, the potential maximum penalty that may be imposed on Empire Sushi is approximately RM50,000.

As at 27 September 2025, our Group has not received any notices, penalties, or compounds from the relevant authorities in relation to the same. The potential maximum penalty of RM50,000 that may be imposed by the authority also only represents 0.1% of our Group's PBT for the FYE 31 March 2025 and therefore this non-compliance would not have a material adverse impact on our business operations and financial condition.

7.25.3 Our foreign workers are not working at the respective locations as specified in their work permits

As at the LPD, 218 foreign workers employed by Empire Sushi are not working at the location specified in their respective work permits. Most of the work permits state the address of head office and is not outlet specific.

Pursuant to Section 55B(2) of the IA 1959/63, a pass lawfully issued to any person shall cease to be a valid pass when any of its terms and conditions is contravened.

As at the LPD, we have submitted applications to the Immigration Department of Malaysia to update the location of work for these 218 foreign workers. The estimated time to rectify this non-compliance is approximately up to 6 months from the date of the respective applications.

Pursuant to Section 55B(1) of the IA 1959/63, Empire Sushi may be liable to a fine of not less than RM10,000 but not more than RM50,000 or to imprisonment for a term not exceeding 1 year or to both for each employee. Accordingly, the potential maximum penalty that may be imposed on Empire Sushi is approximately RM10,900,000.

As at the LPD, our Group has not received any notices, penalties, or compounds from the relevant authorities in relation to the same. Although the potential maximum penalty represents approximately 21.3% of our Group's PBT for the FYE 31 March 2025, in view that our Group has submitted applications for the change of address on the relevant foreign workers' work permits which are pending approval, the risk of our Group being imposed maximum penalty is low and therefore this non-compliance would not have a material adverse impact on our business operations and financial condition.

7. BUSINESS OVERVIEW (Cont'd)**7.25.4 Non-issuance of business premise licenses for several of our external storerooms/storage spaces**

As at the LPD, 24 out of 38 our external storerooms/storage spaces (or approximately 63.2%) have not been issued with the required business premise licenses. Subsequent to the LPD i.e. as at 26 September 2025, we have obtained additional 8 business premise licenses which totals to 22 out of the 38 required. As such, a total of 16 applications for business premise licences for our external storerooms/storage spaces are pending approval as at 26 September 2025. The estimated time to rectify this non-compliance is approximately 3 months from the date of submission of the relevant applications.

Pursuant to the by-laws of the respective local municipal councils where the external storerooms/storage spaces are located at, as a general penalty, Empire Sushi may be liable on conviction to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which the offence is continued after conviction. The potential maximum penalty that may be imposed on Empire Sushi for this non-compliance is approximately RM32,000 (excluding the penalties of RM200 per day for continuing offence upon conviction).

As at the 27 September 2025, our Group has not received any notices, penalties, or compounds from the relevant authorities in relation to the same. In view that the total estimated cost of rectification of RM2,400 and the potential maximum penalty of RM32,000 that could be imposed by the authority only represent approximately 0.1% of our Group's PBT for the FYE 31 March 2025, this non-compliance would not have a material adverse impact on our business operations and financial condition.

7. BUSINESS OVERVIEW (Cont'd)**7.25.5 Summary of the total estimated costs (being the estimated rectification costs and potential maximum penalties applicable) relating to the abovementioned non-compliances that are pending rectification as at 27 September 2025**

No.	Nature of non-compliances	Estimated cost to rectify non-compliance (RM'000)	Potential maximum penalty (RM'000)	Total estimated costs (RM'000)	% of our Group's PBT for the FYE 31 March 2025
(1)	Property rented or provided as accommodation without CA	n.a.	50	50	0.1
(2)	Failure to appoint an OSHA Coordinator at <i>Empire Sushi</i> outlets with 5 or more employees	1	50	51	0.1
(3)	Foreign workers not working at the respective locations specified in the work permits	45	10,900	10,945	21.4
(4)	Non-issuance of business premise licenses for several of our external storerooms/storage spaces	2	32	34	0.1
Total		48	11,032	11,080	21.7

7.25.6 Overall financial impact of the outstanding non-compliances**(i) Impact of the total estimated rectification cost**

The total estimated rectification costs for the abovementioned non-compliances of approximately RM48,000 will not have material adverse impact to the financial condition of our Group as it represents less than 1.0% of our Group's PBT for the FYE 31 March 2025.

7. BUSINESS OVERVIEW (Cont'd)

(ii) Impact of the total potential maximum penalties

The total potential maximum penalties for the abovementioned non-compliances is approximately RM11.0 million (representing approximately 21.6% of our Group's PBT for the FYE 31 March 2025), where RM10.9 million (representing approximately 21.3% of our Group's PBT for the FYE 31 March 2025) is relating to total potential maximum penalty for the non-compliance disclosed in Section 7.25.3 of this Prospectus.

Notwithstanding the above, our Board is of the opinion that the probability of our Group being imposed with the maximum penalties is low as:

- (a) as at the LPD, our Group has not received any notices, penalties, or compounds from the relevant authorities in relation to any of the non-compliances;
- (b) the potential maximum penalties relating to the non-compliances disclosed in Sections 7.25.1, 7.25.2 and 7.25.4 of this Prospectus will not have material adverse impact to our Group's financial condition as they represent less than 1.0% of our Group's PBT for the FYE 31 March 2025, respectively; and
- (c) although the potential maximum penalty relating to the non-compliance disclosed in Section 7.25.3 of this Prospectus is approximately 21.3% of our Group's PBT for the FYE 31 March 2025, in view that our Group has submitted applications for the change of address on the relevant foreign workers' work permits which are pending approval, the risk of our Group being imposed maximum penalty is low and therefore this non-compliance would not have a material adverse impact on our business operations and financial condition.

(iii) Overall impact of the outstanding non-compliances to business operations of our Group

The non-compliances are not expected to have material adverse impact on our Group's business operations in view that:

- (a) in respect of the non-compliance disclosed in Section 7.25.1 of this Prospectus, in view that only 1 rented property currently housing 3 employees are affected, should the application submitted to JTK be rejected, our Group will still be able to relocate our employees to other suitable properties;
- (b) in respect of the non-compliance disclosed in Section 7.25.2 of this Prospectus, in view that the training, certification and registration of the remaining OSHA Coordinator in Sabah is expected to be completed by end October 2025, our Group does not expect any significant impact on our business operations from the said outlet should it be subject to temporary closure by DOSH until the matter is resolved;
- (c) in respect of the non-compliance disclosed in Section 7.25.3 of this Prospectus, our Group is able to furnish sufficient documentary evidence that the application for change of address on the foreign workers work permits have been submitted and pending approval in event of by inspections by officers from the Immigration Department of Malaysia; and

7. BUSINESS OVERVIEW (Cont'd)

- (d) in respect of the non-compliance disclosed in Section 7.25.4 of this Prospectus, our Group also has on-site storage space at its outlets with chiller and freezers that it could utilise to store ingredients. The 16 affected storerooms which are located within shopping centres, hypermarkets, airport retail mall and transit hub malls serve to provide extra space for inventory and should our Group need to vacate the storerooms pending the approval for business premise licences, we will still be able to store sufficient ingredients at the respective outlets and make logistic arrangements for more frequent deliveries with smaller quantities to the affected outlets.

7.25.7 Steps taken or to be taken to rectify the non-compliances and prevent recurrence of such non-compliances

As our Group endeavours to fully comply with the applicable laws, rules and regulations in respect of the conduct of the operations of our Group, apart from undertaking steps to rectify the non-compliances as disclosed in Sections 7.25.1 to 7.25.4 of this Prospectus, we have engaged an internal control consultant to assess the adequacy and effectiveness of our Group's internal control and risk management systems, and review our Group's corporate governance and compliance systems, including the related policies and procedures established to enhance compliance practices.

As at the LPD, apart from the non-compliances disclosed in Sections 7.25.1 to 7.25.4 of this Prospectus, Sterling Business Alignment Consulting Sdn Bhd's review has not identified any critical weaknesses in the design or functioning of our Group's internal control systems.

To mitigate the recurrence of such non-compliances, our Group has developed compliance monitoring policies and procedures. All relevant heads of departments are responsible for obtaining, renewing, monitoring and ensuring compliance with all regulatory approvals, while keeping our CFO informed on the updated records in the shared system. Our CFO reviews the master listing, conducts regular periodic checks, coordinates with the respective departments, provides necessary guidance and support and ascertain that it remains up-to-date with the latest changes or amendments to relevant acts and regulations.

Notwithstanding that the outstanding non-compliance may remain unresolved at the time of our Listing, we will continue to engage with the relevant authorities/parties even after our Listing to resolve and address the outstanding non-compliance in accordance with the directions of the relevant authorities/parties. Our management is following up closely and liaising with relevant authorities/parties to resolve the said non-compliance in the best interest of our Company.

7.26 ENVIRONMENTAL MATTERS

As at the LPD, there are no environmental issues which may materially affect our Group's operation and usage of properties tenanted by our Group.

7.27 ESG PRACTICES AND INITIATIVES

We strive to adopt the following ESG practices to ensure environmentally responsible operations, a conducive workplace for employees, and to support the local communities.

7. BUSINESS OVERVIEW (Cont'd)

(i) Environmental

Our Group is committed to reducing our environmental footprint through packaging, waste management and resource efficiency initiatives. Our Group is progressively implementing biodegradable, compostable and recyclable packaging for all our outlets while also promoting sustainability initiatives through social media to further reduce plastic consumption. These efforts align with our Group's broader objective of integrating sustainability into the daily customer experiences.

Food waste reduction is another key priority for our business. Our Group has implemented demand forecasting systems and a wastage control framework to minimise overproduction and optimise inventory usage. Our Group also emphasises efficient energy and water usage in our operations. Certain outlets are fitted with LED lighting, thus reducing utility consumption. Our Group views these improvements as long-term cost-saving investments that reinforce our environmental responsibility. The enhanced features of our mobile application allow customers to place orders for pickup or delivery, helping to manage in-store crowds and improve service efficiency.

(ii) Social

Our Group prioritises fair and ethical labour practices and culture as the foundation of our workforce management. Our Group ensures fair wages, benefits and safe working conditions across all outlets, supported by proper training in food hygiene and safety. Structured human resources SOPs and employee handbook for our head office and operations as well as foreign worker management SOPs, further safeguard ethical recruitment, housing and welfare standards, reflecting our Group's responsibility towards all our employees. This commitment ensures that our Group remains an employer of choice in the food retail sector.

Health and safety form a critical part of our Group's operational strategy. Workplace safety and employee well-being are overseen by a dedicated OSHA committee, guided by our Group's Safety and Health Policy, Safety SOPs and a comprehensive Safety Administration Manual. We also implement regular training sessions and refresher programs to ensure that our employees are well-equipped to handle workplace risks and maintain high food safety standards. These measures are in line with the expectations of regulators and consumers, underscoring our Group's commitment to maintaining safe and responsible operations.

In addition to workplace safety, our Group places the highest priority on customer health and safety, with food safety embedded as a fundamental principle across all operations. To uphold this commitment, our Group has implemented and standardised Food Safety and Quality Policy and operation manuals that guide food preparation, handling and service processes to safeguard public health, strengthen consumer trust and reinforce our standing as a responsible and reliable food operator. Our Group has proactively identified, monitored and mitigated potential risks across the production chain. This structured approach not only ensures compliance with food safety regulations but also reflects our strong commitment to transparency, accountability and ESG practices.

Our Group values our employees by recognising their loyalty and contributions through various appreciation initiatives such as festive gifts and birthday celebrations to foster a positive work environment.

7. BUSINESS OVERVIEW (Cont'd)

In response to evolving consumer preferences, we have expanded our menu to include various choices for customers. These offerings complement the brand's existing affordable sushi options, reinforcing our commitment to "Premium Sushi for Everyone" by ensuring accessibility without compromising on quality. Through this strategy, we strengthen our market appeal while positioning ourselves as a responsible food provider.

Our Group actively engages with customers through initiatives that foster awareness, inclusivity and sustainable practices. Social media campaigns are organised in conjunction with key occasions such as for Mother's Day, Father's Day, Independence Day and Malaysia Day which are designed to celebrate communities and strengthen social connection with our customer base. In addition, our mobile application features reward points programme that enables customers to accumulate and redeem points for future purchases. This initiative not only promotes customer loyalty but also encourages sustainable dining habits by reducing reliance on one-time promotions and supporting long-term customer relationships. Beyond customer engagement, our Group contributes to the broader community through corporate social responsibility activities, sponsorship of local events and provision of healthy sushi options to charities for underprivileged individuals. Our Group also participated in the Bee Adoption Program, engaged in tree planting activity and took part in a special initiative with Hospital Sungai Buloh to donate a playground, all contributing to the well-being of the community.

(iii) Governance

Our Group maintains strong governance structures that emphasise transparency, compliance and ethical conduct. The adoption of an Anti-Bribery and Corruption Policy underscores our Group's zero-tolerance approach to unethical practices. A complementary Whistleblowing Policy provides employees and stakeholders with a secure channel to report misconduct without fear of retaliation.

Ethical sourcing practices form another pillar of governance. Where feasible, ingredients and sourcing details are clearly labelled on packaging, and our Group works only with suppliers that adhere to ethical labour and environmental standards. As at the LPD, 112 of our outlets are Halal-certified, which comply with Halal standards and regulations set by the JAKIM. Our Group also maintains strict health and safety compliance, with 2 outlets already holding HACCP certification and conducts regular audits to ensure adherence to cleanliness and sustainability standards. These steps strengthen consumer trust while meeting regulatory expectations.

Technology and data protection are critical enablers of our Group's governance. A Data Disaster Recovery Plan and Information Security and Incident Management Policy safeguard customer data and ensure operational resilience. Our Group continues to digitalise our processes, including e-receipts and QR-code menus, reducing paper usage and enhancing efficiency. In addition, our Group promotes diversity and inclusion by supporting equal employment opportunities, encouraging women in leadership roles and fostering a diverse workforce across outlets.

To ensure resilience, our Group has established monitoring systems for operational, financial, ESG and reputational risks. This framework allows our management team to identify vulnerabilities, design preventive measures and respond effectively to emerging challenges. The proactive approach enhances business continuity and protects stakeholder interests, enabling sustainable long-term growth.

In addition, our Group has also adopted recommendations under the MCCG. As at the LPD, more than half of our Board's members comprise independent Directors, where

7. BUSINESS OVERVIEW *(Cont'd)*

4 out of 6 of our directors are independent Directors. Our Company has also adopted the MCCG's recommendation to have at least 30% women Directors. As at the LPD, 3 out of 6 of our directors are women, accounting for 50% of our Board.

8. INDEPENDENT MARKET RESEARCH REPORT

17 September 2025

The Board of Directors
 Empire Premium Food Berhad
 No.5, 5th Floor, Block B
 IOI Boulevard, Jalan Kenari 5
 Bandar Puchong Jaya
 47170 Puchong
 Selangor Darul Ehsan

Dear Sirs and Madams

Vital Factor Consulting Sdn Bhd
 Company No.: 199301012059 (266797-T)

V Square @ PJ City Centre (VSQ)
 Block 6 Level 6, Jalan Utara
 46200 Petaling Jaya
 Selangor, Malaysia

Tel: (603) 7931-3188
www.vitalfactor.com

Independent Assessment of the Food Service Industry in Malaysia

We are an independent business consulting and market research firm based in Malaysia, established in 1993. We offer consulting services, including business plans, opportunity evaluations, commercial due diligence, feasibility studies, financial and industry assessments, and market research. Since 1996, we have been involved in corporate exercises such as initial public offerings, reverse takeovers, chain listings, transfers to the Main Market, and business regularisations for publicly listed companies on Bursa Malaysia Securities Berhad (Bursa Securities). Our corporate exercise services encompass business overviews, independent industry assessments, management discussions and analyses, and business and industry risk assessments for prospectuses, shareholders' circulars and information memorandums.

We have been engaged to provide an independent assessment of the food service industry in Malaysia for inclusion in the prospectus of Empire Premium Food Berhad for its initial public offering and listing of its shares on the Main Market of Bursa Securities. This report has been prepared independently and objectively, with all reasonable due care taken to ensure its accuracy and completeness.

We believe the report provides a true and fair assessment of the industry, considering the limitations of timely and available information, and analyses based on secondary and primary market research as of the report date. However, it should be noted that our assessment pertains to the industry as a whole and may not reflect the performance of any specific company. We accept no responsibility for the decisions or actions of readers based on this document. This report should not be construed as a recommendation to buy, not buy, sell or not sell the securities of any company.

Please be aware that our report may include disclosures, assessments, opinions, and forward-looking statements that are subject to hitherto unknown or undisclosed information, uncertainties, and contingencies. These statements are based on secondary information and primary market research, and despite careful analysis, the industry is influenced by various known and unforeseen factors that could cause actual outcomes and future results to differ materially from these statements.

Yours sincerely

Wooi Tan
 Managing Director

Wooi Tan holds a Bachelor of Science from the University of New South Wales and a Master of Business Administration from the University of Technology, Sydney. He is a Fellow of the Australian Marketing Institute and the Institute of Managers and Leaders, Australia. With over 30 years of experience in business consulting and market research, he has also assisted companies in their initial public offerings and listings on Bursa Malaysia Securities Berhad.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



Date of Report: 17 September 2025

INDEPENDENT ASSESSMENT OF THE FOOD SERVICE INDUSTRY IN MALAYSIA

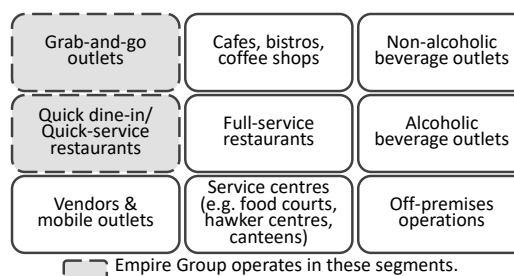
1. OVERVIEW OF EMPIRE SUSHI GROUP'S BUSINESS AND REPORT PARAMETERS

- Empire Premium Food Berhad and its subsidiaries (Empire Group) operate in the food service industry in Malaysia. It operates a chain of grab-and-go and quick dine-in sushi outlets, which will be the focus of this report. Grab-and-go outlets are compact and fixed premises that focus on takeaway services, with minimal on-site preparation and cooking facilities, often selling products that are fully prepared off-site. Quick dine-in outlets are structured for speed, affordability and convenience, offering limited service or self-service formats. In this report, food services include beverages. All information in this report refers to Malaysia, and food refers to food and beverages where relevant, unless otherwise stated.

2. INDUSTRY OVERVIEW

2.1 The Food Service Industry

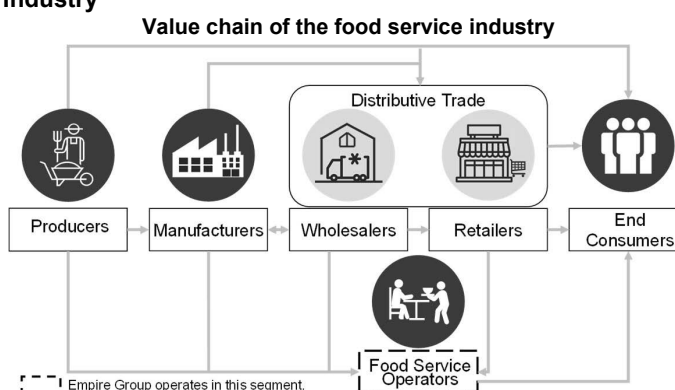
- The food service industry is defined as activities related to the preparation and provision of food and beverages (F&B) to customers for immediate consumption on-site, takeaway or delivered to another location. The food service industry operates using different formats, as depicted on the right.



- In addition to traditional food service formats, other alternatives such as supermarkets, convenience stores and more recently, vending machines are also popular in the takeaway food segment, including pre-packed sushi. While these operators are classified under retail trade rather than food services, they compete directly with grab-and-go outlets in terms of convenience, price points and accessibility, particularly in high-footfall locations such as commercial areas and shopping malls.

2.2 Value Chain of the Food Services Industry

- The value chain of the food service industry begins with fresh food **producers**, such as farmers, fishermen, and harvesters. They sell their produce to manufacturers for processing or directly to wholesalers, retailers, food service operators, or end consumers.



- **Manufacturers** transform fresh produce into intermediate or finished goods. While manufacturers typically source materials directly from producers and other suppliers, some may also purchase from wholesalers.
- The **distributive trade** encompasses all intermediary activities that move goods for resale or direct use by manufacturers, food service operators, and end consumers. Wholesalers purchase in bulk from producers or manufacturers, and distribute to retailers, food service operators, or other manufacturers, with some operating their retail networks, including online

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



platforms. Retailers, including hypermarkets, supermarkets, minimarkets, convenience stores, and online platforms, sell to food service operators and end consumers, sourcing their products mainly from wholesalers but sometimes directly from producers or manufacturers.

- **Food service operators** manage the entire process of procuring ingredients and preparing, presenting, serving and selling food to end consumers. Empire Group is a food service operator, directly serving end consumers.

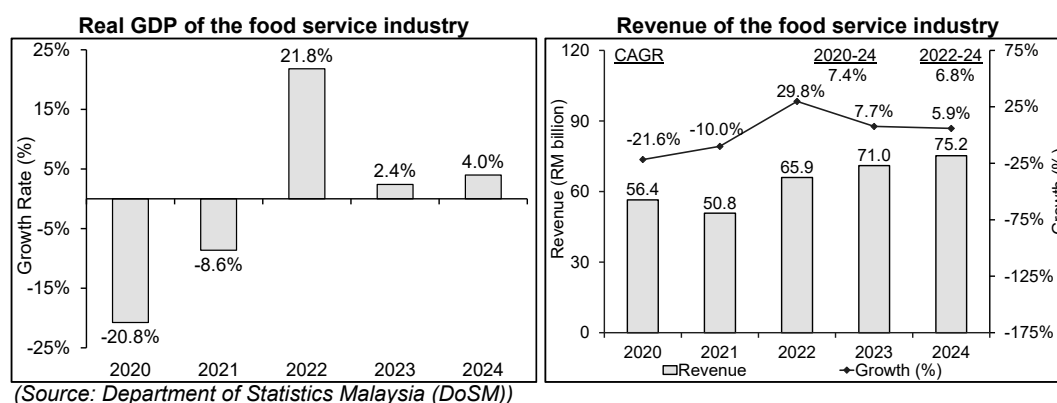
3. REGULATIONS AND CERTIFICATIONS

- Under the **Food Hygiene Regulations 2009**, all food premises involved in the preparation, processing, storage or sale of food are required to be registered with the Ministry of Health (MoH). Registration is valid for three years and must be renewed every three years. Empire Group is registered with the MoH for its food premises.
- **Halal certification**, issued by the Department of Islamic Development Malaysia (JAKIM), is required to market food as halal. This certification ensures that ingredients and preparation processes comply with Islamic dietary laws and are free from prohibited (haram) substances or practices. It is valid for two years and is subject to renewal upon re-audit by JAKIM or its appointed body. Empire Group has obtained Halal certification for the vast majority of its outlets.
- The “**Clean, Safe and Healthy**” recognition is a voluntary programme introduced by the MoH to encourage food premises to uphold food safety, hygiene and nutrition standards. To qualify, operators must fulfil four core criteria, maintain a clean environment, provide safe food, offer healthy food options, and serve food in appropriate portion sizes.

4. PERFORMANCE OF THE FOOD SERVICE INDUSTRY

4.1 GDP and Revenue of the Food Service Industry

- Gross domestic product (GDP) measures the total value added to the production or output of goods and services in a country or sector during a specified period. **Real** GDP adjusts for changes in price levels (inflation or deflation). It reflects changes in the actual output of goods and services over time, providing a more accurate measure of economic growth. **Nominal** GDP is calculated using current market prices and does not account for inflation or deflation, reflecting both output and price changes.



- The real GDP of the food service industry expanded by 4.0% in 2024, following growth of 2.4% in 2023 and 21.8% in 2022. This reflects the normalisation of food service activities post-COVID-19 pandemic, supported by improved labour market conditions and a rebound in discretionary spending. In the first half (H1) of 2025, the industry's real GDP expanded by 6.5% compared to the same period in 2024, indicating ongoing domestic demand. Nominal F&B GDP per capita

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



recorded a CAGR of 5.4% between 2022 and 2024, rising from RM1,394 to RM1,548 over the period. (Source: DoSM, Vital Factor analysis)

- The food service industry revenue trends similarly point to a resilient operating environment, with a revenue of RM75.2 billion in 2024, recording a CAGR of 6.8% from 2022. This steady performance carried through into H1 2025, with revenue of RM 40.3 billion, 8.5% higher than H1 2024. (Source: DoSM)

4.2 Gross Output Value

- Gross output value for restaurants and mobile food service activities rose from RM65.8 billion in 2021 to RM82.8 billion in 2022, representing a growth of 25.9%. This expansion is underpinned by demographic and lifestyle changes, including rising urbanisation and evolving consumption patterns. Within this category, standalone restaurants which include quick dine-in/quick-service restaurants, cafes, bistros, coffee shops, full-service restaurants and alcoholic beverage outlets, generated RM48.8 billion in 2022, representing 49.4% of total restaurants and mobile food service output. Fast-food restaurants including grab-and-go outlets and non-alcoholic beverage outlets, accounted for RM15.5 billion or 18.7%. This indicates that while fast-food formats remain a meaningful segment, standalone restaurants represented the largest share of the market. Together, they accounted for the bulk of gross output of restaurants and mobile food service in 2022. (Source: DoSM)

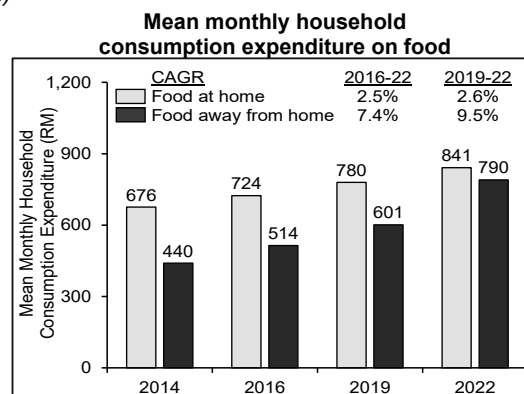
Gross output value of restaurants and mobile food service

	RM million
2017	67,147
2021	65,795
2022	82,840
2017-22 CAGR	4.3%

(Source: DoSM)

4.3 Household Consumption Expenditure

- Over the past decade, preferences for food away from home in Malaysia have evolved alongside socio-demographic changes. Increased urbanisation, higher incomes, greater female workforce participation, and the rise of dual-income households have all contributed to a larger share of household food budgets being allocated to food away from home.
- Between 2019 and 2022, the mean monthly household expenditure on food away from home rose at a CAGR of 9.5%, well above the 2.6% CAGR recorded for food at home. By 2022, the spending gap between the two narrowed (RM790 vs RM841), in contrast to 2014, when food at home expenditure led by RM236. This trend reflects a shift in consumer habits, with food away from home becoming a more prominent component of household budgets, as the share of food away from home rose to 48.4% of total household F&B expenditure in 2022, up from 43.5% in 2019 (Source: DoSM).



(Source: DoSM) **Notes:** Based on latest available data. Data for 2016 and 2019 were adjusted according to Malaysia Classification of Individual Consumption According to Purpose.

Mean monthly household consumption expenditure on food away from home

RM/month	Malaysia	Kuala Lumpur	Selangor	Johor
2019	601	1,024	866	626
2022	790	1,333	1,238	691
2019-22 CAGR	9.5%	9.2%	12.7%	3.4%

(Source: DoSM) **Note:** Based on latest available data.

- Key urban markets such as Kuala Lumpur (KL) and Selangor, where Empire Group has its highest outlet concentration, recorded the highest average monthly household consumption expenditure on food away from home in 2022. Between 2019 and 2022, household expenditure in both KL and Selangor grew at a CAGR of 9.2% and 12.7%, respectively. In these relatively

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



higher population density states, food away from home is a convenient and a lifestyle-driven activity. Johor, another state with notable Empire Group exposure, registered a slower CAGR of 3.4% over the same period, though still indicative of a positive consumption trend amid population growth and rising urbanisation.

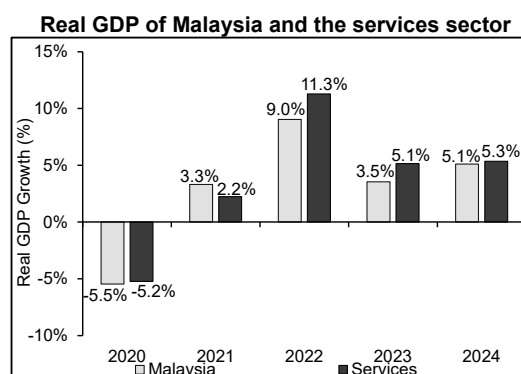
- On the supply side, the number of food service establishments contracted at an annual rate of 2.9% from 167,490 in 2015 to 136,453 in 2022. (Source: DoSM) This decline reflects consolidation in the industry, likely driven by cost pressures, heightened competition and operational challenges faced by operators during and after the COVID-19 pandemic. This environment presents potential market share gains for scalable formats such as vendors, mobiles and grab-and-go models, which can be rapidly expanded across high-traffic locations with lower operational complexity and setup operational costs per outlet compared to more formal dine-in formats.

5. DEMAND DEPENDENCIES

- Macroeconomic indicators such as GDP growth, inflation and household income provide insights into consumer purchasing power, confidence, and expenditure patterns. These factors shape the operating landscape for food service operators, influencing both transaction volumes and average spend per visit. As such, economic conditions form a crucial backdrop for operators such as Empire Group's demand outlook.

5.1 Economic Conditions and Household Income

- The broader economic environment has remained supportive of the food services recovery, with real GDP rebounding post-COVID-19 pandemic and the services sector, which includes food services, consistently outpacing overall GDP growth. In H1 2025, the real GDP of Malaysia and the services sector expanded by 4.4% and 5.0% respectively, as compared to the same period in 2024. This underscores the service sector's role as a key driver of the post-pandemic recovery, alongside tourism and retail-related activities.



(Source: DoSM)

- In tandem, household purchasing power has shown a gradual recovery. Mean monthly household disposable income rose from RM6,764 in 2019 to RM7,111 in 2022, representing a CAGR of 1.7% despite elevated price pressures. The modest but positive income growth suggests resilience in household spending capacity, even amid macro pressures. As of 2022, the highest mean monthly household disposable incomes were recorded in Putrajaya, KL, Selangor, and Johor (Source: DoSM). The table below focuses on the top three areas with the highest number of Empire Group's outlets.

Mean monthly household disposable income

RM	Malaysia	Kuala Lumpur	Selangor	Johor
2016	5,928	9,480	7,810	5,966
2019	6,764	11,102	8,826	6,923
2022	7,111	10,540	10,008	7,251
2016-22 CAGR	3.1%	1.8%	4.2%	3.3%
2019-22 CAGR	1.7%	-1.7%	4.3%	1.6%

(Source: DoSM) **Note:** Based on latest available data.

- Between 2019 and 2022, Selangor registered a CAGR of 4.3% in disposable income, the highest in Malaysia while Johor recorded a CAGR of 1.6% and KL experienced a decline at an annual rate of 1.7%, reflecting temporary softness in higher-income urban segments recovering from the pandemic.

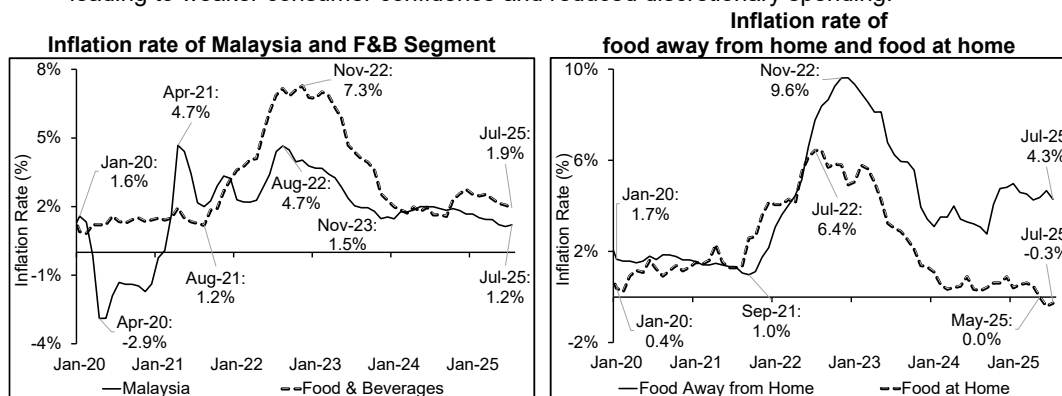
8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



- Improving labour market conditions have further supported household spending. Malaysia's unemployment rate, which peaked at 5.3% in May 2020, gradually improve to a 10-year low of 3.0% between April and July 2025 (Source: DoSM). The improvement in employment and income stability reinforces the outlook for discretionary spending across food services. The 13th Malaysia Plan aims to lift household incomes through targeted wage growth, higher-value job creation and expanded social safety nets. Key measures include raising the average monthly household income target to RM12,000 by 2030, increasing the labour share of GDP, and generating over 1.2 million jobs in manufacturing and the digital economy. Complementary initiatives to ease cost-of-living pressures are expected to strengthen disposable income, bolstering private consumption and sustaining demand for the food service industry. (Source: Ministry of Economy)

5.2 Inflation and Consumer Purchasing Power

- Inflation rate, as measured by the annual percentage change in the Consumer Price Index (CPI), may weigh on consumer spending. Higher inflation erodes consumers' purchasing power, leading to weaker consumer confidence and reduced discretionary spending.



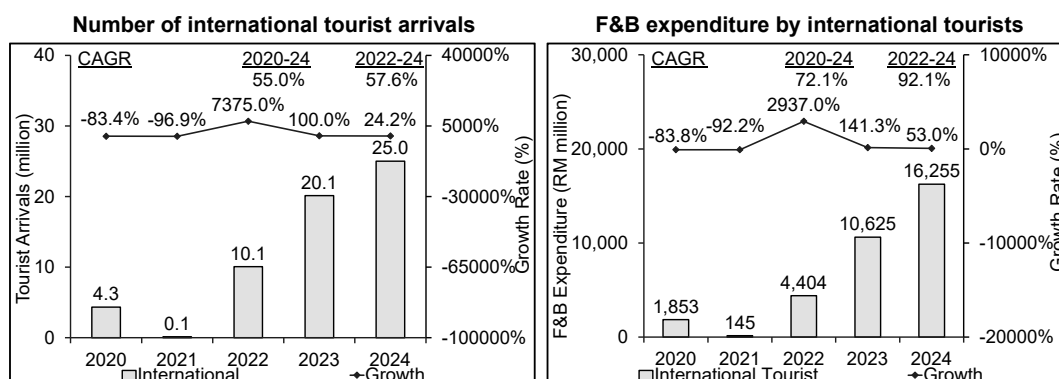
(Source: DoSM)

- Headline inflation, which reflects the total inflation across all goods and services, eased from 3.3% in 2022 to 1.8% in 2024. However, F&B inflation remained elevated at 5.8% in 2022 and 4.8% in 2023 before moderating to 2.0% in 2024, reflecting continued cost pressures across the food supply chain. Food away from home has consistently recorded higher inflation than food at home since June 2022. Inflation for food away from home peaked at 9.6% in November 2022 and remained elevated at 4.3% as of July 2025. In contrast, the inflation rate for food at home dropped to -0.3% in the same month after touching 0.0% in May 2025. (Source: DoSM). Higher inflation for food away from home compared to food at home would put downward pressure on demand for the food service industry.
- The inflation rate gap between food away from home and food at home reflects greater cost pass-through in service-based channels, where expenses such as labour, rent, and utilities weigh more heavily on food service operators. This contrasts with food consumed at home, which is less affected by these costs. Higher inflation in food away from home can heighten price sensitivity, particularly in areas where dining out is common. Affordable formats for food away from home are well-positioned to attract cost-conscious consumers. Compared with premium or full-service establishments, vendors, mobile outlets, grab-and-go concepts, and quick dine-in formats are better equipped to mitigate the impact of higher inflation in this category.

5.3 Tourism

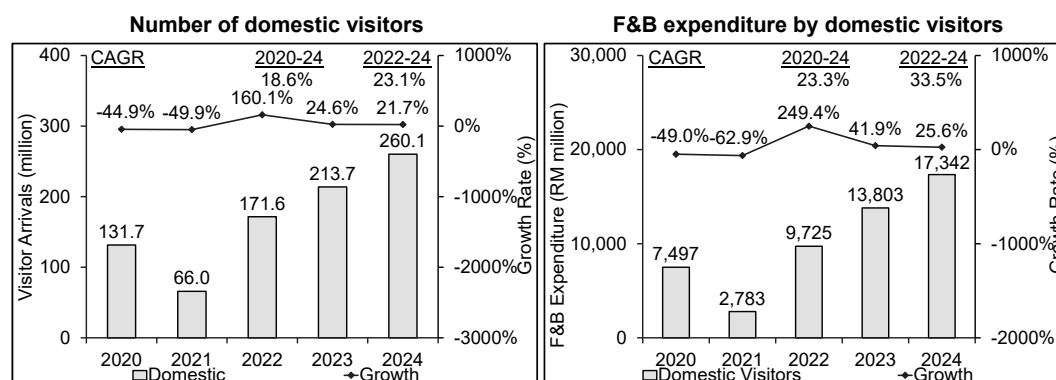
- The tourism sector plays an important role in driving footfall to malls, transit hubs and city centres where food service operations are concentrated.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



(Source: Ministry of Tourism, Arts and Culture (MoTAC)) **Note:** Data of F&B expenditure by international tourists in 2021 includes accommodations as no further segmentation is available.

- Following Malaysia's border reopening post-COVID-19 pandemic, tourist arrivals rebounded from 10.1 million in 2022 to 25.0 million in 2024, increasing at a CAGR of 57.6%. Correspondingly, international tourist expenditure on food services increased at a CAGR of 92.1% between 2022 and 2024. International tourist expenditure on food services rose from RM10.6 billion in 2023 to RM16.3 billion in 2024, marking a 53.0% increase. Over the same period, F&B's share of total tourist spending rose from 14.9% to 15.9%, indicating a higher proportional spend on F&B relative to other tourism components. (Source: MoTAC, Tourism Malaysia)



(Source: DoSM)

- Similarly, domestic tourism activity also recovered from the impact of the COVID-19 pandemic. Between 2022 and 2024, the number of domestic visitors, including excursionists (same-day travellers), grew at a CAGR of 23.1% from 171.6 million in 2022 and 260.1 million in 2024. In terms of F&B expenditure, domestic visitors' spending on F&B services grew at a CAGR of 33.5% between 2022 and 2024. In 2024, domestic visitors' F&B expenditure represented 16.2% of the total expenditure, which amounted to RM17.3 billion. (Source: DoSM)
- This recovery highlights F&B's integral role in both international and domestic tourism. The upward trend, coupled with the upcoming Visit Malaysia 2026 campaign, is expected to drive further growth in tourism, supporting foot traffic across the food service sector.

6. SUPPLY DEPENDENCIES

6.1 Cost of Ingredients

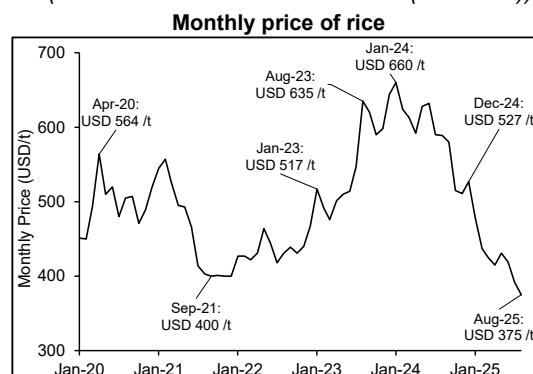
- Rice is a key input in sushi preparation and a major component of Empire Group's overall cost structure. Similar to other operators in the food service industry, the Group is exposed to volatility in global rice prices. While domestic production meets around 70% of Malaysia's rice

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



consumption, the remainder is imported, primarily from Thailand, Vietnam and India, linking domestic costs to international market dynamics (*Source: Padiberas Nasional Bhd (BERNAS)*).

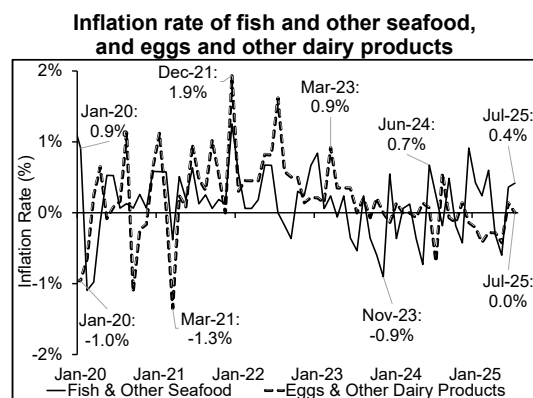
- The export price of Thai 5% broken rice, a widely referenced benchmark for imported white rice, recorded a CAGR of 16.1% between 2022 and 2024, driven by a combination of adverse weather conditions and export restrictions in key supplier countries (*Source: Vital Factor analysis*). Globally, rice prices peaked at USD660 per tonne (/t) in January 2024 before easing to USD375/t in August 2025, highlighting continued sensitivity to global supply chain disruptions and weather-related risks.



(*Source: Vital Factor analysis*)

- In response to rising prices, the Malaysian government introduced a ceiling wholesale price of RM2,800/t for imported white rice in December 2024, later revised to RM2,600 in May 2025 (*Source: BERNAS*). While these measures offered near-term relief, overall price stability remains dependent on the availability of imported supply and global market conditions.

- Seafood is a key input cost for Empire Group, given that its core product offerings rely heavily on fish and other seafood ingredients. However, the inflation rates have been volatile, with frequent reversals and fluctuations observed throughout the period (*Source: DoSM*). These swings reflect seasonal harvesting patterns, upstream cost volatility and logistical constraints across the supply chain. This volatility poses uncertainty in sourcing decisions, particularly for operators that emphasise freshness and quality.



(*Source: DoSM*)

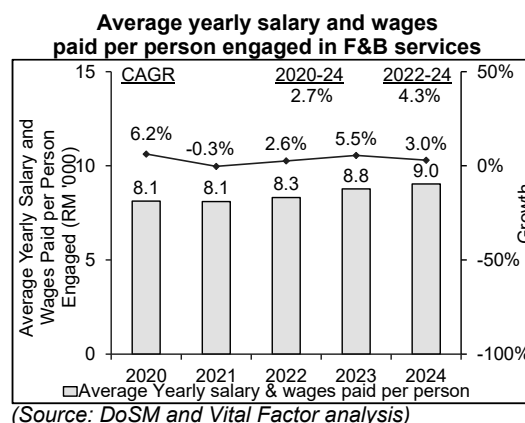
- Eggs and other dairy products are commonly used in selected menu items, including Tamago (egg-based) sushi and Japanese-style sauces. Inflation remained elevated through parts of 2023 and early 2024, before moderating in 2025. Earlier price pressures were primarily driven by global feed shortages and domestic supply tightness. Although government subsidies and import facilitation measures helped ease cost pressures, prices remain sensitive to external shocks.
- Despite recent policy interventions, including price ceilings for rice and eggs, food service operators continue to face exposure to input cost fluctuations across key ingredients. While a simplified product range and a varying menu to take advantage of lower food ingredient costs may provide partial insulation, cost predictability remains a challenge for margin management and operational planning.
- Beyond commodity price movements, operators are also affected by fiscal policy shifts. The expansion of Malaysia's Sales and Service Tax (SST) regime, effective July 2025, introduces a 5% sales tax on certain imported ingredients, including select seafood and specialty items. Staples such as rice, poultry and eggs remain exempt, adding another layer of cost consideration for menu planning and procurement. (*Source: Royal Malaysian Customs Department*)

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



6.2 Labour Cost and Supply

- Labour represents a significant cost component for food service operators, with costs set to rise following the February 2025 increase in the national minimum wage from RM1,500 to RM1,700 per month for employers with five or more staff (effective August 2025 for employers with less than five staff). At the same time, a freeze on new foreign worker applications since March 2023 has tightened labour supply, limiting staffing flexibility and driving higher overtime and retention costs. Combined with elevated input prices, these constraints will continue to challenge operators. However, operators with lean formats, such as grab-and-go, efficient staffing, and flexible sourcing, may be better positioned to mitigate labour cost and staffing pressures without materially compromising service quality or price competitiveness.



7. COMPETITIVE LANDSCAPE

- Malaysia's food service industry is highly fragmented, comprising both standalone outlets and multi-outlet chains. These operate across various formats, offering a variety of foods and cuisines at different price points. There is no official segmentation of the industry by cuisine type, and sushi-focused chain outlets represent a niche segment in the overall food service landscape.
- The companies listed below are for comparative financial analysis of companies with food services similar to or competing with Empire Group. The list comprises Japanese sushi chains with recent financial data. The list, sorted in descending order by revenue, is not exhaustive.

Company: <i>Operating brand</i>	G	R	O	⁽¹⁾ No. outlets	FYE ⁽²⁾	Rev ⁽³⁾ (RM '000)	PAT/(LAT) ⁽³⁾ (RM '000)	PAT/(LAT) ⁽³⁾ margin
Empire Group: <i>Empire Sushi</i>	√	√		132	Mar-25	235,600	37,920	16.1%
Subsidiaries of public listed companies								
<i>Sushi King S/B⁽⁴⁾: Sushi King</i>	√	√		120	Dec-24	174,258	3,377	1.9%
<i>APEX-Pal (M) S/B⁽⁵⁾: Sakae Sushi</i>		√		2	Jun-24	3,801	(2,989)	(78.6%)
Private company								
<i>Super Sushi S/B: Sushi Zanmai</i>		√		37	Dec-23	128,134	10,574	8.3%
<i>Izumida S/B: Sushi Mentai</i>		√		49	Mar-24	71,561	4,267	6.0%
<i>Right Potential S/B⁽⁶⁾: Azuma Sushi</i>		√	√	21	Dec-23	33,170	266	1.1%
<i>Nippon Sushi (M) S/B: Nippon Sushi</i>		√		20	Jun-24	30,536	3,584	11.7%
<i>Sushi Train (M) S/B⁽⁷⁾: Senya, Tsukijiya, Sushi Deli, Toyosuya</i>	√	√	√	14	Dec-24	26,954	(1,186)	(4.4%)
<i>JVT Sushi YA S/B: Sushi YA</i>		√		13	Sep-24	26,367	768	2.9%
<i>Sushi Jiro S/B: Sushi Jiro</i>		√		14	Dec-24	24,166	1,779	7.4%
<i>Genki Sushi (Malaysia) S/B: Genki Sushi</i>		√		6	Dec-23	12,761	(12,850)	(100.7%)
<i>Exodus F&B 3 S/B: Sushi Hiro</i>		√		5	Jun-24	1,525	43	2.8%
<i>Sushi Tei Malaysia S/B: Sushi Tei</i>		√		3	Dec-24	1,049	(654)	(62.4%)

G = Grab-and-Go Outlets; R = Conveyor Belt Sushi Restaurants and/or Quick-Service Restaurants; O = Other Formats; FYE = Financial Year Ended; FPE = Financial Period Ended; Rev = Revenue; GP = Gross Profit; PAT = Profit after Tax; LAT = Loss after Tax; S/B = Sendirian Berhad; n.a. = data not available.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



- (1) As at the date of this report. In Malaysia only.
- (2) Latest audited financial data from the Companies Commission of Malaysia and Empire Group.
- (3) It may include other business activities, products or services at the group or company level.
- (4) A subsidiary of Texchem Resources Bhd, listed on Bursa Malaysia Securities Berhad.
- (5) A subsidiary of Sakae Holdings Limited, listed on the Singapore Exchange Securities Trading Ltd.
- (6) Right Potential S/B also operates Edo Ichi, Hachiban Izakaya, Ichi Zen, Sushi Zento, Aburi Sushi, Wa Q Yakiniku, Naysu Bar & Dining and Yu Village.
- (7) Sushi Train (M) S/B also operates Hanaya, Sushiya, and Menya Mushashi.

- Other competitors such as Plus Group Sdn. Bhd. (Sushi Plus) and Sushi Village Enterprise (Sushi Go) also operate in formats similar to Empire Group's grab-and-go model. They are excluded from the list above as recent financial information is not publicly available. Competition also arises from non-food service operators such as supermarkets and convenience stores offering takeaway sushi displayed in chillers.

8. BARRIERS TO ENTRY

- The barriers to entry for the food service industry in Malaysia are **low**, as evidenced by the registration of 30,005 food service outlet premises in 2024 (Source: MoH). This is mainly predicated on the relatively low capital investment required, especially for grab-and-go, takeaway and quick dine-in services. Higher capital investments are needed for more formal or elaborate dine-in formats and operations in shopping malls. Scaling operations across multiple outlets will also require additional capital for outlet setup, standardised processes, ICT systems, and reliable supply chains. While barriers to entry are low, new entrants must comply with food safety regulations, premises registration requirements and local authority licensing. For operators targeting the Muslim consumer segment, Halal certification from JAKIM is an advantage, adding procedural requirements for ingredient sourcing, food preparation, handling, hygiene and safety.

9. INDUSTRY SIZE AND SHARE

- The food service industry market size and market share of Empire Group are estimated as below:

Malaysia 2024 – Market Size	Estimated Market Size ^(a) (RM million) ⁽¹⁾	Empire Group	
		Revenue (RM million) ^{(b) (2)}	Market Share (%) ⁽³⁾
Food away from home*	98,424	236	less than 1%

Sources: (a) DoSM; (b) Empire Group. * No further segmentation available.

(1) 2024 figure extrapolated from 2022 = (Average monthly household consumption expenditure on food away from home (RM790) x 12 months) x growth of the revenue of the food services industry between 2022 and 2024 (14.0%) x number of households in 2024 (9.10 million).

(2) Revenue for FYE 31 March 2025 was used as a proxy for the calendar year 2024.

(3) (b) divided by (a) x 100%.

10. INDUSTRY OUTLOOK AND PROSPECTS

Drivers of Growth and Opportunities

- Domestic consumption-led growth continues to support demand for food services. GDP is a key factor influencing the industry's outlook, as food away from home is a discretionary expense that depends on consumers' disposable income. GDP serves as an indicator of overall economic well-being, where higher GDP growth generally reflects stronger household and consumer purchasing power. In 2025, **Malaysia's GDP** is projected to expand by between **4.0% and 4.8%**, with the overall service sector expected to grow by 5.5%, supported by robust domestic expenditure. The food services segment is likely to benefit from rising household demand, particularly in urban and suburban centres. In H1 2025, Malaysia's real GDP expanded by 4.4% compared to the same period in 2024. Growth was mainly driven by the services sector on the supply side, and private consumption and investment on the demand side. (Sources: Bank Negara Malaysia (BNM), Ministry of Finance, DoSM)

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



- **F&B and accommodation subsector** is projected to grow by **6.2%** in 2025. The growth is underpinned by rising household demand in urban and suburban centres, as well as additional momentum from higher tourist arrivals. (Source: MoF)
- **Private consumption is expected to remain resilient**, underpinned by continued income growth and policy support. In 2025, household spending is projected to increase by 5.9%, following an estimated 5.5% expansion in 2024 (Source: BNM). The outlook is supported by stable labour market conditions, salary adjustments under the Public Service Remuneration System, increases in the minimum wage and the continued rollout of targeted government assistance programmes, which are expected to sustain disposable income levels and support discretionary expenditure, including food away from home. The labour force participation rate improved from 69.8% (16.2 million employed persons) in January 2023 to 70.2% (16.5 million employed persons) in December 2023, and to 70.8% (17.4 million employed persons) in June 2025. (Source: DoSM)
- **Tourism** rebound boosts traffic in high-footfall food service outlets. In H1 2025, Malaysia recorded approximately **12.9 million international tourist arrivals**, an 8.8% increase compared to the same period in 2024. This growth reflects the sustained impact of visa-free entry for visitors from China and India. International tourist arrivals are projected to reach 35.6 million by 2026 and generate RM147.1 billion in receipts. Food service operators stand to benefit from rising volumes and the increasing share of F&B in overall tourist expenditure. (Source: Tourism Malaysia)
- Demographic and lifestyle shifts are accelerating demand for convenient dining. **Urbanisation**, a growing base of dual-income households and time-constrained lifestyles are fuelling demand for quick-service meals, takeaway options and mall-based dining experiences. Malaysia's urbanisation rate was 70.9% in 2010 and rose to 75.1% in 2020. In 2020, the urbanisation rate for KL, Selangor and Johor (Empire Group's top three markets) was estimated at 100.0%, 95.8% and 77.4% respectively. (Source: DoSM).
- The **rise of e-commerce and food delivery platforms** has broadened consumer access to food services, enabling all types of outlets to reach customers beyond their physical locations. Supported by online and mobile ordering, cashless payments and app-based loyalty programmes, food delivery has become an integral channel for revenue growth, customer retention and brand visibility across the industry. Food service e-commerce income rose from RM2.04 billion in 2015 to RM8.93 billion in 2022 (representing 337% growth for the period), and the overall e-commerce income at RM624.9 billion for the first half of 2025 (Source: DoSM).

Threats and Challenges

- **Competition** is intense in the **food service industry** due to the highly fragmented and large number of players providing myriad consumer choices within the industry. Additionally, the industry is subject to changes in consumer behaviour, preferences, and trends, which are difficult to anticipate and react to promptly to stay relevant. The low barriers to entry contribute to the intense competition.
- **Inflationary pressures** may weigh on consumer sentiment and operating costs. The food service industry remains sensitive to changes in inflation, which affect both input costs and consumer spending behaviour. In 2024, Malaysia's headline inflation averaged 1.8%, supported by stable demand conditions and easing global cost pressures. Headline inflation is expected to average between 1.5% and 2.3% in 2025 due to contained global cost conditions and the absence of excessive demand pressures. However, the inflation outlook will remain dependent on risks from the external environment and domestic policy factors. Higher inflation may increase utility, premises rental and ingredient costs for food service operators while also constraining discretionary spending on food away from home. (Source: BNM)

9. RISK FACTORS

Before investing in our Shares, you should pay particular attention to the fact that we and to a large extent, our business operations are subject to the regulatory, industry and business risks. Our operations are also subject to a number of factors, many of which are outside our control. Before making an investment decision, you should carefully consider, along with other matters in this Prospectus, the risks and investment considerations set out below.

9.1 RISKS RELATING TO OUR BUSINESS OPERATIONS

9.1.1 We are reliant on third-party suppliers for food ingredients including intermediate processed food products and ingredients for our sushi chain operations

All of our food ingredients including fresh and prepared ingredients used at our grab-and-go sushi outlets and quick dine-in outlets are sourced from third-party suppliers. As such, we are subject to potential disruptions in our supply chain which could impact our business operations. Some of the risks include (i) issues relating to food ingredients such as shortages or price fluctuations in input materials; (ii) logistics and transportation challenges such as delays in shipping and/or transportation which could affect the timely delivery of imported ingredients or input materials to our sushi outlets; (iii) compliance matters from our suppliers' perspective such as failure in adhering to the necessary quality or food safety standards which could affect the integrity of the input materials that are delivered to our sushi outlets; and (iv) utility and operational disruptions such as interruptions in water or power supply, unforeseen shutdowns due to containment measures, regulatory non-compliance matters, insolvency or bankruptcy, legal actions or voluntary or involuntary closures of our third-party suppliers' business or premises. Either of these events may cause disruptions in the supply of food ingredients which may adversely affect the operations of our sushi outlets and our financial performance.

Notwithstanding the availability of alternative suppliers for procurement of food ingredients and consumables, we rely on a limited number of suppliers for our food ingredients. In certain cases, we rely on a single supplier who may be responsible for supplying us with several food ingredients used in our existing menu. We may seek for alternative suppliers, if necessary, while some of our ingredients such as certain prepared sauces and pastes require special formulation, we retain ownership of the recipes for these specialised ingredients. In the event that our existing suppliers are unable to deliver the required ingredients, we may seek alternative suppliers if necessary. However, such replacement or substitution of suppliers may be time-consuming and there is a risk that the newly identified suppliers may offer less favourable pricing or terms as compared to the existing suppliers. The time taken for our Group to assess and select new suppliers based on the key criteria as disclosed in Section 7.7.4.3 of this Prospectus as replacements may cause temporary disruptions to our business operations. In addition, if the food ingredients sourced from the new suppliers result in alteration of the taste or quality of our sushi products, this could adversely affect our customers' satisfaction level, hence causing our Group to lose some of our existing customers.

During the Financial Years Under Review, we have not experienced any material disruptions in our supply chain as well as any issues relating to our suppliers which impacted our business operations or our financial performance. Notwithstanding, there can be no assurance that any disruption in the supply of our food ingredients including intermediate processed food products and ingredients for our sushi operations would not adversely affect our business operations and financial performance in the future.

9.1.2 We may be affected by either a decline in the performance of shopping centres, hypermarkets, airport retail mall and transit hub malls contributing to lower foot traffic to our sushi outlets or any unfavourable changes in terms of our tenancy or license agreements

As at the LPD, we operate 132 sushi outlets in Malaysia comprising 117 grab-and-go sushi outlets and 15 quick dine-in sushi outlets which are located in shopping centres, hypermarkets, airport retail mall and transit hub malls. For each of the Financial Years Under Review, each of our sushi outlets contributed less than 10.0% of our revenue.

9. RISK FACTORS (Cont'd)

Any decline in the conditions, popularity or performance of the shopping centres, hypermarkets, airport retail mall and transit hub malls where our sushi outlets are located would affect foot traffic to our sushi outlets and this may adversely affect our business operations and financial performance of those outlets. Such changes include operational disruptions, changes in the tenancy mix, poor maintenance of the respective shopping centres, hypermarkets, airport retail mall and transit hub malls or decline in foot traffic. In addition, all of our sushi outlets operate in rented premises where we are subject to the rental rates and existing terms as outlined in the respective tenancy or license agreements entered into with the respective premise owners. Upon the expiry of a particular tenancy or license agreement, the respective premise owners have the right to alter the existing terms including, but not limited to, increase in rental rates, request for upgrades or renovations or deciding not to renew the tenancy or license arrangement with our Group. Any such changes to the existing terms as agreed with the respective premise owners may lead to an increase in rental expenses to be incurred by our Group or additional costs to be incurred in relocating or refurbishing the tenanted outlets upon the premise owners' requests.

We are also subject to rental terms which may include liquidated damages to be borne by our Group if we fail to commence or complete our fit-out works within the agreed timelines with the respective premise owners or experience delays in the commencement of business operations as outlined in the respective tenancy or license agreements.

For the Financial Years Under Review, our rental expenses for the sushi outlets comprising depreciation of ROU assets, interest on lease liabilities and variable rental accounted for 7.0%, 7.5% and 7.4% of our revenue for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

In addition, any unfavourable incidents taking place within a shopping centre, hypermarket, airport retail mall or transit hub mall including planned events such as temporary closure for renovations or unforeseen emergency situations such as bomb scares, shooting incidents or suicide cases could adversely affect our business operations. During the Financial Years Under Review, there were several unforeseen emergency events which took place in certain shopping centres in Malaysia including a bomb scare incident in a shopping centre in the southern region of Peninsular Malaysia and suicide cases in certain shopping centres in the central and northern regions of Peninsular Malaysia which affected our outlet operations up to a full business day. In addition, we closed an outlet in the central region of Peninsular Malaysia due to a planned renovation carried out by the shopping centre operator in 2024 and another outlet in the same region was temporarily closed for 2 weeks for planned renovations by the shopping centre operator during the Financial Years Under Review. Save for the incidents disclosed, we have not encountered any material unfavourable unforeseen incidents or planned events that adversely affected our business operations and financial performance.

Nevertheless, moving forward, there can be no assurance that there will not be any adverse changes in the tenancy terms nor can we assure that the strong performance of the shopping centres, hypermarkets, airport retail mall and transit hub malls will sustain.

9.1.3 Our business operations are dependent on our Executive Directors and Key Senior Management

Our business operations are dependent on the experience, leadership, knowledge and skills of our CEO, COO and the rest of our Key Senior Management. Our CEO, Nicole Lim, leads the overall strategic direction and strategy development of our Group's strategies. Our COO, Jordan Tan, is responsible for overseeing overall outlet operations as well as developing and enhancing our menu offerings including exploring diverse ingredient combinations and preparation techniques. Our CEO and COO are supported by the other members of our Key Senior Management, namely our CFO, Lim Chung Liang and Head of Marketing, Darren Khoo Yen Jen. The loss of services of any one or more of our Executive Directors or Key Senior Management without any suitable and timely replacement may adversely affect our business operations and financial performance.

9. RISK FACTORS (Cont'd)

9.1.4 Our recipes may be copied and this may result in a loss of our competitive advantage or a decrease in our market share

As with many F&B products, there is a risk that the recipes for our sushi products used in our outlets may be copied. While taste is a personal preference, the replication of the flavour profile of our products by other market participants may result in the loss of our competitive advantage as similar tasting products are available in the market from competitors. This may subsequently result in a loss of our market share for such products.

We engage third-party suppliers for the sourcing of our intermediate processed food products and ingredients and other general ingredients. We also carry out menu development and taste tests with some of these third-party suppliers for certain intermediate processed food products and ingredients as part of our sourcing processes and procedures. Notwithstanding the internal precautions adopted by our Group to limit access to our full recipes by providing our third-party suppliers and certain service crew with only part of the recipe for our sushi products, there can be no assurance that the taste profile of our sushi products will not be replicated. If the taste profile of our sushi products is successfully replicated by others in the market, we may lose our competitive advantage which could adversely affect our business operations and financial performance. During the Financial Years Under Review, we have not encountered any similar tasting products readily available in the market as a result of our recipes being copied by our competitors.

9.1.5 We are subject to operational risks including shortage of staff, disruptions in power supply and other adverse events which may cause interruptions to our business

We are subject to operational risks including, but not limited to, shortages of labour and disruptions of power supply which may cause interruptions to our business operations. We are dependent on labour for our day-to-day sushi outlet operations which mainly comprise of our service crew for customer service as well as food handling and preparation works. As such, a stable workforce is crucial in ensuring our day-to-day sushi outlet operations run smoothly. The staff costs attributed to our sushi outlet operations accounted for 37.7%, 38.7% and 39.6% of our cost of sales for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

As at the LPD, we have a total workforce comprising 1,138 employees dedicated to our network of sushi chain operations comprising 918 domestic employees and 220 foreign employees. Our entire outlet workforce has completed certified food handler training course recognised by MOH which mainly covers good hygiene practices and food safety principles. We may experience a shortage of workers from time to time due to various factors including changes in government policies and regulations on the supply of foreign labour such as a freeze on hiring of foreign labour, higher salaries and remuneration packages from competing industries as well as lack of domestic workers. In the event of a shortfall in the labour supply for our sushi outlet operations coupled with our inability to maintain a stable outlet workforce by promptly replacing or hiring new workers, this would adversely affect our business operations and financial performance. In addition, in the event of a labour shortage, we may also be unable to execute our planned expansion to establish new additional outlets effectively and promptly which in turn could adversely affect our future business growth and financial prospects. For the Financial Years Under Review and up to the LPD, we have not experienced any material shortage in labour supply as a result of the changes in government policies and regulations that had adversely affected our business operations or financial performance.

The operations of our sushi outlets are equipped with various equipment including kitchens, chillers, freezers and storage areas as well as the operation of relevant equipment and appliances which are dependent on a consistent power supply. Prolonged power outages, intermittent power disruptions or other events such as bomb scares, fires, flood and pest infestations could adversely affect our business operations.

9. RISK FACTORS (Cont'd)

During the Financial Years Under Review, there were unforeseen emergencies in certain shopping centres in Malaysia including a bomb scare incident in a shopping centre in the southern region of Peninsular Malaysia and suicide cases in certain shopping centres in the central and northern regions of Peninsular Malaysia which had affected our outlet operations up to a full business day. In addition, there were flood incidents in the east coast region of Peninsular Malaysia in 2024 which affected our local outlet operations, thus impacting customer patronage and ingredient deliveries. However, on an overall basis, these incidents did not result in any material adverse impact towards our Group's business operations and financial performance during the Financial Years Under Review.

Save as disclosed above, during the Financial Years Under Review and up to the LPD, we have not encountered any material power interruptions or negative events that adversely affect our business operations and financial performance. Nevertheless, there can be no assurance that similar or other disruptive events will not occur in the future. Any such occurrences may adversely affect our business operations and financial performance.

9.1.6 Our business is exposed to product and public liability risks related to food services in our sushi outlets as well as risks associated with legal matters, employment, consumer claims, and other disputes

We operate a chain of sushi outlets offering F&B services mainly to individual end-consumers. As such, our business is subject to several liability risks including service, product and public liability, risks from consumer claims and the risks of potential legal actions against our Group, directors and employees.

As we are a provider of F&B services, we may face product liability risks which may expose us to various punitive actions such as legal actions by affected consumers, fines imposed by regulatory bodies, temporary closure of outlets or withdrawal of business licences or other certifications awarded by the respective bodies. Our product liability could arise from, among others, product contamination during the manufacturing, processing, storage and/or handling of food and ingredients, unintentional use of expired, unsafe or banned ingredients, sabotage or product mislabelling. We may also be subject to consumer claims arising from dissatisfaction in the quality of our F&B products and services.

We maintain quality control standards at our outlets including adherence to Halal requirements for purpose of our Halal certifications and we also require our third-party suppliers to adhere to various quality, hygiene and food safety standards. Notwithstanding such measures being adopted by our Group, the occurrence of any product liability claims may adversely affect our market reputation, consumers' trust in our brand as well as our operational and financial performance.

In addition, we may be exposed to risks relating to food contamination, poor hygiene and food safety violations which are inherent risks to operators within the F&B sector. In the event of any such occurrences, this may result in an inspection of our premises by local authorities which may translate into monetary fines being imposed, withdrawal of operational licences, loss of Halal certification and/or directives to temporarily cease business operations for cleaning and disinfection purposes. This would have an impact on business operations, brand reputation as well as our financial performance.

As we operate sushi outlets, we are also subject to the risk of public liability arising from our sushi products, services and/or premises. We may face legal actions by consumers arising from, among others, negligence by our staff in serving our customers and/or the physical condition of our premises that may cause accidents that may harm our customers. During the Financial Years Under Review, there was an incident involving a minor claim from a customer who fell in front of one of our sushi outlets, for which we covered medical expenses of less than RM1,000 on a goodwill basis. Save for the disclosed incident, we have not encountered any other incident involving claims from our customers relating to risk of public liability.

9. RISK FACTORS *(Cont'd)*

Dispute resolution processes arising from any legal or other disputes arising from our business operations may be costly, time-consuming and uncertain in outcome. An adverse ruling or decision may affect our market reputation, consumers' trust in our brand and our financial performance.

We cannot assure that such incidents/events will not arise in the future and that they will not have a materially negative impact on our reputation, business operations, and financial performance. While we maintain insurance coverage, there can be no assurance that such insurance compensation will be sufficient to cover all liabilities incurred. Additionally, frequent claims may result in an increase in our insurance premiums, which could adversely affect our financial performance.

9.1.7 We are exposed to the risks of theft, robbery or pilferage in our operations

We operate sushi outlets where our staff handle food products, ingredients, consumables and cash. As such, there is a risk of product and cash pilferage that may materially affect our financial performance.

We have implemented various operational procedures and controls to minimise product and cash pilferage. Some of these include the use of our POS system which records our customers' orders, hence allowing us to conduct audits of food products and ingredients. In addition, customers' payments are also recorded through the issuance of bills and receipts via our POS system. This ensures that all customers' payments recorded in the POS system are tallied with the actual cash received. The POS system is connected to our head office and the sales data of each outlet is transmitted to the head office in real time. While we have implemented various operational procedures and controls to minimise product and cash pilferage, there can be no assurance that such occurrences can be fully prevented nor can we assure that they will not impact our financial performance.

While we have obtained insurance coverage for pilferages, theft, loss in transit and burglary across all our outlets and head office, there can be no assurance that our insurance coverage will be sufficient to compensate us for all losses incurred which may affect our financial performance. If we submit multiple insurance claims, our insurance premium may increase and this will adversely affect our financial performance in the future.

During the Financial Years Under Review, we have experienced break-in pilferages. However, there was no material impact on our financial performance. In addition, to further reduce cash handling risks, we are progressively implementing a cashless payment system throughout our sushi chain outlets, with 89 of our sushi outlets operating on a cashless basis as at the LPD, representing 67.4% of our total sushi outlets as at the LPD.

9.1.8 Our growth prospects may be limited if we are unable to execute our business strategies and plans effectively

Our business strategies and plans are focused on leveraging our key strengths and core competencies in sushi chain operations in Malaysia. Our strategies are focused on expanding our operational footprint by establishing new outlets in Malaysia and the upgrading of selected existing outlets. Please refer to Section 7.5 of this Prospectus for further details on our business strategies and plans.

In this respect, we are exposed to risks associated with our expansion in the domestic market including shifting market conditions such as changing consumer preferences, cannibalism among our sushi outlets as a result of their proximity, poor patronage in new locations/states due to, among others, lack of or limited brand awareness and deterioration of service quality as well as customer experience due to issues associated with, among others, supply chain disruptions and staffing issues such as staff shortages or inadequate training.

9. RISK FACTORS *(Cont'd)*

The prospects and growth of our business depend on our ability to effectively and promptly implement our business strategies and plans. There is a risk that we may not achieve the intended timing or objectives of these future plans due to factors such as the inability to secure strategic locations for new outlets either due to unavailability or the inability to secure such locations at commercially favourable terms, insufficient funding or bank borrowings after taking into consideration the gross proceeds to be raised from the Public Issue, limitations in sourcing human resources, regulatory changes or delays caused by unforeseen internal or external factors.

We cannot provide any assurance that any of our business strategies and plans will be commercially successful or implemented in line with our expectations. We also cannot assure that we have fully identified or can anticipate all operational and business risks associated with our strategies and plans. In the event of any delays or failures in executing our strategies and plans, our future business growth or expected financial performance may be adversely affected.

9.1.9 We may not be able to sustain the same level of growth rate and financial performance in the future

Our revenue grew from RM137.1 million for the FYE 31 March 2023 to RM235.6 million for the FYE 31 March 2025, representing a CAGR of 31.1%. Meanwhile, our PAT grew from RM14.6 million for the FYE 31 March 2023 to RM37.9 million for the FYE 31 March 2025, representing a CAGR of 61.1%.

There can be no assurance that we will be able to achieve similar growth rates and financial performance in the future due to internal and/or external factors. Some potential internal factors include, among others, the inability or delays in expanding our sushi chain operations as per our business strategies and plans as detailed in Section 7.5 of this Prospectus, operational and management issues, supply chain disruptions and the consistency and quality of our products and services. Potential external factors include shifting economic, social and regulatory conditions, rigorous market competition, changes in consumer tastes, preferences, spending habits and brand relevance as well as the decline in the performance of the shopping centres, hypermarkets, airport retail mall and transit hub malls including commercial facilities where our sushi outlets are located. Such factors may adversely affect our ability to sustain growth and financial performance, which could, in turn, have an adverse impact on our business operations and overall financial results.

9.1.10 There can be no assurance that our insurance coverage would be adequate

We maintain general insurance policies where relevant and practical, covering our assets, employees and business operations with policy specifications and insured amounts that we believe are reasonable for our risk profile. As at the LPD, we have various insurance coverages including fire and fire consequential losses, product liability, public liability and money insurance with a total coverage of RM288.7 million.

If our claims exceed the coverage limits of our general insurance policies, we may be required to bear the shortfalls in the amounts claimed which could adversely affect our financial position. Alternatively, if there are numerous and sizable insurance claims, it may lead to increased insurance premiums to be borne by our Group moving forward, thus adversely impacting our future financial performance. During the Financial Years Under Review and up to the LPD, there have not been any material insurance claims that have exceeded the amount covered by our general insurance policies.

There are also risks associated with insurance renewals such as the possibility of increased premiums, reduced coverage or additional exclusions. In addition, if certain types of risks are not covered under our insurance policies, we may be required to bear the costs of such losses which could adversely impact our financial position.

9. RISK FACTORS (Cont'd)

Notwithstanding the necessary steps taken by our Group to ensure that our assets, employees and business operations are adequately insured, there can be no assurance that our insurance coverage would be adequate to compensate for the replacement costs of assets, claims arising from employees or the public and any consequential losses.

9.1.11 We operate within the consumer market, making our business susceptible to changes in consumer behaviour, trends, brand preferences as well as negative publicity, perceptions or actions

As a sushi chain owner-operator in the consumer market, we face risks arising from negative publicity, perceptions or actions related to our products and services as well as changes in consumer behaviour, trends and brand preferences. Consumer spending in the dining out or takeaway segment is primarily discretionary in nature as consumers have the option of cooking at home. As such, the sustainability and success of our business rely on our ability to consistently adapt to changing consumer behaviour, trends and brand preferences supported by our brand equity.

The performance of our sushi chain outlets is directly influenced by several evolving consumer dynamics. We need to consider and respond to shifts in culinary trends such as the increasing demand for fusion or local dishes as well as the growing preference for plant-based foods and specific dietary regimes. These changes significantly impact both the demand of our products and our menu development. In addition, we must adhere to diverse dietary laws including Halal standards and other cultural or religious dietary practices which shape our menu offerings. Furthermore, macroeconomic factors such as prevailing economic conditions including inflation and changes in consumer confidence directly affect consumer spending on dining out or ordering takeaway.

Branding also plays an important role in the consumer market. As such, the sustainability and growth of our business depend on our ability to continually build on our brand equity including increasing brand awareness, loyalty, trust and the image portrayed, so as to retain our existing customers while securing new ones. Building brand equity also includes enhancing and sustaining our brand relevance in the minds of target customer groups as our brand matures over time.

Consumer changes in behaviour, trends and brand preferences are increasingly shaped by consciousness-driven choices and the pervasive influence of social media. They are influenced by various other factors such as social and health trends, food security, religious and environmental considerations. We are also vulnerable to negative publicity or actions stemming from factors such as consumer boycotts, dissemination of negative information, fake news, sabotage and/or issues regarding quality, hygiene and food safety. The materialisation of any of these events may adversely affect our operations and financial performance.

In this regard, there can be no assurance that the market perception and reception of our products and services and that our brand will remain positive and relevant over time. Failure to align our offerings with consumer requirements and expectations could potentially harm our reputation and impact the results of our business operations and financial performance.

9.1.12 Inflationary pressures or other cost increases may necessitate price increase for our products and services which may adversely affect our business performance

As a consumer-based business, our products and services are subject to inflationary pressures which impact our cost of goods and services. Consequentially, we may have to pass on such cost increases to our customers to maintain our profit margins. Inflationary pressures may arise directly from the higher cost of goods such as food ingredients and products as well as consumables coupled with any indirect factors such as rising costs in, among others, utilities, fuel, logistics, rental and labour.

9. RISK FACTORS (Cont'd)

During the Financial Years Under Review, our staff costs accounted for 25.7%, 25.3% and 25.1% of our revenue for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively. We pay our employees in accordance with the applicable statutory minimum wage and any increase in the statutory minimum wage will result in an increase in our overall staff costs. The Minimum Wage Order 2022 was gazetted in 2022 with the initial implementation of the minimum wage of RM1,500 taking effect on 1 May 2022. The minimum wage was subsequently revised to RM1,700, effective 1 February 2025. As at the LPD, we have complied with the latest minimum wage requirements.

Our rental expenses for our sushi outlets comprising depreciation of ROU assets, interest on lease liabilities and variable rental accounted for 7.0%, 7.5% and 7.4% of our revenue for the FYE 31 March 2023, the FYE 31 March 2024, and the FYE 31 March 2025, respectively. The expansion of the Sales and Service Tax regime in Malaysia will have a direct impact on the rental cost for our business. Rental or leasing services for properties located in Malaysia including commercial properties such as shop lots, offices, and buildings used for business purposes are subject to an 8% service tax effective from 1 July 2025. This revised service tax applies to new rental and lease agreements entered into on or after 1 July 2025.

If we are unable to fully pass on these cost increases to consumers through price adjustments, this may lead to higher operational costs which could adversely affect our financial performance. In such a scenario, we may have to absorb the increased costs which in turn would adversely affect our profit margins and financial performance. Conversely, if we pass on all the cost increase to our customers, we might lose our existing customers or our competitiveness in the market as a whole.

Notwithstanding that our financial performance during the Financial Years Under Review was not materially affected by inflationary pressures, there can be no assurance that our results of operations and financial performance moving forward would not be affected by such inflationary risks.

9.1.13 Our business operations are subject to risks of security breaches or malfunction of ICT and network systems, unintended human errors or careless actions

Our sushi chain operations rely on our ICT systems, which are hosted in the cloud, to facilitate connectivity between our head office, outlets and devices. This connectivity supports essential functions such as our POS systems, corporate website, mobile application, customer loyalty and reward programmes, online and mobile payment systems, sales order processing, finance and accounting, outlet management, inventory management and delivery services. Our communications infrastructure includes our local area networks, third-party wide area networks and the Internet.

Our ICT system handles and stores sensitive data including personal and company information. In this respect, we are exposed to the risk of security breaches, system malfunctions, unavailability of third-party services and wilful or accidental damage to our ICT and network systems, infrastructure, properties or assets. Additionally, security breaches including eavesdropping, cyberattacks, malicious code, ransomware or other destructive or disruptive actions targeting our software, hardware, processing, communications and data, as well as our online platform, may adversely impact our business operations and financial performance. In addition, any disruption to our ICT system may result in interruptions to online transactions and the unavailability of our mobile application to customers.

9. RISK FACTORS (Cont'd)

In the event of any security breach or malfunction of our ICT and network systems, it may render our systems inoperable for an extended period or disrupt our operations. In addition, any security breach that results in the unauthorised access to our ICT system and resultant data loss may result in a violation of applicable privacy laws, which could subject us to significant liabilities, losses, or regulatory actions, including legal suits. It could also harm our reputation and adversely affect our business operations and financial performance. During the Financial Years Under Review and up to the LPD, we have not encountered any material security breaches or malfunctions of our ICT systems. In addition, we have implemented relevant SOPs as part of our cybersecurity measures. Nevertheless, there can be no assurance that we can anticipate or implement adequate preventive measures against all security breaches, malfunctions in our systems, or human errors and/or careless actions by our employees, any of which could adversely impact our reputation, business operations and financial performance.

9.1.14 Our business operations and financial performance may be affected by prolonged epidemics or pandemics

We face the risks associated with any prolonged epidemics or pandemics which may adversely impact our business operations. The risks may include the temporary closure of our business operations and a decline in patronage at our outlets. We may also face supply chain disruptions and workforce shortages in the event of any prolonged epidemic or pandemic. All of these situations may adversely affect our business and financial performance. Our sushi chain operations were affected during the COVID-19 pandemic when all of our outlets were closed for approximately 6 weeks in 2020. Subsequently, we were allowed to operate under restrictions following the implementation of various Movement Control Orders by the Government in 2020 and 2021. We were permitted to provide takeaway services for walk-in customers or through food delivery platforms. These restrictions affected all outlets located in malls in 2020 and 2021 during the COVID-19 period.

9. RISK FACTORS (Cont'd)

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We are subject to competition from other food service providers

Sushi chain operators compete with other operators involved in the F&B sector. Factors of competition include brand equity including awareness, loyalty and positive image; menu offerings and innovations; product taste, quality and pricing; dine-in, takeaway and delivery services; outlet location accessibility and convenience; outlet interior layout, decoration and ambience; and online presence and ease of ordering, payment and delivery.

Competition also arises from other similar format sushi outlets as well as different format F&B services including hawkers, food courts, traditional and quick-service restaurants and online platforms serving similar or different cuisines and types of F&B products. According to the IMR, in 2024, there were 30,005 food service outlet premises registered with the MOH.

If we are unable to remain competitive or build on our existing competitive advantages and key strengths, our prospects and financial performance may be adversely affected.

9.2.2 We are subject to economic, social, political and regulatory changes in Malaysia

Our business is susceptible to adverse changes in economic, social, political and regulatory conditions in Malaysia, which may adversely impact our business operations and financial performance. Such changes may include the following:

- changes in domestic and global environments, including political leadership, geopolitical events, expropriation or nationalisation, deterioration of international bilateral relationships, trade sanctions, boycotts, and acts of terrorism, riots and wars;
- changes in domestic fiscal and monetary policies affecting interest rates, foreign investments, methods of taxation and tax policies;
- emergence of new epidemics or pandemics;
- changes in consumer trends and behaviour;
- changes in social conditions such as inflation, unemployment rate and minimum wage;
- changes in regulations affecting the operations of F&B services; and
- other macroeconomic factors such as foreign worker levy, unemployment trends, inflation and other matters that may influence consumer and business confidence and spending.

As such, there can be no assurance that any adverse economic, social, political and regulatory developments that are beyond our control will not materially affect our business operations and financial performance.

9.3 RISKS RELATING TO OUR SHARES AND OUR LISTING

9.3.1 Our Listing may not result in an active liquid market for our Shares

There can be no assurance as to the liquidity of the market will develop upon our Listing or, if developed, that such market will be sustained. There can be no assurance that our IPO price will correspond to the price in which our Shares will be traded on the Main Market of Bursa Securities upon or subsequent to our Listing or that an active market for our Shares will develop and continue upon or subsequent to our Listing.

In addition, there can be no assurance that the market price of our Shares will reflect our operations and financial condition, our growth prospects or the growth prospects of the industry in which we operate in.

9. RISK FACTORS *(Cont'd)*

9.3.2 Our Share price and trading volume may be volatile

The market price and trading volume of our Shares could be affected by numerous factors, including the following:

- (i) general market, political and economic conditions;
- (ii) trading liquidity of our Shares;
- (iii) differences in our actual financial and operating results and those expected by investors and analysts;
- (iv) changes in market valuations of listed shares in general or shares of comparable companies to ours;
- (v) perceived prospects of our business and the industry in which we operate;
- (vi) adverse media reports regarding us or our shareholders;
- (vii) changes in government policy, legislation or regulation; and
- (viii) general operational and business risks.

In addition, many of the risks described in this Prospectus could materially and adversely affect the market price of our Shares. If we are not able to declare or pay dividends at levels lower than that anticipated by investors, the market price of our Shares may be negatively affected and the value of your investment in our Shares may be reduced. Furthermore, if the trading volume of our Shares is low, price fluctuation may be exacerbated.

Over the past few years, the Malaysian, regional and global equity markets have experienced significant price and volume volatility that has affected the share price of many companies where the share price of many companies have experienced wide fluctuations which were not always related to the operating performance of these companies, including fluctuations as a result of developments in other markets. There can be no assurance that the price and trading of our Shares will not be subject to similar fluctuations.

9.3.3 The sale of a substantial number of our Shares in the public market following our Listing could materially affect the price of our Shares

Following our Listing, we have an issue of 1,100,000,000 Shares, of which up to 363,000,000 Shares, representing 33.0% of the enlarged issued Shares, of which not less than 737,000,000 Shares, representing 67.0% of the enlarged issued Shares will be held by Empire 11. Save for the restrictions pursuant to the moratorium [and lock-up arrangements] as set out in Sections 2.2 and [4.8.3] of this Prospectus respectively, our Shares will be tradeable on the Main Market of Bursa Securities without restriction following our Listing.

In addition, our Promoters and Substantial Shareholders could dispose of some or all of our Shares after the moratorium period pursuant to their own respective investment objectives. If our Promoters and Substantial Shareholders sell or are perceived as intending to sell, a substantial amount of our Shares that they hold, the market price for our Shares could be adversely affected.

9. RISK FACTORS *(Cont'd)***9.3.4 There may be a delay in, or termination of, our Listing**

The occurrence of certain events, including the following, may cause a delay in, or termination of our Listing:

- the Sole Underwriter's exercise of their rights under the Retail Underwriting Agreement, or the Sole Bookrunner's exercise of their rights under the Placement Agreement, to discharge themselves of their obligations under such agreements;
- our inability to meet the minimum public shareholding spread requirement under the Listing Requirements of having at least 25.0% of the total number of our Shares for which our Listing is sought being in the hands of at least 1,000 public shareholders holding at least 100 Shares each at the point of our Listing; or
- the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

Where prior to the issuance and allotment/transfer of the IPO Shares:

- (i) the SC issues a stop order under Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled and we and the Selling Shareholder shall repay all monies paid in respect of the applications for the IPO Shares within 14 days of the date of service of the stop order, failing which we shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (ii) our Listing is aborted other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, investors will not receive any IPO Shares, and all monies paid in respect of all applications for the IPO Shares will be refunded free of interest.

Where subsequent to the issuance and allotment/transfer of the IPO Shares and the proceeds from the Public Issue form part of our share capital:

- (i) the SC issues a stop order under Section 245(1) of the CMSA, any issue of the IPO Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, we shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or
- (ii) our Listing is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders could only be achieved by way of a cancellation of our share capital as provided under the Act and its related rules. Such cancellation can be implemented by the sanction of our shareholders by way of special resolution in a general meeting and supported by either (a) consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances, or (b) a solvency statement from our Directors.

9. RISK FACTORS *(Cont'd)*

9.3.5 We may not be able to pay dividends

As part of our Board's guidance on dividends, we aim to declare a certain portion of our retained earnings for the year, subject to the approval of our Board and to any applicable law and contractual obligations, as dividends, provided that such distribution will not be detrimental to our Group's cash requirements or to any plans approved by our Board. We propose to pay dividends after setting aside the necessary funds for capital expenditure and working capital. We believe that we have sufficient working capital for the next 12 months from the date of this Prospectus, based on our cash generated from our operating activities, cash and bank balances, credit facilities and the gross proceeds of approximately RM[●] million that we expect to raise from our Public Issue.

However, there can be no assurance that our working capital will be sufficient or that we will be able to make dividend payments in the future. Even if we are able to pay dividends, our Board may decide, in its sole and absolute discretion, at any time and for any reason, not to pay dividends or to pay smaller dividends than we currently propose. Further, if we incur new borrowings subsequent to our Listing, we may be subject to additional covenants restricting our ability to pay dividends. If we do not pay dividends, or we pay dividends at levels lower than anticipated by investors, the market price of our Shares may be negatively affected and the value of your investment in our Shares may be reduced.

The payment of our dividends and the receipt of dividends from our subsidiary may also be affected by the passing of new laws, adoption of new regulations and other events outside our control, and we or our subsidiary may not continue to meet the applicable legal and regulatory requirements for the payment of dividends in the future. In addition, changes in accounting standards may also affect our ability to pay dividends.

Further, our payment of dividends may adversely affect our ability to fund unexpected capital expenditure. As a result, we may be required to borrow additional money or raise capital by issuing equity securities, which may not be on favourable terms or available at all. For a description of our dividend policy, see Section 12.5 of this Prospectus.

9.3.6 Forward-looking statements in this Prospectus are subject to uncertainties and contingencies

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts, included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Group for future operations are forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such factors include, among others, general economic and business conditions, competition, the impact of new laws and regulations affecting our industry and government initiatives. Forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions and include all statements that are not historical facts. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements of our Group, or industry results, to be materially different from any future results, performance, achievements or industry results expressed or implied by such forward-looking statements.

The inclusion of such forward-looking statements in this Prospectus should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

9. RISK FACTORS *(Cont'd)*

9.3.7 The Promoters will be able to exert significant influence over our Company

Our Selling Shareholder, Empire 11 which is owned by our Promoters i.e. Nicole Lim and Jordan Tan, will hold 67.0% of our enlarged issued Shares upon our Listing. As a result, Nicole Lim and Jordan Tan will be able to control our business direction and management. Nicole Lim and Jordan Tan via their interests in Empire 11 may have significant influence over, among others, the election of our Directors, the timing and payment of dividends as well as having voting control over our Group. As such, they will likely influence the outcome of certain matters requiring the vote of our shareholders except where they are required to abstain from voting either by law and/or by the relevant guidelines or regulations. We cannot assure you that the interests of our Promoters will be aligned with those of our other shareholders.

10. RELATED PARTY TRANSACTIONS

10.1 OUR GROUP'S RELATED PARTY TRANSACTIONS

10.1.1 Material related party transactions

Save as disclosed below, there are no other material related party transactions entered into by our Group which involve the interest, direct or indirect, of our Directors, major shareholders and/or persons connected with them for the Financial Years Under Review and up to the LPD:

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			
			FYE 31 March 2023	FYE 31 March 2024	FYE 31 March 2025	From 1 April 2025 up to the LPD
Empire Sushi and Nicole Lim and Jordan Tan	<u>Interested Directors and major shareholders</u>	Rental of office unit at No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor from Jordan Tan and Nicole Lim to Empire Sushi which has been used as our Group's headquarters' office. The tenancy agreement will expire on 31 May 2027.	RM'000 162 (Represents 1.1% of our Group's PAT)	RM'000 162 (Represents 0.6% of our Group's PAT)	RM'000 172 (Represents 0.5% of our Group's PAT)	RM'000 74.2

Please refer to Note (1) below for the salient terms of the tenancy agreement between Empire Sushi, Nicole Lim and Jordan Tan dated 7 March 2024 (as supplemented by a supplemental letter dated 5 December 2024).

10. RELATED PARTY TRANSACTIONS (Cont'd)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value			
			FYE 31 March 2023	FYE 31 March 2024	FYE 31 March 2025	From 1 April 2025 up to the LPD
Empire Sushi and Nicole Lim and Jordan Tan	<u>Interested Directors and major shareholder</u>	Rental of office unit at No. 5, 3A th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, Puchong 47170 Selangor from Jordan Tan and Nicole Lim to Empire Sushi which has been used as our Group's office/training centre. The tenancy agreement will expire on 31 January 2027.	RM'000 -	RM'000 29 (Represents 0.1% of our Group's PAT)	RM'000 175 (Represents 0.5% of our Group's PAT)	RM'000 75.3
Please refer to Note (2) below for the salient terms of the tenancy agreement between Empire Sushi, Nicole Lim and Jordan Tan dated 12 March 2024 (as supplemented by a supplemental letter dated 18 August 2025).						

10. RELATED PARTY TRANSACTIONS (Cont'd)

Notes:

- (1) The tenancy agreement between Empire Sushi, Nicole Lim and Jordan Tan dated 7 March 2024 (as supplemented by a supplemental letter dated 5 December 2024) for the office unit at No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor is for an initial term of 3 years commencing from 1 June 2024 to 31 May 2027, with an option to renew for a further term of 2 years by Empire Sushi giving Nicole Lim and Jordan Tan a 2-month written notice in advance. Provided always that the terms and conditions of the tenancy agreement shall have been duly observed and performed by Empire Sushi, Nicole Lim and Jordan Tan shall grant Empire Sushi a further 2 years term upon the same terms and conditions save for: (i) the monthly rental, which shall be at a rental of the prevailing market to be discussed and mutually agreed by the parties; and (ii) Empire Sushi shall be entitled to terminate the tenancy prior to the expiry of the extended term provided that Empire Sushi gives a 2-month written notice in advance to Nicole Lim and Jordan Tan. The monthly rental is RM14,508.00 (comprising of base rent and service charges) for the first year and RM15,066.00 (comprising of base rent and service charges) for the second and third year during the initial term. In the event that either party shall for whatsoever reason wish to terminate the tenancy agreement prior to the expiry of the term created in the tenancy agreement, the party so terminating the tenancy shall give the other party a 2-month written notice after which there shall be a joint inspection by Nicole Lim, Jordan Tan and Empire Sushi of the demised premises, whereby Empire Sushi shall vacate the demised premises within 14 days in a good tenantable condition or restore to a good tenantable condition. Thereafter, the security deposit and utility deposit shall be refunded to Empire Sushi.
- (2) The tenancy agreement between Empire Sushi, Nicole Lim and Jordan Tan dated 12 March 2024 (as supplemented by a supplemental letter dated 18 August 2025) for the office unit at No. 5, 34th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor is for an initial term of 3 years commencing from 1 February 2024 to 31 January 2027, with an option to renew for a further term of 2 years by Empire Sushi giving Nicole Lim and Jordan Tan a 2-month written notice in advance. Provided always that the terms and conditions of the tenancy agreement shall have been duly observed and performed by Empire Sushi, Nicole Lim and Jordan Tan shall grant Empire Sushi a further 2 years term upon the same terms and conditions save for: (i) the monthly rental, which shall be at a rental of the prevailing market to be discussed and mutually agreed by the parties; and (ii) Empire Sushi shall be entitled to terminate the tenancy prior to the expiry of the extended term provided that Empire Sushi gives a 2-month written notice in advance to Nicole Lim and Jordan Tan. The monthly rental is RM14,508.00 (comprising of base rent and service charges) for the first year and RM15,066.00 (comprising of base rent and service charges) for the second and third year during the initial term. In the event that either party shall for whatsoever reason wish to terminate the tenancy agreement prior to the expiry of the term created in the tenancy agreement, the party so terminating the tenancy shall give the other party a 2-month written notice after which there shall be a joint inspection by Nicole Lim, Jordan Tan and Empire Sushi of the demised premises, whereby Empire Sushi shall vacate the demised premises within 14 days in a good tenantable condition or restore to a good tenantable condition. Thereafter, the security deposit and utility deposit shall be refunded to Empire Sushi.

10. RELATED PARTY TRANSACTIONS (Cont'd)

Our Directors (save for Nicole Lim and Jordan Tan who are the interested Directors) confirm that all the above material related party transactions were carried out on arm's length basis as the respective considerations were fixed at the prevailing market rate and on normal commercial terms which are not more favourable to the related parties than those generally available to third parties and are not detrimental to our non-interested shareholders.

Our Directors also confirm that there are no other material related party transactions that have been entered by our Group that involves the interest, direct or indirect, of our Directors, major shareholders and/or persons connected to them but not yet effected up to the date of this Prospectus.

After our Listing, we will be required to seek our shareholders' approval each time we enter into a material related party transaction in accordance with the Listing Requirements. However, if such related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such recurrent related party transactions during the validity period of the mandate.

In addition, to safeguard the interests of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, among others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action, as set out in Section 10.2.1 of this Prospectus.

10.1.2 Transactions entered into that are unusual in their nature or conditions

There are no transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which we were a party in respect of the Financial Years Under Review and up to the LPD.

10.1.3 Material loans and financial assistance (including guarantees of any kind) made to or for the benefit of related parties

There are no material outstanding loans or financial assistance (including guarantees of any kind) made to or for the benefit of related parties of our Group in respect of the Financial Years Under Review and up to the LPD.

10.1.4 Material loans and financial assistance (including guarantees of any kind) made by related parties for the benefit of our Group

Save as disclosed below, there are no other material loans and financial assistance (including guarantees of any kind) made by related parties for the benefit of our Group in respect of the Financial Years Under Review and up to the LPD:

- (a) Nicole Lim and Jordan Tan had provided joint and several personal guarantees to the relevant landlords for the benefit of Empire Sushi in relation to the performance of Empire Sushi's obligations pursuant to the terms of the tenancy agreements for 24 tenanted outlets and/or storerooms as follows:

- (1) 1 Utama Shopping Centre outlet;
- (2) First Avenue Mall outlet;
- (3) Alamanda Mall outlet;
- (4) Aman Central Mall outlet (Unit No. 4-K05) and storeroom;

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (5) Aman Central Mall outlet (Unit No. LG-K01);
- (6) Cheras Leisure Mall outlet;
- (7) DPULZE Shopping Centre outlet;
- (8) Gateway @ KLIA 2 outlet;
- (9) Gurney Plaza outlet;
- (10) Queensbay Mall outlet;
- (11) IOI City Mall (Phase 2) outlet;
- (12) IOI Mall Puchong outlet;
- (13) IPC Shopping Centre outlet;
- (14) KL East Mall outlet;
- (15) Suria KLCC Mall outlet;
- (16) Melawati Mall outlet;
- (17) Mesra Mall outlet;
- (18) Publika Shopping Gallery outlet;
- (19) Sunway Carnival Mall outlet and storeroom;
- (20) Sunway Putra Mall outlet;
- (21) Sunway Pyramid Mall outlet;
- (22) Sunway Giza Mall outlet;
- (23) Sunway Velocity Mall outlet; and
- (24) Berjaya Times Square storeroom.

As at the LPD, we have written to the respective landlords of the outlets and/or storerooms to obtain their consents to irrevocably and unconditionally discharge and release Nicole Lim and Jordan Tan from the aforementioned personal guarantees.

10. RELATED PARTY TRANSACTIONS (Cont'd)**10.2 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS****10.2.1 Audit and Risk Management Committee review**

Our Audit and Risk Management Committee will review related party transactions and conflicts of interest situations that may arise within our Company or Group. Our Audit and Risk Management Committee will review the procedures set by our Company to monitor related party transactions to ensure the integrity of these transactions, procedures or course of conducts. In reviewing the related party transactions, the following, among others, will be considered:

- (i) the rationale and the cost/benefit to our Company is first considered;
- (ii) where possible, comparative quotes will be taken into consideration;
- (iii) that the transactions are based on normal commercial terms and not more favourable to the related parties than those generally available to third parties dealing on an arm's length basis; and
- (iv) that the transactions are not detrimental to our Company's non-interested shareholders.

All reviews by our Audit and Risk Management Committee are reported to our Board for its further action.

10.2.2 Our Group's policy on related party transactions

Related party transactions by their very nature, involve conflicts of interest between our Group and the related parties with whom our Group has entered into such transactions. Some of the officers and the Directors of our Group are also officers, directors and in some cases, shareholders of the related parties of our Group, as disclosed in this Prospectus and, with respect to these related party transactions, may individually and in aggregate have conflicts of interest. It is the policy of our Group that all related party transactions are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the public dealing on an arm's length basis with our Group and are not detrimental to our Company's non-interested shareholders.

In addition, we plan to adopt a comprehensive corporate governance framework that meets best practice principles to mitigate any potential conflict of interest situations and intend for the framework to be guided by the Listing Requirements and MCGG upon our Listing. The procedures which may form part of the framework including, among others, the following:

- (i) our Board shall ensure that the majority of our Board members are Independent Directors and will undertake an annual assessment of our Independent Directors;
- (ii) our Directors will be required to declare any direct or indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group, whether or not they believe it is a material transaction. Upon such disclosure, the interested Director shall be required to abstain from deliberation and voting on any resolution related to the related party transaction; and

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

- (iii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will propose the transactions to our Audit and Risk Management Committee for evaluation and assessment who would, in turn, make a recommendation to our Board.

11. CONFLICT OF INTEREST

11.1 INTEREST IN ENTITIES CARRYING ON A SIMILAR TRADE AS OUR GROUP OR WHICH ARE OUR CUSTOMERS OR SUPPLIERS

11.1.1 Involvement of our Directors and Substantial Shareholders in entities which carry on a similar trade as our Group

As at the LPD, save as disclosed below, our Directors and Substantial Shareholders do not have any interest, direct or direct, in any entities which are carrying on a similar trade as our Group:

Name of company	Director and Substantial Shareholders	Nature of trade	Principal activities	Nature of interest
Empire Sushi Group Sdn Bhd ⁽¹⁾	<u>Directors</u> and <u>Substantial Shareholders</u>	Operation of grab-and-go sushi outlets. As at the LPD, Empire Sushi Group Sdn Bhd had ceased operations and had been placed under a members' voluntary winding-up in March 2025.	To carry on the business as proprietors of Japanese restaurants, refreshment and tea room, cafes and snack bars	Nicole Lim is our Director and Substantial Shareholder. She was also a director and shareholder (50%) of Empire Sushi Group Sdn Bhd. Jordan Tan is our Director and Substantial Shareholder. He was also a director and shareholder (50%) of Empire Sushi Group Sdn Bhd.
	<ul style="list-style-type: none"> Nicole Lim Jordan Tan 			

Our Board is of the view that any potential conflict of interest situation which may arise through the interests of Nicole Lim and Jordan Tan in Empire Sushi Group Sdn Bhd is mitigated as Empire Sushi Group Sdn Bhd had been placed under a members' voluntary winding-up in March 2025 and is in the midst of obtaining the necessary clearances from the IRB prior to the company being duly dissolved.

11. CONFLICT OF INTEREST *(Cont'd)*

11.1.2 Involvement of our Directors and Substantial Shareholders in entities which are our customers or suppliers

As at the LPD, our Directors and Substantial Shareholders do not have any interest, direct or indirect, in any entities which are our customers and/or suppliers.

Notwithstanding, the interests that may be held by our Directors and Substantial Shareholders in the future in other businesses or corporations which are carrying on a similar trade as our Group and/or our customers or suppliers may give rise to a conflict of interest situation with our business. Where such interests give rise to a conflict of interest situation, our Directors and Substantial Shareholders and persons connected to them shall abstain from deliberating and voting on the resolutions relating to these matters or transactions that require the approval of our shareholders in respect of their direct or indirect interest. Such transactions will be carried out on arm's length basis and on normal commercial terms.

As set out in Section 10.2.1 of this Prospectus, our Audit and Risk Management Committee will review such conflict of interest that may arise within our Company or our Group including such transaction, procedure or course that raises questions on management integrity. Our Audit and Risk Management Committee will also ensure that any such transactions are carried out on terms that are not detrimental to our Group.

11.2 DECLARATION BY ADVISERS ON CONFLICT OF INTEREST

11.2.1 Declaration by Maybank IB

Maybank IB, being the Principal Adviser, Sole Bookrunner and Sole Placement Agent for the Institutional Offering, and Sole Underwriter for the Retail Offering, and its related and associated companies ("**Maybank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses.

The Maybank Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Group, our shareholders and/or our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of our Group and/or our affiliates.

This is a result of the businesses of the Maybank Group generally acting independently of each other, and accordingly, there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Group. Nonetheless, the Maybank Group is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and a Chinese wall between different business divisions.

As at the LPD, the Maybank Group has not extended any credit facilities to our Group.

11. CONFLICT OF INTEREST (Cont'd)

Maybank IB confirms that there is no conflict of interest situation in its capacity as Principal Adviser, Sole Bookrunner and Sole Placement Agent for the Institutional Offering, and Sole Underwriter for the Retail Offering.

11.2.2 Declaration by Grant Thornton Malaysia PLT

Grant Thornton Malaysia PLT confirms that there is no existing or potential conflict of interest situation in its capacity as Auditors and Reporting Accountants for our Company in relation to our IPO.

11.2.3 Declaration by Foong & Partners

Foong & Partners confirms that there is no existing or potential conflict of interest situation in its capacity as the legal adviser to our Company as to Malaysian law in relation to our IPO.

11.2.4 Declaration by Christopher & Lee Ong

Christopher & Lee Ong confirms that there is no existing or potential conflict of interest situation in its capacity as the legal adviser to the Sole Bookrunner, Sole Underwriter and Sole Placement Agent as to Malaysian law in relation to our IPO.

11.2.5 Declaration by Vital Factor

Vital Factor confirms that there is no existing or potential conflict of interest situation in its capacity as the Independent Business and Market Research Consultants in relation to our IPO.

11.2.6 Declaration by Sterling Business Alignment Consulting Sdn Bhd

Sterling Business Alignment Consulting Sdn Bhd confirms that there is no existing or potential conflict of interest situation in its capacity as the Internal Control Consultant in relation to our IPO.

12. FINANCIAL INFORMATION

12.1 HISTORICAL COMBINED FINANCIAL INFORMATION

The historical combined financial information for the Financial Years Under Review presented below have been extracted from the combined financial statements contained in the Accountants' Report included in Section 13 of this Prospectus.

Our combined financial statements have been prepared in accordance with MFRS and IFRS.

The following selected historical combined financial information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Section 12.2 of this Prospectus and the Accountants' Report included in Section 13 of this Prospectus.

12.1.1 Selected combined financial information

(i) Selected financial information from the combined financial statements of profit or loss and other comprehensive income

Our financial information for the Financial Years Under Review from our historical combined financial statements of profit or loss and other comprehensive income is as set out in the table below:

	Audited		
	FYE 31 March		
	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)
Revenue	137,095	184,801	235,600
Cost of sales	(83,019)	(108,118)	(137,326)
GP	54,076	76,683	98,274
Other income	923	730	912
Distribution costs	(22,800)	(29,768)	(37,068)
Administration expenses	(11,553)	(11,956)	(11,050)
Operating profit	20,646	35,689	51,068
Finance income	56	270	1,121
Finance cost	(494)	(749)	(1,046)
PBT	20,208	35,210	51,143
Tax expense	(5,622)	(8,981)	(13,223)
PAT	14,586	26,229	37,920
Other selected financial data			
GP margin (%) ⁽¹⁾	39.4	41.5	41.7
PBT margin (%) ⁽²⁾	14.7	19.1	21.7
PAT margin (%) ⁽³⁾	10.6	14.2	16.1
Effective tax rate (%) ⁽⁴⁾	27.8	25.5	25.9
Basic/Diluted EPS (RM) ⁽⁵⁾	0.01	0.02	0.03

Notes:

(1) Computed based on GP divided by revenue.

(2) Computed based on PBT divided by revenue.

(3) Computed based on PAT divided by revenue.

(4) Computed based on tax expenses divided by PBT.

(5) Basic EPS is computed based on the PAT divided by our enlarged issued Shares of 1,100,000,000 upon our Listing. Diluted EPS is equivalent to basic EPS as there were no potentially dilutive equity instruments in issue.

12. FINANCIAL INFORMATION (Cont'd)**(ii) Selected historical combined statements of financial position**

Our financial information for the Financial Years Under Review from our historical combined statements of financial position is as set out in the table below:

	Audited		
	As at 31 March		
	2023	2024	2025
	RM'000	RM'000	RM'000
Total non-current assets	27,996	46,647	53,376
Total current assets	30,591	50,061	66,973
Total assets	58,587	96,708	120,349
Share capital	1,000	1,000	1,000
Retained earnings	28,831	55,061	70,981
Total equity/NA	29,831	56,061	71,981
Total non-current liabilities	5,367	10,800	11,940
Total current liabilities	23,389	29,847	36,428
Total liabilities	28,756	40,647	48,368
Total equity and liabilities	58,587	96,708	120,349
Other selected financial data			
Total borrowings (consists of lease liabilities) (RM'000)	10,196	17,704	20,625
Gearing ratio (times) ⁽¹⁾	0.3	0.3	0.3
Net cash from operating activities (RM'000)	26,923	40,956	57,032

Note:

(1) Computed based on total borrowings (consists of lease liabilities) divided by total equity.

12. FINANCIAL INFORMATION (Cont'd)

12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our Group's financial condition and results of operations is based on our combined financial information for the Financial Years Under Review which have been extracted from the Accountants' Report included in Section 13 of this Prospectus.

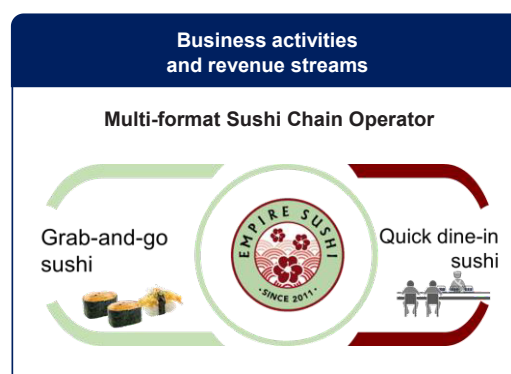
There are no accounting policies that are peculiar to our Group because of the nature of the business and industry in which we operate. For further details on the accounting policies of our Group, see Note 2 of the Accountants' Report included in Section 13 of this Prospectus.

12.2.1 Overview of our business

We are principally a chain owner-operator of our brand of *Empire Sushi* outlets comprising grab-and-go and quick dine-in sushi operations, save for 1 outlet which operates on a consignment basis within our consignee's premises.

The revenue from the sales of food and beverage is recognised at a point in time when the products are served or delivered and accepted by customers.

For the Financial Years Under Review, all of our revenue is derived from domestic sales from our sushi chain operations in Malaysia, which are transacted in RM.



Please refer to Section 7 of this Prospectus for further details on our business overview.

12.2.2 Significant factors affecting our financial condition and results of operations

Our financial condition and results of operations have been, and are expected to be affected by a number of factors, including those set out below:

(i) Number of sushi outlets and rental expenses

We are principally a sushi chain operator where our sales are primarily derived from the sales of sushi products from our outlets. As such, our ability to generate and increase our revenue from the provision of food services is mainly dependent on our ability to improve sales of each outlet or increase the number of outlets to expand on our geographical coverage and provide ease of accessibility to a wider group of potential customers.

The breakdown of our sushi outlets as at the end of the respective Financial Years Under Review are as follows:

	As at 31 March		
	2023	2024	2025
Number of <i>Empire Sushi</i> outlets			
Grab-and-go outlets ⁽¹⁾	70	92	108
Quick dine-in outlet	11	12	14
Total	81	104	122

Note:

(1) Comprising owned and operated *Empire Sushi* outlets as well as 1 outlet operated under the consignment basis.

12. FINANCIAL INFORMATION (Cont'd)

As at the LPD, we have a total of 132 sushi outlets in Malaysia comprising 117 grab-and-go sushi outlets as well as 15 quick dine-in sushi outlets. All of our sushi outlets operate on tenanted premises, save for 1 outlet which operates on a consignment basis within our consignee's premises. As such, we incur rental expenses and this constitutes one of major operating expenses.

Please refer to Annexure B of this Prospectus for further details on the material properties owned or tenanted by our Group. Our tenancy and license agreements may be subject to review and revision by the respective premise owners and as a result of said review or revision, it may lead to an increase in rental rates or non-renewal of tenancy and/or license agreements. In the event there are any adverse changes in the terms and conditions or non-renewal of the tenancy and/or license agreements, it may adversely affect our financial results.

The rental expenses for our sushi outlets comprising depreciation of ROU assets, interest on lease liabilities and tenant sales commission charges accounted for 7.0%, 7.5% and 7.4% of our total revenue for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

In addition, we plan to expand our network of sushi chain operations vis-à-vis setting up an additional 69 new sushi outlets throughout Malaysia between the FYE 31 March 2026 and the FYE 31 March 2029. The new outlets will operate in either grab-and-go or quick dine-in format. The operating format of the new outlets will be determined based on the suitability of each location, taking into consideration several factors, including the availability of exhaust provision, the size and layout of the available space as well as the commercial terms negotiated with the respective premise owner.

(ii) Average spend per ticket, number of tickets and quantities sold

We mainly generate our revenue from sales of sushi products at our sushi outlets. The average spend per ticket made by our customers, the total number of sales transactions or tickets and quantities sold at our sushi outlets are the primary drivers for our overall financial performance and have a direct impact on our revenue, financial position and the SSSG of our sushi outlets.

A sushi outlet is able to increase revenue from (i) an increase in the average spend per ticket; and/or (ii) an increase in the number of tickets and/or (iii) an increase in the quantity of sushi sold. The average spend per ticket varies across our sushi outlets depending on the location of our sushi outlets as well as our ability to anticipate and respond effectively to consumer preference, consumer purchasing patterns and economic trends. We continuously review our menu offering in order to respond to the evolving demands and preferences of our customers and to maintain a competitive advantage over our competitors and new entrants into our market. The number of tickets at a particular sushi outlet depends primarily on the level of foot traffic surrounding the vicinity of the sushi outlet, our ability to provide a range of menu offerings that generates new and repeat visits to our sushi outlets and the customer experience and level of customer service we provide at our sushi outlets.

The following table sets out the number of tickets, quantities sold and average spend per ticket for our sushi chain operations during the Financial Years Under Review:

	FYE 31 March		
	2023	2024	2025
Number of tickets (‘000 /tickets)	7,348	9,784	12,216
Quantities sold (‘000 pieces) ⁽¹⁾	65,437	85,955	108,007
Average spend per ticket (RM)⁽²⁾	18.7	18.9	19.3

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) Includes sushi products and others.
- (2) Average spend per ticket is computed based on total revenue divided by total number of tickets for the respective FYEs.

The following table sets out the SSSG⁽¹⁾ of our sushi chain outlets during the Financial Years under Review:

	SSSG (FYE 31 March 2022 to FYE 31 March 2023)	SSSG (FYE 31 March 2023 to FYE 31 March 2024)	SSSG (FYE 31 March 2024 to FYE 31 March 2025)
Overall SSSG	12.2%	9.8%	5.5%
Peninsular Malaysia			
- Central region ⁽²⁾	8.8%	6.9%	2.8%
- Southern region ⁽³⁾	71.5%	27.0%	8.1%
- Northern region ⁽⁴⁾	9.7%	7.2%	7.8%
- East Coast region ⁽⁵⁾	3.2%	8.1%	7.3%
East Malaysia	n.a ⁽⁶⁾	n.a ⁽⁶⁾	n.a ⁽⁶⁾
Total number of outlets in operations	44 ⁽⁷⁾	61 ⁽⁸⁾	78 ⁽⁹⁾
- Central region	19	29	37
- Southern region	4	7	9
- Northern region	15	17	23
- East Coast region	6	8	9

Notes:

- (1) SSSG is calculated based on the respective revenue from the sushi outlets that have been in operation for at least 2 full financial years. It is measured by comparing the revenue of the most recent FYE with that of the previous FYE.
- (2) Comprises Selangor, Kuala Lumpur and Putrajaya.
- (3) Comprises Johor, Melaka and Negeri Sembilan.
- (4) Comprises Penang, Perak and Kedah.
- (5) Comprises Johor, Melaka and Negeri Sembilan.
- (6) Excluded from the SSSG computation as all the outlets in East Malaysia were operating for less than 2 full financial years. There were 2 outlets opened during the FYE 31 March 2024 (in June and September 2023, respectively) and 1 outlet opened during the FYE 31 March 2025 (in December 2024).
- (7) Based on outlets that have been in operations for at least 2 full financial years during the FYE 31 March 2022 and the FYE 31 March 2023.
- (8) Based on outlets that have been in operations for at least 2 full financial years during the FYE 31 March 31 March 2023 and the FYE 31 March 2024.
- (9) Based on outlets that have been in operations for at least 2 full financial years during the FYE 31 March 31 March 2024 and the FYE 31 March 2025.

SSSG decreased from 12.2% for the FYE 31 March 2023 to 9.8% for the FYE 31 March 2024, and had further decreased to 5.5% for the FYE 31 March 2025. The decrease during the Financial Years Under Review was mainly as a result of the expansion of our Group's sushi chain operations in the same regions as sales growth are redistributed to the new outlets during each financial year. This arose from our expansion in terms of the overall business footprints across all regions, and this was reflected in overall revenue growth of 34.8% and 27.5% for the FYE 31 March 2024 and FYE 31 March 2025, respectively.

12. FINANCIAL INFORMATION (Cont'd)

Our operations in the southern region of Peninsular Malaysia recorded a high SSSG of 71.5% and 27.0% for the FYE 31 March 2023 and the FYE 31 March 2024, respectively. This was mainly attributed to the higher sales from our existing stores in Johor on the back of reopening of borders from April 2023 onwards.

Notwithstanding, we plan to expand and optimise our menu offerings and increase the number of average spend per ticket/number of tickets/quantity of sushi sold in our sushi outlets via planned upgrading of selected sushi outlets, with the aim of delivering positive SSSG for our sushi outlets. Improving our SSSG allows us to increase our revenue while maintaining a relatively steady fixed cost base, such as staff costs, lease liabilities and store utilities expenses, thereby increasing our operating margins.

(iii) Staff costs

Staff costs is our primary operating expense in relation to our sushi chain outlets' operations and this includes salaries, bonuses, statutory contributions and other expenses for all of our employees at the sushi outlets and our headquarters. Our staff costs may increase as we increase the number of outlets to expand our business. Please refer to Section 7.5 of this Prospectus for further details on our business strategies and plans.

For the Financial Years Under Review, our staff costs accounted for 25.7% (RM35.2 million), 25.3% (RM46.8 million) and 25.1% (RM59.1 million) of our revenue for the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively. We pay our employees in accordance with the applicable statutory minimum wage and any increase in the statutory minimum wage will result in an increase in our overall staff costs. The Minimum Wage Order 2022 was gazetted in 2022 with the initial implementation of minimum wage of RM1,500 which took effect on 1 May 2022. The minimum wage was subsequently revised upwards to RM1,700 which was effective on 1 February 2025. As at the LPD, we have complied with the minimum wage rates imposed since 1 May 2022.

As at the LPD, we have a total of 1,138 employees at our outlets.

(iv) Changing consumer preference and spending patterns and a shift in market demands

As a provider of F&B services focusing on sushi products, we are susceptible to the changes in consumer behaviour, trends and brand preferences. The consumer spending in this segment involving dining out or takeaway is primarily discretionary in nature as consumers have the option of cooking at home. As such, the sustainability and success of our business rely on our ability to consistently adapt to changing consumer behaviour, trends and brand preferences supported by our brand equity.

Furthermore, consumer spending and behaviour are also influenced by general economic factors such as inflation and unemployment rates, which in turn would affect the consumers' disposable income. Therefore, any adverse changes in the economic conditions, consumer spending and behaviour would adversely affect our business operations and financial performance.

Please refer to Section 9.1.11 of this Prospectus for further details.

12. FINANCIAL INFORMATION (Cont'd)**(v) Impact of inflationary pressure and other cost increases**

As a consumer-based business, our products and services are subject to inflationary pressure which impact our costs of goods and services. Consequentially, we may have to pass on the increase in costs to our customers to be able to maintain our profit margins. Inflationary pressures may arise directly from the higher cost of goods such as food ingredients and products as well as consumables coupled with any indirect factors such as rising costs in, among others, utilities, fuel, logistics, rental and labour.

Notwithstanding that our financial performance during the Financial Years Under Review was not materially affected by inflationary pressures, there is no assurance that our results of operations and financial performance moving forward would not be affected by such inflationary risks.

Please refer to Section 9.1.12 of this Prospectus for further details on risks in relation to inflationary pressure.

(vi) Government/economic/fiscal/monetary policies

Our business is subject to risks relating to government, economic, fiscal or monetary policies in Malaysia. Any unfavourable changes in government policies, economic conditions, or fiscal or monetary policies may materially affect our operations in Malaysia. For further details, see Section 9.2.2 of this Prospectus.

12.2.3 Significant accounting estimates and judgements

Estimates and assumptions concerning for future and judgements are made in the preparation of the combined financial statements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are below:

- useful life of depreciable assets;
- impairment of non-financial assets;
- inventories;
- provision for restoration costs;
- provision for expected credit losses of trade receivables;
- income taxes or deferred tax liabilities;
- leases.

The significant management judgements made in the applying of accounting policies of our Group that have the most significant effect on the combined financial statements is determining the lease term of contracts with renewal and termination options.

For further details, please refer to Note 2 of the Accountants' Report as set out in Section 13 of this Prospectus.

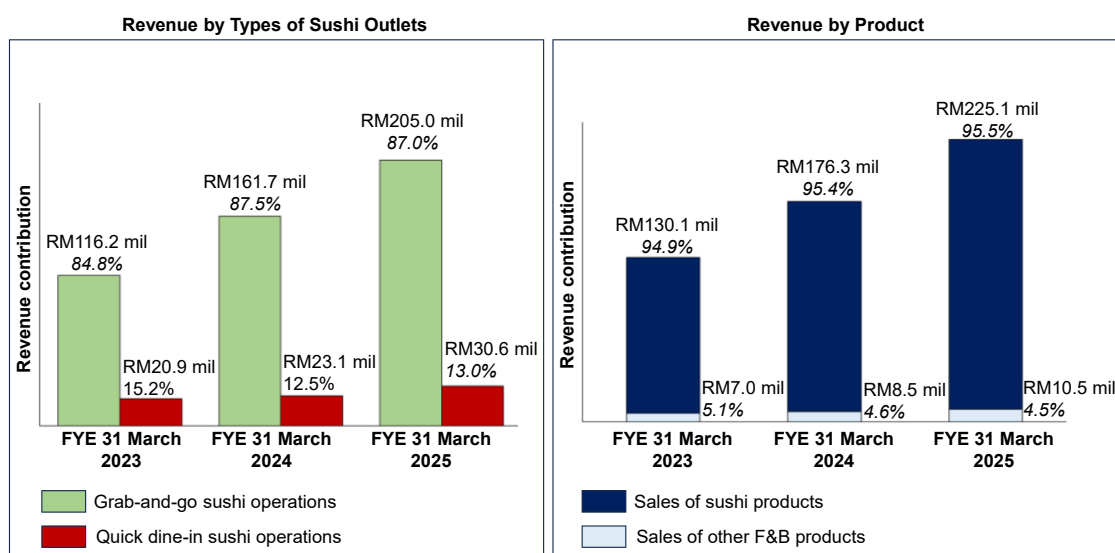
12. FINANCIAL INFORMATION (Cont'd)

12.2.4 Overview of our results of operations

During the Financial Years Under Review, our revenue increased at a CAGR of 31.1% from RM137.1 million for the FYE 31 March 2023 to RM235.6 million for the FYE 31 March 2025. The growth was mainly driven by the expansion of our grab-and-go sushi outlet operations, of which the revenue from our grab-and-go sushi outlet operations grew at a CAGR of 32.8% from RM116.2 million for the FYE 31 March 2023 to RM205.0 million for the FYE 31 March 2025. Our revenue from the quick dine-in sushi operations also grew at a CAGR of 21.1% from RM20.9 million for the FYE 31 March 2023 to RM30.6 million for the FYE 31 March 2025.

Sushi products are our main products which accounted for 95.5% of our revenue for the FYE 31 March 2025. The remaining 4.5% of our revenue was contributed by the sales of related F&B products including sauces and condiments such as soy sauce and wasabi as well as beverages.

Revenue from our sushi products increased at a CAGR of 31.5% from RM130.1 million for the FYE 31 March 2023 to RM225.1 million for the FYE 31 March 2025. Sales of related F&B products also grew in tandem at a CAGR of 22.4% from RM7.0 million for the FYE 31 March 2023 to RM10.5 million for the FYE 31 March 2025.



For the Financial Years Under Review, all of our revenue was derived from domestic sales from our sushi chain operations across various states and federal territories in Malaysia. Please refer to Sections 12.2.5 of this Prospectus for further details of our revenue by business operations and geographical markets.

12. FINANCIAL INFORMATION (Cont'd)**12.2.5 Revenue****(i) Revenue results****Revenue by type of sushi outlets**

		FYE 31 March					
		2023		2024		2025	
		RM'000	%	RM'000	%	RM'000	%
Grab-and-go operations	sushi	116,206	84.8	161,731	87.5	204,977	87.0
-	Sushi products	111,239	81.2	155,260	84.0	197,007	83.6
-	Other F&B products ⁽¹⁾	4,967	3.6	6,471	3.5	7,970	3.4
Quick dine-in operations	sushi	20,889	15.2	23,070	12.5	30,623	13.0
-	Sushi products	18,846	13.7	21,004	11.4	28,097	11.9
-	Other F&B products ⁽²⁾	2,043	1.5	2,066	1.1	2,526	1.1
Total		137,095	100.0	184,801	100.0	235,600	100.0

Notes:

(1) Mainly include condiments and accompaniments such as soy sauce and wasabi and beverages.

(2) Mainly include hot food such as noodle soup, oden, grilled items, donburi (rice bowls), appetisers, side dishes and beverages.

Revenue by products

		FYE 31 March					
		2023		2024		2025	
		RM'000	%	RM'000	%	RM'000	%
Sushi products		130,085	94.9	176,264	95.4	225,104	95.5
Other F&B products ⁽¹⁾		7,010	5.1	8,537	4.6	10,496	4.5
Total		137,095	100.0	184,801	100.0	235,600	100.0

Note:

(1) Mainly include hot food such as noodle soup, oden, grilled items, donburi (rice bowls), appetisers, side dishes, and others include soy sauce and wasabi as well as beverages.

12. FINANCIAL INFORMATION (Cont'd)**Revenue by geographical markets**

	FYE 31 March					
	2023		2024		2025	
	RM'000	%	RM'000	%	RM'000	%
Peninsular Malaysia						
- Central region ⁽¹⁾	65,163	47.5	82,691	44.8	106,146	45.1
- Northern region ⁽²⁾	36,272	26.5	43,681	23.6	52,888	22.5
- Southern region ⁽³⁾	18,584	13.6	35,039	19.0	48,164	20.4
- East coast region ⁽⁴⁾	17,076	12.4	20,573	11.1	23,389	9.9
East Malaysia⁽⁵⁾	-	-	2,817	1.5	5,013	2.1
Total	137,095	100.0	184,801	100.0	235,600	100.0

Notes:

- (1) Comprises Selangor, Kuala Lumpur and Putrajaya.
(2) Comprises Penang, Perak and Kedah.
(3) Comprises Johor, Melaka and Negeri Sembilan.
(4) Comprises Terengganu, Pahang and Kelantan.
(5) Comprises Sarawak.

(a) FYE 31 March 2024 compared to FYE 31 March 2023

Our revenue increased by 34.8% from RM137.1 million for the FYE 31 March 2023 to RM184.8 million for the FYE 31 March 2024, mainly driven by the opening of 24 new grab-and-go sushi outlets, which collectively generated revenue of RM23.4 million for the FYE 31 March 2024. Our revenue growth was also reflected via an increase in the total number of tickets which grew by 33.2% from 7.3 million for the FYE 31 March 2023 to 9.8 million for the FYE 31 March 2024.

During the FYE 31 March 2024, we opened a total of 24 new sushi outlets comprising of 22 new outlets in Peninsular Malaysia and 2 new outlets in East Malaysia as set out below:

Location	No. of new outlets opened during the FYE 31 March 2024	No. of outlets as at end of the FYE 31 March 2024
Peninsular Malaysia	22	102
- Central region	10	48
- Northern region	2	26
- Southern region	9	18
- East Coast region	1	10
East Malaysia	2	2
Total	24	104

The opening of new outlets was the primary driver of our revenue growth across all the regions in Malaysia and this was reflected in the growth of our regional sales as set out below:

12. FINANCIAL INFORMATION (Cont'd)

- Central region of Peninsular Malaysia is our main market for our sushi outlet operations which accounted for 44.8% of our revenue for the FYE 31 March 2024. Revenue from our operations in the central region of Peninsular Malaysia increased by 26.9% from RM65.2 million for the FYE 31 March 2023 to RM82.7 million for the FYE 31 March 2024.
- This was followed by the revenue of our operations in the northern region of Peninsular Malaysia which accounted for 23.6% of our revenue for the FYE 31 March 2024. Revenue from our operations in the northern region of Peninsular Malaysia increased by 20.4% from RM36.3 million for the FYE 31 March 2023 to RM43.7 million for the FYE 31 March 2024.
- Revenue from our operations in the southern region of Peninsular Malaysia which accounted for 19.0% of our revenue for the FYE 31 March 2024, increasing by 88.5% from RM18.6 million for the FYE 31 March 2023 to RM35.0 million for the FYE 31 March 2024.
- Revenue from our operations in the east coast region of Peninsular Malaysia which accounted for 11.1% of our revenue for the FYE 31 March 2024, increasing by 20.5% from RM17.1 million for the FYE 31 March 2023 to RM20.6 million for the FYE 31 March 2024.
- Revenue from our sushi outlet operations in East Malaysia which commenced during the FYE 31 March 2024 accounted for 1.5% or RM2.8 million of our revenue for the FYE 31 March 2024.

Our overall revenue growth was also partly attributed to the higher sales attained from our existing outlets across the various regions in Peninsular Malaysia and this was evidenced by the SSSG by region for the FYE 31 March 2024 as set out below:

SSSG by region for the FYE 31 March 2024 ⁽¹⁾					
Peninsular Malaysia				East Malaysia	Group
Central region	Southern region	Northern region	East Coast region		
6.9% ⁽²⁾	27.0% ⁽³⁾	7.2% ⁽⁴⁾	8.1% ⁽⁵⁾	N/A ⁽⁶⁾	9.8%

Notes:

- (1) Same store sales growth is calculated based on the sushi outlets which have been in operation for at least 2 full financial years. It is measured by comparing the revenue of the most recent FYE with that of the previous FYE.
- (2) Comprises Selangor, Kuala Lumpur and Putrajaya
- (3) Comprises Johor, Melaka and Negeri Sembilan.
- (4) Comprises Penang, Perak and Kedah.
- (5) Comprises Johor, Melaka and Negeri Sembilan.
- (6) Not available as all the outlets in East Malaysia were operating for less than 2 full financial years for the FYE 31 March 2024. There were 2 outlets opened during the FYE 31 March 2024 (opened in June and September 2023, respectively).

(b) FYE 31 March 2025 compared to FYE 31 March 2024

Our revenue increased by 27.5% from RM184.8 million for the FYE 31 March 2024 to RM235.6 million for the FYE 31 March 2025, partly attributed to the opening of 18 new outlets comprising 16 grab-and-go sushi outlets and 2 quick dine-in sushi outlets, which collectively generated revenue of RM17.4 million for the FYE 31 March 2025. Our revenue growth was also attributed to an increase in the total number of tickets, which grew by 24.9% from 9.8 million for the FYE 31 March 2024 to 12.2 million for the FYE 31 March 2025.

12. FINANCIAL INFORMATION (Cont'd)

During the FYE 31 March 2025, we opened 18 new outlets comprising of 17 new outlets in Peninsular Malaysia and 1 new outlet in East Malaysia as set out below:

Location	No. of new outlets opened during the FYE 31 March 2025	No. of outlets as at end of the FYE 31 March 2025
Peninsular Malaysia	17	119
- <i>Central region</i>	10	58
- <i>Northern region</i>	2	28
- <i>Southern region</i>	4	22
- <i>East Coast region</i>	1	11
East Malaysia	1	3
Total	18	122

The opening of new outlets fueled our revenue growth across all the regions in Malaysia and this was reflected in the growth of our regional sales as set out below:

- Revenue from our operations in the central region of Peninsular Malaysia continued to be our main market which accounted for 45.1% of our revenue for the FYE 31 March 2025. Revenue from said region increased by 28.4% from RM82.7 million for the FYE 31 March 2024 to RM106.1 million for the FYE 31 March 2025.
- Revenue from our operations in the northern region of Peninsular Malaysia which accounted for 22.5% of our revenue for the FYE 31 March 2025, increased by 21.1% from RM43.7 million for the FYE 31 March 2024 to RM52.9 million for the FYE 31 March 2025.
- Revenue from our operations in the southern region of Peninsular Malaysia which accounted for 20.4% of our revenue for the FYE 31 March 2025, increasing by 37.5% from RM35.0 million for the FYE 31 March 2024 to RM48.2 million in FYE 31 March 2025.
- Revenue from our operations in the east coast region of Peninsular Malaysia which accounted for 9.9% of our revenue for the FYE 31 March 2025, increasing by 13.7% from RM20.6 million for the FYE 31 March 2024 to RM23.4 million for the FYE 31 March 2025.
- Revenue from our operations in East Malaysia which accounted for 2.1% of our revenue for the FYE 31 March 2025, increasing by 78.0% from RM2.8 million for the FYE 31 March 2024 to RM5.0 million for the FYE 31 March 2025.

Our overall revenue growth was also partially attributed to higher sales attained from our existing outlets across various regions in Peninsular Malaysia and this is evidenced by the SSSG for the FYE 31 March 2025 as set out below:

SSSG by region for the FYE 31 March 2025 ⁽¹⁾					
Peninsular Malaysia				East Malaysia	Group
Central region	Southern region	Northern region	East Coast region		
2.8% ⁽²⁾	8.1% ⁽³⁾	7.8% ⁽⁴⁾	7.3% ⁽⁵⁾	N/A ⁽⁶⁾	5.5%

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) SSSG is calculated based on the sushi outlets which have been in operation for at least 2 full financial years. It is measured by comparing the revenue of the most recent FYE with that of the previous FYE.
- (2) Comprises Selangor, Kuala Lumpur and Putrajaya.
- (3) Comprises Johor, Melaka and Negeri Sembilan.
- (4) Comprises Penang, Perak and Kedah.
- (5) Comprises Johor, Melaka and Negeri Sembilan.
- (6) Not available as all the outlets in East Malaysia were operating for less than 2 full financial years. There were 2 outlets opened during the FYE 31 March 2024 (in June and September 2023, respectively) and 1 outlet opened during the FYE 31 March 2025 (in December 2024).

12.2.6 Cost of sales**(i) Breakdown of cost of sales by components**

	FYE 31 March					
	2023		2024		2025	
	RM'000	%	RM'000	%	RM'000	%
Input materials ⁽¹⁾	51,737	62.3	65,618	60.7	81,779	59.6
Labour costs	31,282	37.7	42,500	37.3	55,547	40.4
Total	83,019	100.0	108,118	100.0	137,326	100.0

Note:

- (1) Includes intermediate foods and ingredients as well as beverage products.

(ii) Breakdown of cost of sales by outlet format

	FYE 31 March					
	2023		2024		2025	
	RM'000	%	RM'000	%	RM'000	%
Grab-and-go sushi operations	70,148	84.5	94,535	87.4	119,216	86.8
Quick dine-in sushi operations	12,870	15.5	13,583	12.6	18,110	13.2
Total	83,019	100.0	108,118	100.0	137,326	100.0

(a) Input materials

The main input materials for our sushi chain operations are fresh and prepared food ingredients. The following ingredients are used in the preparation of the sushi products at our outlets:

- fresh and prepared seafood, and fresh and cooked meats which consist of fresh seafood (such as fresh cut salmon and crabstick (kanikama or surimi), and prepared seafood (such as tempura prawn, seasoned mini octopus, grilled fresh water eel (unagi), and fish roe (tobiko)), as well as fresh and cooked meats (such as boneless and skinless chicken breast or thigh in cubes or strips).
- sauces and seasonings such as soy sauce (shoyu), mayonnaise, vinegar and wasabi.
- dry ingredients including rice, dried seaweed sheets (nori) in sheets and flakes, sesame seed, dried bonito flakes (katsuobushi) and kombu (dried kelp).

12. FINANCIAL INFORMATION (Cont'd)

Input materials' costs accounted for 62.3%, 60.7% and 59.6% of our cost of sales of the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively. Our input materials' costs increased by 26.8% from RM51.7 million for the FYE 31 March 2023 to RM65.6 million for the FYE 31 March 2024, mainly driven by higher quantities of input materials used following the expansion of our sushi chain operations and the increase in number of tickets as well as quantities sold at our outlets during the FYE 31 March 2024. This was also reflected in our revenue growth of 34.8% for the FYE 31 March 2024.

Our input materials' costs further increased by 24.6% from RM65.6 million for the FYE 31 March 2024 to RM81.8 million for the FYE 31 March 2025, primarily attributed to higher quantities of input materials used following the expansion of our sushi chain operations and the increase in number of tickets as well as quantities sold at our outlets during the FYE 31 March 2025. This was also reflected in our revenue growth of 27.5% for the FYE 31 March 2025.

(b) Labour costs

Labour costs include salaries, bonuses, statutory contributions and other related expenses for all our employees at sushi outlets. Staff costs accounted for 37.7%, 38.7% and 40.4% of our cost of sales of the FYE 31 March 2023, the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

Our labour costs increased by 35.9% from RM31.3 million for the FYE 31 March 2023 to RM42.5 million for the FYE 31 March 2024, mainly attributed to the recruitment of additional employees for our sushi outlet operations in conjunction with the opening of new outlets during the FYE 31 March 2024. This was also reflected in the increase in number of employees for outlet operations by 32.3% from 638 outlet staff for the FYE 31 March 2023 to 844 outlet staff for the FYE 31 March 2024.

Our labour costs increased by 30.7% from RM42.5 million for the FYE 31 March 2024 to RM55.5 million for the FYE 31 March 2025, primarily driven by the recruitment of additional employees for our sushi outlet operations. This was also reflected in the increase in number of employees for outlet operations by 14.2% from 844 outlet staff for the FYE 31 March 2024 to 964 outlet staff for the FYE 31 March 2025.

12. FINANCIAL INFORMATION (Cont'd)

12.2.7 GP and GP margin

(i) Breakdown of GP and GP margin by outlet format

	FYE 31 March					
	2023			2024		
	GP		margin (%)	GP		margin (%)
	RM'000	%		RM'000	%	
Grab-and-go sushi operations	46,057	85.2	39.6	67,196	87.6	41.5
Quick dine-in sushi operations	8,019	14.8	38.4	9,487	12.4	41.1
Total / Group GP margin	54,076	100.0	39.4	76,683	100.0	41.5
				98,274	100.0	41.7

(ii) Breakdown of GP by geographical markets

	FYE 31 March					
	2023			2024		
	GP		margin (%)	GP		margin (%)
	RM'000	%		RM'000	%	
Peninsular Malaysia						
Central region	26,033	48.1	40.0	34,431	44.9	41.6
Southern region	7,057	13.1	38.0	14,177	18.5	40.5
Northern region	14,148	26.2	39.0	17,908	23.4	41.0
East coast region	6,838	12.6	40.1	8,586	11.2	41.7
East Malaysia	-	-	-	1,581	2.0	56.1
Total / Group GP margin	54,076	100.0	39.4	76,683	100.0	41.5
				98,274	100.0	41.7

12. FINANCIAL INFORMATION (Cont'd)**(a) FYE 31 March 2024 compared to FYE 31 March 2023**

Our GP increased by 41.8% from RM54.1 million for the FYE 31 March 2023 to RM76.7 million for the FYE 31 March 2024, mainly attributed to higher revenue arising from the new opening of sushi outlets and the growth in the SSSG from our existing outlets. This was reflected in the overall growth of our revenue and the number of tickets by 34.8% and 33.2% for the FYE 31 March 2024, respectively.

Our GP margin improved from 39.4% for the FYE 31 March 2023 to 41.5% for the FYE 31 March 2024, driven by higher quantities sold and increased average spend per ticket, both of which increased by 31.4% and 1.2% during the FYE 31 March 2024, respectively.

The improvement in GP margin was also partly attributed to the operational efficiency related to the supply chain management from the sourcing of food ingredients up to the delivery. This was reflected in the lower increase in cost of sales of 30.2% as compared to the increase in revenue of 34.8% for the FYE 31 March 2024.

(b) FYE 31 March 2025 compared to FYE 31 March 2024

Our GP increased by 28.2% from RM76.7 million for the FYE 31 March 2024 to RM98.3 million for the FYE 31 March 2025, mainly attributed to higher revenue arising from the opening of new outlets and the growth in SSSG from the existing outlets. This was reflected in the overall growth of our revenue and the number of tickets by 27.5% and 24.9% for the FYE 31 March 2025, respectively.

Our GP margin remained relatively consistent at 41.5% for the FYE 31 March 2024 and 41.7% for the FYE 31 March 2025. This is also evident by the slightly lower increase in cost of sales of 27.0% as compared to the increase in revenue of 27.5% for the FYE 31 March 2025.

12.2.8 Other income

	FYE 31 March					
	2023		2024		2025	
	RM'000	%	RM'000	%	RM'000	%
Reversal of restoration costs	222	24.0	226	31.0	245	26.9
Rental income ⁽¹⁾	112	12.1	81	11.1	222	24.3
Incentives from government and financial institutions	321	34.7	157	21.5	145	15.9
Rebate and sponsorship ⁽²⁾	104	11.3	45	6.2	115	12.6
Unclaimed cash vouchers	55	6.0	4	0.5	52	5.7
Gain on disposal of assets	1	0.1	76	10.4	-	-
Others ⁽³⁾	109	11.8	141	19.3	133	14.6
Total	924	100.0	730	100.0	912	100.0

Notes:

(1) Refers to rental income from a related party and third-party.

(2) Includes rebate and event sponsorship from suppliers.

(3) Mainly includes gain on lease modifications and gain on early termination of ROU assets.

12. FINANCIAL INFORMATION (Cont'd)**(a) FYE 31 March 2024 compared to FYE 31 March 2023**

Our other income decreased by 21.0% from RM0.9 million for the FYE 31 March 2023 to RM0.7 million for the FYE 31 March 2024, mainly contributed by a decrease of RM0.2 million in government hiring and staff training incentives received.

(b) FYE 31 March 2025 compared to FYE 31 March 2024

Our other income increased by 24.9% from RM0.7 million for the FYE 31 March 2024 to RM0.9 million for the FYE 31 March 2025, mainly contributed by an increase of RM0.2 million in rental income.

12.2.9 Distribution costs

	FYE 31 March					
	2023		2024		2025	
	RM'000	%	RM'000	%	RM'000	%
Depreciation expenses ⁽¹⁾	9,978	43.7	12,921	43.4	16,257	43.9
Merchant and service charges	4,644	20.3	5,379	18.1	6,645	17.9
Variable rental ⁽²⁾	1,666	7.4	3,498	11.8	4,576	12.3
Utilities	1,406	6.2	1,903	6.4	2,359	6.4
Cooking utensils and equipment	1,155	5.1	1,335	4.5	1,733	4.7
Upkeep expenses ⁽³⁾	784	3.4	1,243	4.2	1,485	4.0
Staff related cost ⁽⁴⁾	1,189	5.2	1,162	3.9	1,368	3.7
Subscription fee	400	1.8	511	1.7	599	1.6
Advertisement and promotion	407	1.8	472	1.6	509	1.4
Travelling expenses	110	0.5	327	1.1	464	1.3
Rental expenses	424	1.9	258	0.9	326	0.9
Others ⁽⁵⁾	637	2.7	759	2.4	747	1.9
Total	22,800	100.0	29,768	100.0	37,068	100.0

Notes:

- (1) Includes depreciation of ROU assets and plant and equipment.
- (2) Includes tenant sales commission charges and consignment commissions. Tenant sales commission charges refer to variable amounts paid to premise owners based on the monthly sales performance of our owned and operated grab-and-go sushi outlets in addition to fixed rental payments. Consignment commissions refer to fees paid to our consignee based on a pre-agreed-upon revenue sharing model for products sold through our consignment grab-and-go outlet.
- (3) Includes maintenance expenses of outlets, equipment, motor vehicles and hostel facilities.
- (4) Includes training fees, hostel rental, foreign work permit and insurance fees as well as staff uniform costs.
- (5) Includes telephone and fax charges, transportation costs, under provision of lease liability, insurance expenses, license fees and other distribution related costs.

12. FINANCIAL INFORMATION (Cont'd)**(a) FYE 31 March 2024 compared to FYE 31 March 2023**

Our distribution expenses increased by 30.6% from RM22.8 million for the FYE 31 March 2023 to RM29.8 million for the FYE 31 March 2024, mainly contributed by the following:

- increase of RM2.9 million in depreciation expenses, mainly attributed to the ROU assets arising from the rental of retail space and hostels following the opening of 24 new outlets during the FYE 31 March 2024;
- increase of RM1.8 million in variable rental, mainly arising from higher tenant sales commission charges on the back of higher sales as reflected in the 34.8% growth in revenue from our sushi chain operations for the FYE 31 March 2024;
- increase of RM0.7 million in merchant and service charges attributed to greater adoption of cashless payments across our sushi chain outlets;
- increase of 0.5 million in utilities following the opening of 24 new outlets during the FYE 31 March 2024; and
- increase of RM0.5 million in upkeep expenses mainly for the maintenance of our existing outlets and equipment.

(b) FYE 31 March 2025 compared to FYE 31 March 2024

Our distribution costs increased by 24.5% from RM29.8 million for the FYE 31 March 2024 to RM37.1 million for the FYE 31 March 2025, mainly contributed by the following:

- increase of RM3.3 million in depreciation expenses, mainly related to the ROU assets arising from the rental of retail space and hostels following the opening of 18 new outlets during the FYE 31 March 2024;
- increase of RM1.3 million in merchant and service charges, mainly attributed to the expanded use of cashless payments across our sushi chain outlets;
- increase of RM1.1 million in variable rental, mainly arising from higher tenant sales commission charges on the back of higher sales as reflected in the 27.5% growth in revenue from our sushi chain operations for the FYE 31 March 2025;
- increase of RM0.5 million in utilities and an increase of RM0.4 million in kitchen utensil and small equipment following the opening of 18 new outlets during the FYE 31 March 2024;
- increase of RM0.2 million in upkeep expenses mainly for the maintenance of our existing outlets and equipment; and
- increase of RM0.2 million in staff related costs, mainly for training fees.

12. FINANCIAL INFORMATION (Cont'd)**12.2.10 Administrative expenses**

	FYE 31 March					
	2023		2024		2025	
	RM'000	%	RM'000	%	RM'000	%
Staff and related costs ⁽¹⁾	4,622	40.0	5,408	45.2	5,369	48.6
Directors' remuneration and expenses ⁽²⁾	5,333	46.2	4,833	40.4	4,357	39.4
Rental and related expenses ⁽³⁾	162	1.4	200	1.7	402	3.6
Office expenses ⁽⁴⁾	251	2.2	495	4.1	387	3.5
Professional fees ⁽⁵⁾	240	2.1	789	6.6	287	2.6
Plant and equipment written off	363	3.1	81	0.7	6	0.1
Recruitment fees	398	3.4	20	0.2	84	0.8
Others ⁽⁶⁾	184	1.6	130	1.1	157	1.4
Total	11,553	100.0	11,956	100.0	11,050	100.0

Notes:

- (1) Includes salaries, wages, allowances, bonuses, statutory contributions, and other staff related expenses such as staff welfare.
- (2) Includes salaries, bonuses and statutory contributions.
- (3) Includes quit rent and assessment, as well as maintenance and sinking fund.
- (4) Includes printing and stationery, upkeep of office and equipment, as well as postage and courier.
- (5) Includes professional fees, audit fees, secretary fees, and legal fees.
- (6) Includes administrative fees, stamp duty, gifts and donation, and other administrative related expenses.

(a) FYE 31 March 2024 compared to FYE 31 March 2023

Our administrative expenses increased by 3.5% from RM11.6 million for the FYE 31 March 2023 to RM12.0 million for the FYE 31 March 2024, mainly attributed by the following:

- increase of RM0.8 million in staff and related costs, attributed to higher bonuses and the increase in our headcount within our administrative and operational departments, which increased from 53 for the FYE 31 March 2023 to 61 staff for the FYE 31 March 2024; and
- increase of RM0.6 million in professional fees mainly for our Listing.

This increase in administrative expenses was partially offset by the following:

- decrease of RM0.5 million in directors' remuneration and related expenses; and
- decrease of RM0.4 million in recruitment fees mainly attributed to a reduction in the utilisation of external recruitment services.

12. FINANCIAL INFORMATION (Cont'd)**(b) FYE 31 March 2025 compared to FYE 31 March 2024**

Our administrative expenses decreased by 8.3% from RM12.0 million for the FYE 31 March 2024 to RM11.0 million for the FYE 31 March 2025, mainly due to:

- decrease of RM0.5 million in professional fees; and
- decrease of RM0.5 million in directors' remuneration and expenses.

12.2.11 Finance income and costs

	FYE 31 March					
	2023		2024		2025	
	RM'000	%	RM'000	%	RM'000	%
Finance income						
Interest expense on:						
- bank interest	56	100.00	146	54.1	528	47.1
- deposits with a licensed bank	-	-	124	45.9	593	52.9
Total	56	100.0	270	100.0	1,121	100.0
Finance costs						
Interest expense on:						
- lease liabilities	494	100.0	749	100.0	1,046	100.0
Total	494	100.0	749	100.0	1,046	100.0

(a) FYE 31 March 2024 compared to FYE 31 March 2023

Our finance income increased by 382.1% from RM0.1 million for the FYE 31 March 2023 to RM0.3 million for the FYE 31 March 2024, mainly contributed by interest income from deposits with a licensed bank as well as higher bank interest from current account balances.

Our finance costs also increased by 51.6% from RM0.5 million for the FYE 31 March 2023 to RM0.7 million for the FYE 31 March 2024, due to the increase in interest expense on lease liabilities in relation to the rental of retail space and hostels following the opening of 24 new outlets during the FYE 31 March 2024.

(b) FYE 31 March 2025 compared to FYE 31 March 2024

Our finance income increased by 315.2% from RM0.3 million for the FYE 31 March 2024 to RM1.1 million for the FYE 31 March 2025, mainly contributed by higher interest income from deposits with a licensed bank as well as bank interest from current account balances.

Our finance costs also increased by 39.7% from RM0.7 million for the FYE 31 March 2024 to RM1.0 million for the FYE 31 March 2025, due to the increase in interest expense on lease liabilities in relation to the rental of retail space and hostels following the opening of 18 new outlets during the FYE 31 March 2025.

12. FINANCIAL INFORMATION (Cont'd)**12.2.12 PBT, PAT and Taxation**

	FYE 31 March		
	2023	2024	2025
PBT (RM'000)	20,208	35,210	51,143
PBT margin (%)	14.7	19.1	21.7
Taxation (RM'000)	5,622	8,981	13,223
Effective tax rate (%)	27.8	25.5	25.9
PAT (RM'000)	14,586	26,229	37,920
PAT margin (%)	10.6	14.2	16.1

(a) FYE 31 March 2024 compared to FYE 31 March 2023

Our PBT increased by 74.2% from RM20.2 million for the FYE 31 March 2023 to RM35.2 million for the FYE 31 March 2024. Similarly, our PAT also increased by 79.8% from RM14.6 million to RM26.2 million for the FYE 31 March 2024. The PBT and PAT growth were mainly attributed to the increase in our revenue and GP as a result of the opening of 24 new outlets and the growth in SSSG of 9.8% from the existing outlets. This was reflected in the revenue and GP growth of 34.8% and 41.8% for the FYE 31 March 2024, respectively.

Our PBT margin improved from 14.7% for the FYE 31 March 2023 to 19.1% for the FYE 31 March 2024. Similarly, our PAT margin also improved from 10.6% for the FYE 31 March 2023 to 14.2% for the FYE 31 March 2024. The improvement was mainly attributed to the improvement in GP margin driven by higher quantities sold and increased average spend per ticket, both of which increased by 31.4% and 1.2% during the FYE 31 March 2024, respectively, coupled with operational efficiency as reflected via the lower increase in cost of sales of 30.2% as compared to the increase in revenue of 34.8% for the FYE 31 March 2024.

The effective tax rates were 27.8% and 25.5% for the FYE 31 March 2023 and the FYE 31 March 2024, respectively, which were higher than statutory tax rates of 24%. This was attributed to the following:

- under-recognised deferred tax liabilities in prior financial year and non-deductible expenses for the FYE 31 March 2023; and
- higher non-deductible expenses for the FYE 31 March 2024.

(b) FYE 31 March 2025 compared to FYE 31 March 2024

Our PBT increased by 45.3% from RM35.2 million for the FYE 31 March 2024 to RM51.1 million for the FYE 31 March 2025. Similarly, our PAT also increased by 44.6% from RM26.2 million for the FYE 31 March 2024 to RM37.9 million for the FYE 31 March 2025. The PBT and PAT growth were mainly attributed to higher revenue and GP as a result of the opening of 18 new outlets and the growth in SSSG of 5.5% from the existing outlets. This was reflected in the revenue and GP growth of 27.5% and 28.2% for the FYE 31 March 2025, respectively.

Our PBT margin improved from 19.1% for the FYE 31 March 2024 to 21.7% for the FYE 31 March 2025. Similarly, our PAT margin also improved from 14.2% for the FYE 31 March 2024 to 16.1% for the FYE 31 March 2025.

12. FINANCIAL INFORMATION (Cont'd)

The improvement was mainly attributed to the decrease in average distribution and administrative cost per ticket of 7.6% on the back of business growth. The average distribution and administrative cost per ticket decreased by 7.6% for the FYE 31 March 2025. Furthermore, the improvements were also partly attributed to higher finance income.

The effective tax rate was 25.9% for the FYE 31 March 2025 which was higher than statutory tax rate of 24%. This was mainly attributed to non-deductible expenses and under-provision of income tax in prior financial year.

12.2.13 Liquidity and capital resources**(i) Working capital**

Our working capital is mainly funded through shareholders' equity, cash generated from our operations and cash and cash equivalents. Based on the audited combined statements of financial position as at 31 March 2025, we have working capital of approximately RM30.6 million, being the difference between total current assets of RM67.0 million and total current liabilities of RM36.4 million, as well as cash and cash equivalents of RM57.4 million.

After taking into consideration our Group's funding requirements for our committed capital expenditure, our existing level of cash and cash equivalents, the available banking facilities, expected cash flows to be generated from our operations and the estimated net proceeds from the Public Issue as well the dividends declared and paid prior to our Listing, our Board is of the view that we have sufficient working capital for 12 months from the date of this Prospectus.

(ii) Cash flows

The following table summarises our combined statements of cash flows for the Financial Years Under Review:

	Audited		
	FYE 31 March		
	2023	2024	2025
	RM'000	RM'000	RM'000
Net cash from operating activities	26,923	40,956	57,031
Net cash used in investing activities	(5,325)	(13,843)	(6,722)
Net cash used in financing activities	(7,851)	(10,237)	(34,842)
Net increase in cash and cash equivalents	13,747	16,876	15,467
Cash and cash equivalents at the beginning of the financial year	11,317	25,064	41,940
Cash and cash equivalents at the end of the financial year	25,064	41,940	57,407

All of our cash and cash equivalents are held in RM.

There are no legal, financial or economic restrictions on our subsidiary's ability to transfer funds to our Company in the form of cash dividends, loans or advances, subject to the availability of distributable reserves, loans or advances in compliance with any applicable financial covenants.

12. FINANCIAL INFORMATION (Cont'd)**(a) Net cash from operating activities****FYE 31 March 2023**

For the FYE 31 March 2023, we recorded net cash from operating activities of RM26.9 million after taking into consideration our operating profit before changes in working capital of RM30.7 million and mainly the following:

- (i) increase of RM1.2 million in receivables, attributed to higher other receivables in relation to deposits paid upon securing new rented outlets for our sushi chain operations;
- (ii) increase of RM3.2 million in payables, mainly attributed to higher other payables arising from the higher accruals in relation to directors and staff salary and SST payables as at the end of the financial year; and
- (iii) tax paid of RM5.4 million.

FYE 31 March 2024

For the FYE 31 March 2024, we recorded net cash from operating activities of RM41.0 million after taking into consideration our operating profit before changes in working capital of RM48.4 million and mainly the following:

- (i) increase of RM2.1 million in receivables attributed to higher other receivables in relation to deposits paid upon securing new rented outlets for our sushi chain operations;
- (ii) increase of RM2.7 million in payables, mainly attributed to higher trade payables outstanding as at the end of the financial year arising from higher purchases of intermediate foods and ingredients; and
- (iii) tax paid of RM7.5 million.

FYE 31 March 2025

For the FYE 31 March 2025, we recorded net cash from operating activities of RM57.0 million after taking into consideration our operating profit before changes in working capital of RM67.1 million and mainly the following:

- (i) increase of RM3.9 million in payables, mainly attributed to higher trade payables outstanding as at the end of the financial year arising from higher purchases of intermediate foods and ingredients and higher other payables arising from the higher accruals in relation to director's salary and SST payables as at the end of the financial year;
- (ii) increase of RM0.9 million in inventories arising from higher purchases of intermediate foods and ingredients for our operations; and
- (iii) tax paid of RM12.5 million.

12. FINANCIAL INFORMATION (Cont'd)**(b) Net cash used in investing activities****FYE 31 March 2023**

For the FYE 31 March 2023, our net cash used in investing activities was RM5.3 million which primarily comprised the following:

- (i) RM5.1 million for the purchase of kitchen equipment and renovations following the opening of 17 new outlets; and
- (ii) RM0.2 million for the purchase of furniture and fittings, office equipment as well as computer and software.

FYE 31 March 2024

For the FYE 31 March 2024, our net cash used in investing activities was RM13.8 million which primarily comprised the following:

- (i) RM8.4 million for the purchase of kitchen equipment and renovation following the opening of 24 new outlets;
- (ii) RM3.6 million for the purchase of an investment property i.e. an office floor in Puchong;
- (iii) RM1.7 million for the purchase of motor vehicles; and
- (iv) RM0.6 million for the purchase of furniture and fittings, office equipment, as well as computers and software.

These were partially offset by interest received of RM0.3 million and proceeds from the disposal of plant and equipment of RM0.2 million.

FYE 31 March 2025

For the FYE 31 March 2025, our net cash used in investing activities was RM6.7 million which primarily comprised the following:

- (i) RM7.5 million for the purchase of kitchen equipment and renovation following the opening of 18 new outlets; and
- (ii) RM0.3 million for the purchase of furniture and fittings, office equipment, as well as computer and software.

These were partially offset by interest received of RM1.1 million.

(c) Net cash used in financing activities**FYE 31 March 2023**

For the FYE 31 March 2023, our net cash used in financing activities was RM7.9 million which comprised the following:

- (i) RM7.4 million of repayment of lease liabilities in relation to rental payments for our sushi outlets, and
- (ii) RM0.5 million of interest payments on lease liabilities.

12. FINANCIAL INFORMATION (Cont'd)**FYE 31 March 2024**

For the FYE 31 March 2024, our net cash used in financing activities was RM10.2 million which comprised the following:

- (i) RM9.5 million of repayment of lease liabilities in relation to rental payments for our sushi outlets; and
- (ii) RM0.7 million of interest payments on lease liabilities.

FYE 31 March 2025

For the FYE 31 March 2025, our net cash used in financing activities was RM34.8 million which comprised of the following:

- (i) RM22.0 million of dividend payments;
- (ii) RM11.8 million of repayment of lease liabilities in relation to rental payments for our sushi outlets; and
- (iii) RM1.0 million of interest payments on lease liabilities.

(iii) Borrowings

For the Financial Years Under Review, there were no outstanding borrowings.

12.2.14 Treasury policy and objectives

Our operations have been funded by shareholders' equity, cash generated from our operations and credit terms extended by our suppliers. The normal credit terms granted by our suppliers range from 15 to 45 days. The main objective of our capital management is to ensure a sustainable shareholders' equity to support and grow our business in order to maximise our shareholders' value.

12.2.15 Financial instruments

For the Financial Years Under Review and from 1 April 2025 up to the LPD, our Group does not have any financial instruments for hedging purposes.

12.2.16 Material commitment for capital expenditure

The following table sets out a summary of our material commitments (for capital expenditure) as at the LPD:

	RM'000
Expansion of sushi chain operations	91,420
Upgrading of existing sushi outlets	14,470
Total	105,890

We plan to meet our capital expenditure commitments through our cash and cash equivalents on hand, as well as cash generated from future operations, proceeds from the Public Issue and/or bank borrowings.

Save as disclosed above, as at the LPD, we do not have any other material capital commitments (being our capital expenditure commitments) incurred or known to be incurred by us which may have a material impact on our financial results.

12. FINANCIAL INFORMATION (Cont'd)**12.2.17 Contingent liabilities**

As at the LPD, there are no contingent liabilities which, upon becoming enforceable, may have a material adverse effect on our result of operations or financial position, and we do not have any off-balance sheet arrangements that are reasonably likely to have a material effect on our business, financial performance and financial position.

12.2.18 Key financial ratios

The following table sets out our key financial ratios for the Financial Years Under Review:

	FYE 31 March		
	2023	2024	2025
Average trade receivables turnover (days) ⁽¹⁾	43	52	56
Average trade payables turnover (days) ⁽²⁾	26	25	25
Average inventory turnover (days) ⁽³⁾	4	4	5
Current ratio (times) ⁽⁴⁾	1.3	1.7	1.8
Gearing ratio (times) ⁽⁵⁾	0.3	0.3	0.3

Notes:

- (1) Based on trade receivables as at the end of the respective FYE over consignment revenue of the respective financial years, and multiplied by the number of days in the FYE.
- (2) Based on trade payables as at the end of the respective financial year over total cost of sales of the respective FYEs, and multiplied by the number of days in the FYE.
- (3) Based on inventory as at the end of the respective financial year over total cost of sales of the respective FYEs, and multiplied by the number of days in the FYE.
- (4) Based on current assets divided by current liabilities.
- (5) Based on total borrowings (including lease liabilities) divided by total equity.

(i) Trade receivables turnover

A summary of our trade receivables for the Financial Years Under Review is set out below:

	FYE 31 March		
	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)
Average trade receivables ⁽¹⁾	125	146	167
Consignment revenue	1,069	1,026	1,079
Average trade receivables turnover (days) ⁽²⁾	43	52	56

Notes:

- (1) Computed as follows:

	FYE 31 March		
	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)
Opening trade receivables*	122	128	163
Closing trade receivables*	128	163	171
Average trade receivables	125	146	167

12. FINANCIAL INFORMATION (Cont'd)*Subnote:** *Exclude retention sums and impairment losses*

- (2) *Computed based average of the opening and closing trade receivables (excluding retention sums and net of accumulated impairment losses) as at the end of the respective FYE divided by the consignment revenue of the respective FYE, multiplied by the number of days in the FYE.*

Due to the nature of our business\ which involves the operation of a sushi chain primarily on an owned and operated basis, our revenue is generated from our sushi outlets where our customers are mainly individual customers and the sales transactions are settled on a cash basis or through debit cards, credit cards, and e-wallets. In addition, a small proportion of revenue from our owned and operated sushi chain include corporate customers.

Furthermore, a small proportion of our revenue was from 1 sushi outlet which operated under consignment basis, for which we grant a credit period of 30 days to the hypermarket operator. In addition, we also grant a credit period of 7 days for corporate customers.

For the Financial Years Under Review, the average trade receivables turnover period had shown an increasing trend from 43 days for the FYE 31 March 2023 to 52 days for the FYE 31 March 2024 and subsequently to 56 days for the FYE 31 March 2025, respectively. This was mainly attributed to slow payments by the hypermarket operator who is the consignee for our consignment outlet in Kedah. In addition, a negligible proportion of our outstanding trade receivables is from corporate customers, which amounted to less than RM1,000 for the FYE 31 March 2025.

As part of our credit control process, our finance team closely monitors the ageing report and assesses the collectability of trade receivables regularly to ensure timely payment within the credit period granted. For any trade receivables which have exceeded the normal credit period granted to customers, we will follow up with calls to the customers.

The ageing analysis of our trade receivables as at 31 March 2025 and the subsequent collections up to the LPD are set out below:

	Past due					Total
	Current	1-30 days	31-60 days	61-90 days	More than 90 days	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade receivables	97	74	-	-	-	171
Less: Retention sum	-	-	-	-	-	-
Less: Impairment	-	-	-	-	-	-
Net trade receivables	97	74	-	-	-	171
% of total net trade receivables	56.5%	43.5%	-	-	-	100.0%
Subsequent collections as at the LPD	97	74	-	-	-	171
Net trade receivables net of subsequent collections	-	-	-	-	-	-
% of total net trade receivables net of subsequent collections	-	-	-	-	-	-

As at the LPD, all of our net trade receivables outstanding as at 31 March 2025 have been collected.

12. FINANCIAL INFORMATION (Cont'd)**(ii) Trade payables turnover**

A summary of our trade payables for the Financial Years Under Review is set out below:

	FYE 31 March		
	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)
Average trade payables ⁽¹⁾	5,888	7,463	9,344
Cost of sales	83,019	108,118	137,326
 Average trade payable turnover (days) ⁽²⁾	 26	 25	 25

Notes:

(1) Computed as follows:

	FYE 31 March		
	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)
Opening trade payables	5,297	6,479	8,447
Closing trade payables	6,479	8,447	10,241
 Average trade payables	 5,888	 7,463	 9,344

(2) Computed based on the average of the opening and closing trade payables as at the end of the respective FYE divided by the total cost of sales of the respective FYE, multiplied by the number of days in the FYE.

We deal with our suppliers based on credit terms ranging from 15 to 45 days. Our average trade payables turnover period decreased from 26 days for the FYE 31 March 2023 to 25 days for the FYE 31 March 2024, mainly arising from the higher purchases of intermediate foods and ingredients for our business operations.

Our average trade payables turnover period remained relatively consistent at 25 days for the FYE 31 March 2024 and the FYE 31 March 2025, respectively.

The ageing analysis of our trade payables as at 31 March 2025 and the subsequent payments up to the LPD are set out below:

	Past due					Total
	Current	1-30 days	31-60 days	61-90 days	More than 90 days	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade payables	7,212	2,976	38	-	15 ⁽¹⁾	10,241
% of total trade payables	70.43%	29.06%	0.36%	-	0.15%	100.00%
 Subsequent payments as at the LPD	 7,212	 2,976	 38	 -	 15	 10,241
Trade payables net of subsequent payments	-	-	-	-	-	-
% of total trade payables net of subsequent payments						

12. FINANCIAL INFORMATION (Cont'd)

Note:

- (1) The outstanding payables of RM0.02 million past due for more than 90 days were mainly to slower payments to 2 suppliers for our fresh and prepared ingredients, which have been subsequently settled as at the LPD.

As at the LPD, we have settled all our total trade payables that were outstanding as at 31 March 2025.

(iii) Inventory

The breakdown of our inventory for the Financial Years Under Review is set out below:

	FYE 31 March		
	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)
Total inventory consisting of raw materials and packaging	1,027	1,532	2,425
Average inventory ⁽¹⁾	851	1,279	1,978
Cost of sales	83,019	108,118	137,326
Average inventory turnover period (days) ⁽²⁾	4	4	5

Notes:

- (1) Computed as follows:

	FYE 31 March		
	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)
Opening inventory	675	1,027	1,532
Closing inventory	1,027	1,532	2,425
Average inventory	851	1,279	1,978

- (2) Computed based on the average of the opening and closing inventories as at the end of the respective financial year, divided by the total cost of sales of the respective financial year/ period, multiplied by the number of days in the financial year.

Our inventory comprises raw materials and packaging materials used in the operation of our sushi chain outlets. Raw materials mainly consist of food ingredients for our sushi chain operations, while packaging materials are primarily used for takeaway services offered at our outlets.

Our average inventory turnover period remained relatively consistent at 4 days for the FYE 31 March 2023 and the FYE 31 March 2024, respectively. Subsequently, our average inventory turnover period slightly increased to 5 days for the FYE 31 March 2025, arising from higher purchases of intermediate foods and ingredients for our business operations following the outlet expansion.

(iv) Current ratio

Our current ratio for the Financial Years Under Review is set out below:

12. FINANCIAL INFORMATION (Cont'd)

	FYE 31 March		
	2023	2024	2025
Current assets (RM'000)	30,591	50,061	66,973
Current liabilities (RM'000)	23,389	29,848	36,428
Current ratio (times) ⁽¹⁾	1.3	1.7	1.8

Note:

(1) Computed based on the current assets divided by the current liabilities as at the end of the financial year.

Our current ratio increased from 1.3 times as at 31 March 2023 to 1.7 times as at 31 March 2024. This was mainly attributed to the deposits with a licensed bank of RM10.0 million for the FYE 31 March 2024 (FYE 31 March 2023: nil), the increase in cash and bank balances from RM25.1 million for the FYE 31 March 2023 to RM31.9 million for the FYE 31 March 2024 arising from higher sales from our sushi chain operations as well as the increase in other receivables in relation to deposits paid upon securing new rented outlets for our sushi chain operations from RM3.5 million for the FYE 31 March 2023 to RM4.7 million for the FYE 31 March 2024.

Our current ratio further increased from 1.7 times as at 31 March 2024 to 1.8 times as at 31 March 2025. This was mainly attributed to the increase in deposits with a licensed bank from RM10.0 million for the FYE 31 March 2024 to RM20.0 million for the FYE 31 March 2025 as well as the increase in cash and bank balances from RM31.9 million for the FYE 31 March 2024 to RM37.4 million for the FYE 31 March 2025 arising from higher sales from our sushi chain operations.

(v) Gearing ratio

Our gearing ratio for the Financial Years Under Review is set out below:

	FYE 31 March		
	2023	2024	2025
Total borrowings (including lease liabilities) (RM'000) ⁽¹⁾	10,196	17,704	20,625
Total equity	29,831	56,061	71,981
Gearing ratio (times)	0.3	0.3	0.3

Note:

(1) Computed based on the total borrowings (including lease liabilities) divided by total equity as at the end of the financial year.

Our gearing ratio remained relatively consistent at 0.3 times during the Financial Years Under Review.

12.2.19 Capital expenditure and divestitures**Capital expenditure**

Our capital expenditure for the Financial Years Under Review and up to the LPD is set out below:

12. FINANCIAL INFORMATION (Cont'd)

	FYE 31 March			From 1 April 2025 up to the LPD
	2023	2024	2025	
	RM'000	RM'000	RM'000	RM'000
Computer and software	125	131	144	64
Furniture and fittings and office equipment	118	435	193	64
Kitchen equipment and renovation	5,146	8,415	7,506	3,833
Motor vehicles	-	1,722	-	-
Total	5,389	10,703	7,843	3,961

FYE 31 March 2023

For the FYE 31 March 2023, our capital expenditure of RM5.3 million mainly comprised the following:

- RM5.1 million for the purchase of kitchen equipment and renovation works following the opening of our new sushi outlets;
- RM0.1 million for the purchase of computer and software for the opening of our new sushi outlets and for our headquarters; and
- RM0.1 million for the purchase of furniture, fittings and office equipment for our sushi outlets and headquarters.

FYE 31 March 2024

For the FYE 31 March 2024, our capital expenditure of RM10.7 million mainly comprised the following:

- RM8.4 million for the purchase of kitchen equipment and renovation works following the opening of our new sushi outlets;
- RM1.7 million for the purchase of motor vehicles;
- RM0.4 million for the purchase of furniture, fittings and office equipment for our sushi outlets and headquarters; and
- RM0.2 million for the purchase of computer and software for the opening of our new sushi outlets and for our headquarters.

FYE 31 March 2025

For the FYE 31 March 2025, our capital expenditure of RM7.8 million mainly comprised the following:

- RM7.5 million for the purchase of kitchen equipment and renovation works following the opening of our new sushi outlets;
- RM0.2 million for the purchase of furniture, fittings and office equipment for our sushi outlets and headquarters; and
- RM0.1 million for the purchase of computer and software for the opening of our new sushi outlets and for our headquarters.

12. FINANCIAL INFORMATION (Cont'd)**From 1 April 2025 up to the LPD**

From 1 April 2025 up to the LPD, our capital expenditure of RM4.0 million mainly comprised the following:

- RM3.8 million for the purchase of kitchen equipment and renovation works following the opening of our new sushi outlets;
- RM0.1 million for the purchase of computer and software for the opening of our new sushi outlets and for our headquarters; and
- RM0.1 million of furniture, fittings and office equipment for our sushi outlets and headquarters.

Capital divestitures

Our capital divestitures for the Financial Years Under Review and up to the LPD is as set out below:

	FYE 31 March			From 1 April 2025 up to the LPD
	2023	2024	2025	
	RM'000	RM'000	RM'000	RM'000
Computer and software	-	-	-	-
Furniture and fittings and office equipment	-	-	-	-
Kitchen equipment and renovation	16	-	-	2
Motor vehicles	-	109	-	-
Total	16	109	-	2

FYE 31 March 2023

For the FYE 31 March 2023, there were capital divestitures amounting to less than RM0.1 million for the disposal of kitchen equipment.

FYE 31 March 2024

For the FYE 31 March 2024, our capital divestiture of RM0.1 million was for the disposal of motor vehicles.

FYE 31 March 2025

There were no capital divestitures for the FYE 31 March 2025.

From 1 April 2025 up to the LPD

From 1 April 2025 up to the LPD, there were capital divestitures of less than RM0.1 million for the disposal of kitchen equipment.

12. FINANCIAL INFORMATION (Cont'd)**12.2.20 Trend information**

Save as disclosed in this Section and in Sections 7, 8 and 9 of this Prospectus, to the best of our Board's knowledge and belief, there are no other known trends, uncertainties, demands, commitments or events and factors that are reasonably likely to have a material effect on our business, financial condition and results of operations.

12.2.21 Significant changes/events

[Save as disclosed in this Prospectus, no significant changes have occurred which may have a material effect on our financial position and result of operations since 31 March 2025 up to the date of this Prospectus.]

12.2.22 Order book

We do not maintain an order book due to the nature of our business which is in sushi chain operations.

12.2.23 Financial risk management**Foreign currency risk**

For the Financial Years Under Review, our business is not exposed to foreign currency risk as all our revenue from our sushi outlet operations as well as the purchases of input materials are transacted in RM.

Interest rate risk

For the Financial Years Under Review, our business is not exposed to interest rate risk as there were no outstanding bank borrowings.

12.3 DIVIDEND POLICY

It is our Directors' policy to allow our shareholders to participate in the profits of our Group as well as leaving adequate reserves for the future growth of our Group.

We target a payout ratio of at least 30.0% of our PAT attributable to owners of our Company for each financial year on a consolidated basis, after taking into account our Group's working capital requirements, subject to any applicable laws and contractual obligations and provided that such distribution will not be detrimental to our cash requirements or any plans approved by our Board. Our ability to declare and pay dividends is subject to the discretion of our Board. Our Directors will take into consideration, among others, the following factors when recommending or declaring any dividends:

- (i) our level of cash, gearing ratio and return on equity and retained earnings;
- (ii) our expected financial performance;
- (iii) our projected levels of capital expenditure and other investment plans;
- (iv) our working capital requirements; and
- (v) any contractual restrictions and/or commitments.

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our future dividends which are subject to modifications (including non-declaration thereof) at our Board's discretion. We cannot assure you that we will be able to pay dividends or that our Board will declare dividends in the future. There can also be no assurance that future dividends declared by our Board, if any, will not differ materially from historical dividend levels. Please refer to Section 9 of this Prospectus for factors which may affect or restrict our ability to pay dividends.

12. FINANCIAL INFORMATION (Cont'd)

[As at the LPD, save for the Act, and subject to the availability of distributable profits and reserves, there are no dividend restrictions imposed on us or our subsidiary.]

The dividends declared and paid by our Group for the Financial Years Under Review and up to the LPD are as follows:

	FYE 31 March			From 1 April
	2023	2024	2025	2025 up to the
	RM'000	RM'000	RM'000	LPD
				RM'000
Dividends declared ⁽¹⁾	-	-	37,000	[15,000]
Dividends paid ⁽²⁾	-	-	37,000 ⁽⁴⁾	-
PAT	14,586	26,229	37,920	-
Dividend payout ratio ⁽³⁾	-	-	97.6%	-

Notes:

- (1) *Comprising a single-tier interim dividend of RM22.0 per ordinary share of Empire Sushi amounting to RM22.0 million and a single-tier final dividend of RM15.0 per ordinary share of Empire Sushi amounting to RM15.0 million in respect of the FYE 31 March 2025 which were paid on 16 December 2024 and 8 August 2025, respectively.*
- (2) *The source of payment is from the internally generated funds of Empire Sushi.*
- (3) *Computed based on dividends declared divided by the PAT of Empire Sushi for each financial year.*
- (4) *Including the single-tier final dividend of RM15.0 million which was declared on 30 July 2025 and paid on 8 August 2025.*

During the Financial Years Under Review and up to the LPD, dividends paid were funded via internally generated funds.

Empire Sushi had, on 30 July 2025, declared a single-tier final dividends (which was paid using internally generated funds of Empire Sushi) of RM15.00 per ordinary share of Empire Sushi in respect of the FYE 31 March 2025 amounting to RM15.0 million which was paid on 8 August 2025 to its respective shareholders.

In addition, Empire Sushi has, on 22 August 2025, declared a single-tier interim dividend (which was paid using internally generated funds of Empire Sushi) of RM15.00 per ordinary share of Empire Sushi in respect of the FYE 31 March 2026 amounting to RM15.0 million which was paid on 1 September 2025 to its respective shareholders.

Further, Empire Sushi proposes to declare and pay a single-tier interim dividend (which is to be paid using internally generated funds of Empire Sushi) of RM12.00 per ordinary share of Empire Sushi in respect of the FYE 31 March 2026 amounting to RM12.0 million, which will be paid to their respective shareholders prior to our Listing.

Save as disclosed above, the Company will not declare and pay any further dividends for the FYE 31 March 2026 prior to the Proposed IPO.

12.4 CAPITALISATION AND INDEBTEDNESS

The table below presents our capitalisation and indebtedness as at 31 August 2025 and on the assumption that our IPO, Listing and the use of proceeds from the Public Issue as set out in Section 4.6 of this Prospectus had occurred on 31 August 2025.

The pro forma financial information below does not represent our actual capitalisation and indebtedness as at 31 August 2025 and is provided for illustrative purposes only.

12. FINANCIAL INFORMATION (Cont'd)

		Pro Forma I	Pro Forma II	Pro Forma III
	Unaudited as at 31 August 2025 RM'000	After the Pre- IPO Dividends and the Pre-IPO Acquisition RM'000	After Pro Forma I and the IPO RM'000	After Pro Forma II, our Listing and Use of Proceeds RM'000
Indebtedness				
<u>Current</u>				
<i>Unsecured and unguaranteed</i>				
- Lease liabilities ⁽¹⁾	11,188	11,188	11,188	11,188
<u>Non-current</u>				
<i>Unsecured and unguaranteed</i>				
- Lease liabilities ⁽¹⁾	9,143	9,143	9,143	9,143
Total indebtedness	20,332	20,332	20,332	20,332
Total capitalisation	1,000	29,988	[•]	[•]
Total capitalisation and indebtedness	21,332	50,320	[•]	[•]
Gearing ratio⁽²⁾	20.3	0.7	[•]	[•]

Notes:

(1) The lease liabilities arose from the Group's recognition of ROU assets in accordance with MFRS 16 – Leases.

(2) Computed based on total indebtedness divided by total capitalisation.

12. FINANCIAL INFORMATION (Cont'd)

12.5 REPORTING ACCOUNTANTS' LETTER ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

EMPIRE PREMIUM FOOD BERHAD
(Registration No.: 202301037567 (1531490-W))
(Incorporated in Malaysia)

**PRO FORMA COMBINED STATEMENTS OF
FINANCIAL POSITION
AS AT 31 MARCH 2025**

GRANT THORNTON MALAYSIA PLT
CHARTERED ACCOUNTANTS
Member Firm of Grant Thornton International Ltd.

12. FINANCIAL INFORMATION (Cont'd)

**REPORTING ACCOUNTANTS' REPORT ON THE
COMPILATION OF PRO FORMA COMBINED
STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2025**

(Prepared for inclusion in the Prospectus)

Grant Thornton Malaysia PLT

Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

T +603 2692 4022

F +603 2691 5229

Date: 22 September 2025

The Board of Directors
Empire Premium Food Berhad
No. 5, 5th Floor, Block B, IOI Boulevard
Jalan Kenari 5
Bandar Puchong Jaya
47170 Puchong
Selangor Darul Ehsan

Dear Sir/Madam,

**EMPIRE PREMIUM FOOD BERHAD ("COMPANY" OR "EMPIRE PREMIUM")
REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF
FINANCIAL POSITION AS AT 31 MARCH 2025**

We have completed our assurance engagement to report on the compilation of the Pro Forma Combined Statements of Financial Position of Empire Premium Food Berhad and its combining entity ("Empire Premium Group" or "the Group") as at 31 March 2025 together with the notes and assumptions thereto (which we have stamped for the purpose of identification). The Pro Forma Combined Statements of Financial Position have been compiled and prepared by the Directors of the Company ("Directors") for inclusion in the prospectus of the Company in connection with the initial public offering ("IPO") and the listing and quotation of the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing") ("Prospectus").

The applicable criteria on the basis of which the Directors have compiled the Pro Forma Combined Statements of Financial Position are described in the notes thereon to the Pro Forma Combined Statements of Financial Position. The Pro Forma Combined Statements of Financial Position is prepared in accordance with the requirements of Chapter 9 of the Prospectus Guidelines issued by the Securities Commission Malaysia ("the Prospectus Guidelines") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Guidance Note").

The Pro Forma Combined Statements of Financial Position as at 31 March 2025 have been compiled by the Directors, for illustrative purposes only, to show the effects of the events or transactions as described in the notes thereon to the Pro Forma Combined Statements of Financial Position as if the events had occurred or the transactions had been undertaken on 31 March 2025. As part of this process, information about the Group's Combined Statements of Financial Position has been extracted by the Directors of the Company from the Group's audited combined financial statements as at 31 March 2025.

12. FINANCIAL INFORMATION (Cont'd)**Directors' Responsibility for the Pro Forma Combined Statements of Financial Position**

The Directors are responsible for compiling the Pro Forma Combined Statements of Financial Position on the basis as described in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and the Guidance Note.

Our Independence and Quality Control

We are independent in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board of Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies International Standard on Quality Management ("ISQM") 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Combined Statements of Financial Position have been properly compiled, in all material respects, by the Directors on the basis as described in the notes thereon to the Pro Forma Combined Statement of Financial Position and in accordance with the requirements of the Prospectus Guidelines and the Guidance Note.

We conducted our engagement in accordance with International Standard on Assurance Engagements ("ISAE") 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Combined Statements of Financial Position on the basis as set out in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and the Guidance Note.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any financial information used in compiling the Pro Forma Combined Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Combined Statements of Financial Position.

The purpose of the Pro Forma Combined Statements of Financial Position included in the Prospectus is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the Group as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at that date would have been as presented.

12. FINANCIAL INFORMATION (Cont'd)**Our Responsibility (cont'd)**

A reasonable assurance engagement to report on whether the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Combined Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions enumerated in the notes thereto, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Combined Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Combined Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Combined Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, on the basis set out in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with requirements of the Prospectus Guidelines and the Guidance Note.

Other Matter

This report has been prepared solely for the purpose of inclusion in the Prospectus in connection with the Listing. It is not intended to be used for any other purposes. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Yours faithfully,

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

LIM CHOOI LING
(NO: 03537/11/2026 (J))
CHARTERED ACCOUNTANT

Kuala Lumpur
22 September 2025

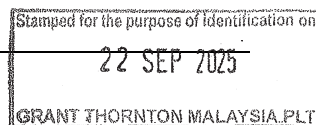
12. FINANCIAL INFORMATION (Cont'd)

Stamped for the purpose of identification on:
22 SEP 2025
 GRANT THORNTON MALAYSIA PLT

EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY
PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025

The Pro Forma Combined Statements of Financial Position as at 31 March 2025 as set out below are provided for illustrative purposes only to show the effects of the transactions as mentioned in Note on the assumption that these transactions been effected on 31 March 2025, and should be read in conjunction with the accompanying notes to the Pro Forma Combined Statements of Financial Position.

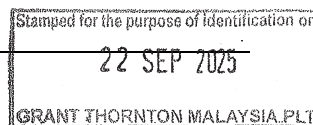
			Pro Forma I	Pro Forma II	Pro Forma III
			After Adjustment for the Completed Material Transactions		
	Note	Audited as at 31.3.2025 RM	and Proposed Acquisitions RM	After Proposed IPO RM	After the Proposed Listing RM
ASSETS					
Non-current assets					
Plant and equipment		-	29,433,367	[•]	[•]
Right-of-use assets		-	20,483,978	[•]	[•]
Investment property		-	3,458,679	[•]	[•]
Total non-current assets		-	53,376,024	[•]	[•]
Current assets					
Inventories		-	2,424,742	[•]	[•]
Trade and other receivables		-	7,152,882	[•]	[•]
Cash and cash equivalents	4.1	2	15,407,112	[•]	[•]
Total current assets		2	24,984,736	[•]	[•]
Total assets		2	78,360,760	[•]	[•]
EQUITY AND LIABILITIES					
EQUITY					
Share capital	4.2	2	29,988,002	[•]	[•]
(Accumulated losses)/Retained earnings	4.3	(13,191)	28,980,597	[•]	[•]
Merger deficit	4.4	-	(28,987,998)	[•]	[•]
(Capital deficiency)/Total equity		(13,189)	29,980,601	[•]	[•]
LIABILITIES					
Non-current liabilities					
Lease liabilities		-	9,275,085	[•]	[•]
Provision for restoration costs		-	715,612	[•]	[•]
Deferred tax liabilities		-	1,949,800	[•]	[•]
Total non-current liabilities		-	11,940,497	[•]	[•]

12. FINANCIAL INFORMATION (Cont'd)
EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY
PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

The Pro Forma Combined Statements of Financial Position as at 31 March 2025 as set out below are provided for illustrative purposes only to show the effects of the transactions as mentioned in Note on the assumption that these transactions been effected on 31 March 2025, and should be read in conjunction with the accompanying notes to the Pro Forma Combined Statements of Financial Position (cont'd).

		Pro Forma I	Pro Forma II	Pro Forma III
		After Adjustment		
		for the Completed		
		Material Transactions		After the
Note	Audited as at	and Proposed	After Proposed	Proposed
	<u>31.3.2025</u>	<u>Acquisitions</u>	<u>IPO</u>	<u>Listing</u>
	RM	RM	RM	RM
EQUITY AND LIABILITIES (CONT'D)				
LIABILITIES (CONT'D)				
Current liabilities				
Lease liabilities	-	11,349,453	11,349,453	11,349,453
Provision for restoration costs	-	262,512	262,512	262,512
Contract liabilities	-	15,235	15,235	15,235
Trade and other payables	13,191	22,378,849	22,378,849	22,378,849
Tax payable	-	2,433,613	2,433,613	2,433,613
Total current liabilities	13,191	36,439,662	36,439,662	36,439,662
Total liabilities	13,191	48,380,159	48,380,159	48,380,159
Total equity and liabilities	2	78,360,760	[•]	[•]
No. of ordinary share (Unit)	2	882,000,000	1,100,000,000	1,100,000,000
Net assets per share (RM)	-	0.03	[•]	[•]
Borrowings* (RM)	-	20,624,538	20,624,538	20,624,538
Gearing ratio (times)	-	0.69	[•]	[•]

*Borrowings consists of lease liabilities.

12. FINANCIAL INFORMATION (Cont'd)**EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025****1. BACKGROUND**

The Company was incorporated on 25 September 2023 as a private limited liability company, incorporated and domiciled in Malaysia. Subsequently, the Company has converted to a public limited liability company on 18 September 2025 and assumed its present name of Empire Premium Food Berhad.

The registered office of the Company is located at Third Floor, No. 77, 79 & 81, Jalan SS 21/60, Damansara Utama, 47400 Petaling Jaya, Selangor. The principal place of business of the Company is located at No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor.

2. BASIS OF PREPARATION

The Pro Forma Combined Statements of Financial Position of Empire Premium have been prepared for illustrative purposes only.

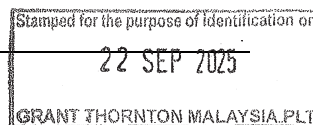
The applicable criteria on the basis of which the Directors have compiled the Pro Forma Combined Statements of Financial Position are as described below. The Pro Forma Combined Statements of Financial Position is prepared in accordance with the requirements of the Prospectus Guidelines and the Guidance Note.

The Pro Forma Combined Statements of Financial Position have been prepared based on the audited Combined Financial Statements of the Group for the financial year ended 31 March 2025, which was prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards ("IFRSs") and in a manner consistent with the format of the statements of financial position and accounting policies adopted by the Group, and adjusted for the events and transactions detailed in Note 3.

Merger Method of Accounting

For the purpose of accounting for the acquisition of its combining entity, namely Empire Sushi Sdn. Bhd. ("Empire Sushi"), the Company has adopted the merger accounting principles as the combined entity are under common control by the same parties before and immediately after the Acquisitions. Under merger method of accounting, the difference between the cost of investment recorded by the Company (i.e. the consideration for the acquisition of its combining entity) and the share capital of its combining entity are accounted for as merger reserve, computed as follows:-

	RM
Consideration for the acquisition of its combining entity	29,988,000
Less: Issued share capital of its combining entity as at 31 March 2025	<u>(1,000,002)</u>
Merger reserve	<u>28,987,998</u>

12. FINANCIAL INFORMATION (Cont'd)**EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)****3. PRO FORMA ADJUSTMENT TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION****(i) Pro Forma I: Completed Material Transactions and Proposed Acquisition**

Pro Forma I incorporates the effects of the Completed Material Transactions and the Proposal Acquisition as set out below:-

(a) Completed Material Transactions

Paragraph 9.20 of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines requires the effects of the following completed material transactions to be illustrated in the Pro Forma Combined Statements of Financial Position.

Pre-IPO dividends

Since 1 April 2025 and up to 31 August 2025, being the latest practicable date ("LPD"), the combining entity, Empire Sushi, declared the following Pre-IPO dividends:-

In respect of financial year ended 2025:-

- (i) Final dividend of RM15.0 million declared on 30 July 2025 and paid on 8 August 2025.

In respect of financial year ending 2026:-

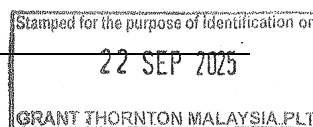
- (i) Interim dividend of RM15.0 million declared on 22 August 2025 and paid on 1 September 2025.
- (ii) Interim dividend of RM12.0 million. Intended to be paid prior to the submission of confirmation of registration of the Prospectus to the Securities Commission Malaysia.

(b) Proposed Acquisition

The Company entered into a conditional share sale agreement with the shareholders of Empire Sushi Sdn. Bhd. ("Empire Sushi" or "combining entity") for the acquisition of the entire equity interest in Empire Sushi, comprising 1,000,002 ordinary shares in Empire Sushi for a purchase consideration of RM29,988,000. The purchase consideration shall be satisfied by the issuance of 881,999,998 new shares at an issue price of approximately RM0.0340 per share.

The purchase consideration of RM29,988,000 was arrived at on a willing-buyer willing-seller basis after taking into consideration the audited net assets of Empire Sushi as at 31 March 2025 of approximately RM71.9 million.

The Proposed Acquisition is conditional upon the approval of Securities Commission Malaysia for the Proposed IPO and Proposed Listing, among other conditions.

12. FINANCIAL INFORMATION (Cont'd)**EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)****3. PRO FORMA ADJUSTMENT TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)****(ii) Pro Forma II: Proposed Initial Public Offering ("IPO")**

The Proposed IPO consists of the Proposed Institutional Offering and the Proposed Retail Offering, totalling up to 363,000,000 IPO Shares at the IPO Price of RM[], representing approximately 33.0% of the enlarged issued Shares.

(a) Proposed Institutional Offering

The Proposed Institutional Offering involves the offering of up to 293,000,000 IPO Shares (comprising up to 145,000,000 Offer Shares and 148,000,000 Issue Shares), representing up to 26.6% of the enlarged issued Shares, in the following manner:

- (i) 137,500,000 IPO Shares, representing 12.5% of the enlarged issued Shares to Bumiputera investors approved by the MITI; and
- (ii) up to 155,500,000 IPO Shares, representing up to approximately 14.1% of the enlarged issued Shares to institutional and selected investors (other than Bumiputera investors approved by the MITI).

(b) Proposed Retail Offering

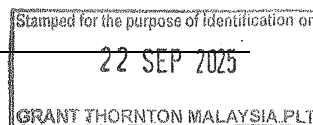
The Proposed Retail Offering involves the offering of 70,000,000 Issue Shares, representing 6.4% of the enlarged issued Shares.

(i) Allocation to the Eligible Persons

15,000,000 Issue Shares, representing 1.4% of the enlarged issued Shares, are reserved for application by the Eligible Persons.

(ii) Allocation via balloting to the Malaysian Public

55,000,000 Issue Shares, representing 5.0% of the enlarged issued Shares, are reserved for application by the Malaysian Public via balloting, of which 27,500,000 Issue Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

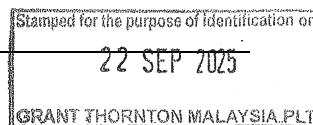
12. FINANCIAL INFORMATION (Cont'd)**EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)****3. PRO FORMA ADJUSTMENT TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)****(iii) Pro Forma III: Proposed Listing**

Based on the indicative IPO Price of RM[], the proceeds to be raised from the Proposed Public Issue is RM[] million and is expected to be utilised in the following manner:

Details of utilisation	Estimated timeframe for utilisation upon listing	RM'000	%
Expansion of outlets (Grab & Go and Dine-in Restaurant formats) in various states within Malaysia ⁽¹⁾	Within 36 months	[●]	60.49
Upgrading of existing outlets to enhance customer experience ⁽²⁾	Within 36 months	[●]	9.66
Working capital ⁽³⁾	Within 36 months	[●]	23.89
Estimated listing expenses ⁽⁴⁾	Within 3 months	[●]	5.96
Total estimated proceeds		[●]	100.00

Note:

- (1) Pursuant to the above, the Group intend to allocate RM[] million, representing approximately 60.49% of the gross proceeds from the Public Issue, for the setting up of additional 56 Empire Sushi outlets (included both Grab & Go Outlet and Dine-in Concept), within 36 months from the Listing date. For avoidance of doubt, the Empire Sushi outlets to be set up in financial year 2026 prior to the Listing will be funded via internal generated funds. Any excess amount required for the above costs will be funded by internally generated funds. Conversely, if the actual amount for the above costs is lower than budgeted, the excess will be used for working capital purposes to purchase materials for Food and Beverage services and distribution. The utilisation of proceeds earmarked for the aforementioned purposes are not reflected in the pro forma combined statements of financial position.
- (2) Pursuant to the above, the Group intend to allocate RM[] million, representing approximately 9.66% of the gross proceeds from the Public Issue, for the upgrading of existing 27 Empire Sushi outlets, within 36 months from the Listing date. For avoidance of doubt, the Empire Sushi outlets to be upgraded in financial year 2026 prior to the Listing will be funded via internal generated funds. Any excess amount required for the above costs will be funded by internally generated funds. Conversely, if the actual amount for the above costs is lower than budgeted, the excess will be used for working capital purposes to purchase materials for Food and Beverage and distribution. The utilisation of proceeds earmarked for the aforementioned purposes are not reflected in the pro forma combined statements of financial position.
- (3) The Group intends to utilise RM[] million of its IPO proceeds to fund its working capital requirements. The working capital is for the payment on purchase of materials for Food and Beverage services, staff costs, rental costs as well as the utilities cost. Accordingly, the utilisation is not reflected in the Pro Forma Statements of Financial Position.

12. FINANCIAL INFORMATION (Cont'd)**EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)****3. PRO FORMA ADJUSTMENT TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)****(iii) Pro Forma III: Proposed Listing (cont'd)**

Based on the indicative IPO Price of RM[●], the proceeds to be raised from the Proposed Public Issue is RM[●] million and is expected to be utilised in the following manner (cont'd):

Note (cont'd):

(4) If the actual listing expenses are higher than budgeted, the deficit will be funded by the amount allocated for working capital purposes. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for working capital purposes to purchase materials for Food and Beverage services and distribution.

(iv) Proposed Long Term Incentive Plan ("LTIP")

In conjunction with the Proposed Listing, the Company proposes to establish the Proposed LTIP which entails the granting of Executive Share Grant Scheme Shares ("ESGS Shares") and Employees' Share Option Scheme Options ("ESOS Options") to the eligible Directors and eligible Executives of the Group ("LTIP Eligible Persons").

The LTIP shall be administrated by a committee to be appointed by the Directors ("LTIP Committee") and governed by the rules, terms and conditions of the LTIP, as may be modified and/or amended from time to time ("By-Laws"). The aggregate maximum number of Shares which may be made available under the LTIP shall not in aggregate exceed 10% of the total number of issued Shares at any point of time during the duration of the LTIP.

The Proposed LTIP is not illustrated in the Pro Forma Statements of Financial Position as the ESGS Shares and ESOS Options under the LTIP have yet to be granted as of the date of this report.

12. FINANCIAL INFORMATION (Cont'd)

Stamp: Stamped for the purpose of identification on
22 SEP 2025
GRANT THORNTON MALAYSIA PLT

EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY

NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

4.1 CASH AND CASH EQUIVALENTS

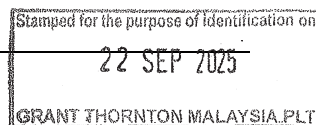
The movements of cash and cash equivalents are as follows:-

	<u>RM</u>
Current assets	
As at 31 March 2025	2
Pursuant to Acquisitions	57,407,110
Less: Dividend paid	<u>(42,000,000)</u>
As per Pro Forma I	15,407,112
Pursuant to IPO	<u>[●]</u>
As per Pro Forma II	[●]
Pursuant to Listing	<u>[●]</u>
As per Pro Forma III	<u>[●]</u>

4.2 SHARE CAPITAL

The movements of the issued share capital are as follows:-

	Number of ordinary shares <u>Unit</u>	Amount <u>RM</u>
As at 31 March 2025	2	2
Pursuant to Acquisitions	<u>881,999,998</u>	<u>29,988,000</u>
As per Pro Forma I	882,000,000	29,988,002
Pursuant to IPO	<u>218,000,000</u>	<u>[●]</u>
As per Pro Forma II	1,100,000,000	[●]
Pursuant to Listing		
- Portion of estimated listing expenses set-off against issued share capital	<u></u>	<u>[●]</u>
As per Pro Forma III	1,100,000,000	[●]

12. FINANCIAL INFORMATION (Cont'd)**EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY****NOTES TO PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)****4.3 (ACCUMULATED LOSSES)/RETAINED EARNINGS**

The movements of (accumulated losses)/retained earnings are as follows:-

	<u>RM</u>
As at 31 March 2025	(13,191)
Pursuant to Acquisitions	70,993,788
Less: Dividend paid	<u>(42,000,000)</u>
As per Pro Forma I/II	[•]
Pursuant to Listing	<u>[•]</u>
As per Pro Forma III	<u><u>[•]</u></u>

4.4 MERGER DEFICIT

The movements of merger deficit are as follows:-

	<u>RM</u>
As at 31 March 2025	-
Pursuant to Acquisitions	<u>(28,987,998)</u>
As per Pro Forma I/II/III	<u><u>(28,987,998)</u></u>

12. FINANCIAL INFORMATION (Cont'd)

EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)

5. APPROVAL BY BOARD OF DIRECTORS

The Pro Forma Combined Statements of Financial Position as at 31 March 2025 have been approved for issue in accordance with a resolution of the Board of Directors of Empire Premium Food Berhad on 22 September 2025.

Signed on behalf of the Directors.



.....
TAN SIN GUAN



.....
LIM XUI JHI

Kuala Lumpur
22 September 2025

13. ACCOUNTANTS' REPORT

EMPIRE PREMIUM FOOD BERHAD
(Registration No.: 202301037567 (1531490-W))
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024
AND 31 MARCH 2025

GRANT THORNTON MALAYSIA PLT
CHARTERED ACCOUNTANTS
Member Firm of Grant Thornton International Ltd.

13. ACCOUNTANTS' REPORT (Cont'd)

Date: 22 September 2025

The Board of Directors
Empire Premium Food Berhad
 No. 5, 5th Floor, Block B, IOI Boulevard
 Jalan Kenari 5
 Bandar Puchong Jaya
 47170 Puchong
 Selangor Darul Ehsan

Grant Thornton Malaysia PLT

Level 11, Sheraton Imperial Court
 Jalan Sultan Ismail
 50250 Kuala Lumpur
 Malaysia

T +603 2692 4022

F +603 2691 5229

Dear Sir/Madam,

Reporting Accountants' Opinion on the Combined Financial Statements Contained in the Accountants' Report of Empire Premium Food Berhad ("the Company" or "Empire Premium")

Opinion

We have audited the accompanying combined financial statements ("financial information") of Empire Premium Food Berhad and its combining entity (collectively known as "the Group" or "Empire Premium Group") which comprises the combined statements of financial position of the Group as at 31 March 2023, 31 March 2024 and 31 March 2025, the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for the financial years ended 31 March 2023, 31 March 2024 and 31 March 2025 and material accounting policies and other explanatory notes, as set out on pages 4 to 42.

In our opinion, the accompanying financial statements give a true and fair view of the combined statements of financial position of the Group as at 31 March 2023, 31 March 2024 and 31 March 2025, and of their combined financial performance and their combined cash flows for the financial years then ended in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

13. ACCOUNTANTS' REPORT (Cont'd)**Responsibilities of the Directors for the Combined Financial Statements**

The Directors of the Company ("Directors") are responsible for the preparation of the combined financial statements of the Group that give a true and fair view in accordance with the Malaysian Financial Reporting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of combined financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements of the Group, the Directors 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 either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibility for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a reporting accountants' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing 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 combined financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

13. ACCOUNTANTS' REPORT (Cont'd)**Reporting Accountants' Responsibility for the Audit of the Combined Financial Statements (cont'd)**

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (cont'd):

- Evaluate the overall presentation, structure and content of the combined financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the combined financial statements of the entity or business activities within the Group to express an opinion on the combined financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Restriction on Distribution and Use

This report has been prepared solely to comply with the Prospectus Guidelines and Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad for inclusion in the Prospectus and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

Kuala Lumpur
22 September 2025

LIM CHOOI LING
(NO: 03537/11/2026 (J))
CHARTERED ACCOUNTANT

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025**

	<u>Note</u>	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
ASSETS				
Non-current assets				
Plant and equipment	3	17,656,496	25,514,633	29,433,367
Right-of-use assets	4	10,340,164	17,602,405	20,483,978
Investment property	5	-	3,529,870	3,458,679
Total non-current assets		27,996,660	46,646,908	53,376,024
Current assets				
Inventories	6	1,027,083	1,531,828	2,424,742
Trade receivables	7	127,899	163,472	171,180
Other receivables	8	4,371,177	6,425,645	6,969,961
Cash and cash equivalents	9	25,064,624	41,940,298	57,407,112
Total current assets		30,590,783	50,061,243	66,972,995
TOTAL ASSETS		58,587,443	96,708,151	120,349,019
EQUITY AND LIABILITIES				
EQUITY				
Share capital	10	1,000,002	1,000,004	1,000,004
Retained earnings		28,831,461	55,060,618	70,980,597
Total equity		29,831,463	56,060,622	71,980,601
LIABILITIES				
Non-current liabilities				
Lease liabilities	11	3,237,474	8,396,580	9,275,085
Provision for restoration costs	12	363,466	508,768	715,612
Deferred tax liabilities	13	1,765,900	1,894,600	1,949,800
Total non-current liabilities		5,366,840	10,799,948	11,940,497
Current liabilities				
Trade payables	14	6,478,608	8,447,116	10,241,259
Other payables	15	9,282,756	10,021,113	12,125,849
Contract liabilities	16	4,345	4,687	15,235
Lease liabilities	11	6,958,154	9,306,971	11,349,453
Provision for restoration costs	12	208,477	283,581	262,512
Tax payable		456,800	1,784,113	2,433,613
Total current liabilities		23,389,140	29,847,581	36,427,921
Total liabilities		28,755,980	40,647,529	48,368,418
TOTAL EQUITY AND LIABILITIES		58,587,443	96,708,151	120,349,019

The accompanying notes form an integral part of the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025**

	<u>Note</u>	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Revenue	17	137,094,890	184,800,988	235,599,999
Cost of sales		<u>(83,018,433)</u>	<u>(108,118,195)</u>	<u>(137,326,132)</u>
Gross profit		54,076,457	76,682,793	98,273,867
Other income		923,635	730,474	912,201
Distribution costs		(22,800,355)	(29,768,225)	(37,068,127)
Administrative expenses		<u>(11,553,064)</u>	<u>(11,955,882)</u>	<u>(11,049,369)</u>
Operating profit		20,646,673	35,689,160	51,068,572
Finance income	18	55,883	270,423	1,121,099
Finance cost	19	<u>(493,706)</u>	<u>(749,413)</u>	<u>(1,045,783)</u>
Profit before tax	20	20,208,850	35,210,170	51,143,888
Tax expense	21	<u>(5,622,436)</u>	<u>(8,981,013)</u>	<u>(13,223,909)</u>
Profit for the financial year/Total comprehensive income for the financial year		<u>14,586,414</u>	<u>26,229,157</u>	<u>37,919,979</u>
Earnings per ordinary share:-				
Basic/Diluted	22	<u>14.59</u>	<u>26.23</u>	<u>37.92</u>

The accompanying notes form an integral part of the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025**

	Share capital RM	Retained earnings RM	Total RM
At 1 April 2022	1,000,002	14,245,047	15,245,049
Total comprehensive income for the financial year	-	14,586,414	14,586,414
At 31 March 2023	1,000,002	28,831,461	29,831,463
Transaction with owners:-			
Issuance of shares	2	-	2
Total comprehensive income for the financial year	-	26,229,157	26,229,157
At 31 March 2024	1,000,004	55,060,618	56,060,622
Transaction with owners:-			
Dividend paid	23	(22,000,000)	(22,000,000)
Total comprehensive income for the financial year	-	37,919,979	37,919,979
At 31 March 2025	1,000,004	70,980,597	71,980,601

The accompanying notes form an integral part of the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025**

	<u>Note</u>	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
OPERATING ACTIVITIES				
Profit before tax		20,208,850	35,210,170	51,143,888
Adjustments for:				
Depreciation of plant and equipment		2,241,899	3,011,270	3,918,623
Depreciation of right-of-use assets		7,735,756	9,880,422	12,266,952
Depreciation of investment property		-	29,663	71,191
Loss/(Gain) on disposal of plant and equipment		10,876	(75,686)	-
Loss/(Gain) on early termination of right-of-use assets		6,974	(7,549)	-
Interest expense		493,706	749,413	1,045,783
Interest income		(55,883)	(270,423)	(1,121,099)
Plant and equipment written off		363,230	80,992	6,028
Rent concessions		(112,306)	(13,820)	-
Reversal of provision for restoration costs		(221,683)	(226,255)	(245,066)
Operating profit before working capital changes		30,671,419	48,368,197	67,086,300
Changes in working capital:-				
Inventories		(352,428)	(504,745)	(892,914)
Receivables		(1,152,440)	(2,090,041)	(552,024)
Payables		3,153,354	2,706,865	3,898,879
Contract liabilities		2,161	342	10,548
Cash generated from operations		32,322,066	48,480,618	69,550,789
Tax paid		(5,398,736)	(7,525,000)	(12,519,209)
Net cash from operating activities		26,923,330	40,955,618	57,031,580
INVESTING ACTIVITIES				
Interest received		55,883	270,423	1,121,099
Purchase of plant and equipment		(5,388,693)	(10,703,365)	(7,843,385)
Purchase of right-of-use assets	A	-	-	-
Purchase of investment property		-	(3,559,533)	-
Proceeds from disposal of plant and equipment		1,500	150,000	-
Repayment from a company in which Directors have interests		6,723	-	-
Net cash used in investing activities		(5,324,587)	(13,842,475)	(6,722,286)
FINANCING ACTIVITIES				
Interest paid		(470,486)	(716,549)	(1,002,247)
Dividend paid		-	-	(22,000,000)
Repayment of lease liabilities		(7,380,997)	(9,520,922)	(11,840,233)
Net cash used in financing activities		(7,851,483)	(10,237,471)	(34,842,480)

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025 (CONT'D)**

	<u>Note</u>	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
CASH AND CASH EQUIVALENTS				
Net changes		13,747,260	16,875,672	15,466,814
At date of incorporation		-	2	-
Brought forward		<u>11,317,364</u>	<u>25,064,624</u>	<u>41,940,298</u>
Carried forward	9	<u><u>25,064,624</u></u>	<u><u>41,940,298</u></u>	<u><u>57,407,112</u></u>

NOTE TO THE COMBINED STATEMENTS OF CASH FLOWS**A. PURCHASE OF RIGHT-OF-USE ASSETS**

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Total purchase	9,108,753	17,537,231	15,148,525
Future lease payment included in lease liabilities	(8,812,489)	(17,123,434)	(14,761,220)
Provision for restoration costs capitalised	<u>(296,264)</u>	<u>(413,797)</u>	<u>(387,305)</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025 (CONT'D)**

RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

	1 April <u>2022</u> RM	<u>Cash flows</u> RM	Transfer of <u>operations</u> RM	Rent <u>concessions</u> RM	Purchase of right-of-use <u>assets</u> RM	31 March <u>2023</u> RM
Lease liabilities	<u>9,597,766</u>	<u>(7,380,997)</u>	<u>(721,324)</u>	<u>(112,306)</u>	<u>8,812,489</u>	<u>10,195,628</u>
	1 April <u>2023</u> RM	<u>Cash flows</u> RM	Early <u>termination</u> RM	Rent <u>concessions</u> RM	Purchase of right-of-use <u>assets</u> RM	31 March <u>2024</u> RM
Lease liabilities	<u>10,195,628</u>	<u>(9,520,922)</u>	<u>(80,769)</u>	<u>(13,820)</u>	<u>17,123,434</u>	<u>17,703,551</u>
			1 April <u>2024</u> RM	<u>Cash flows</u> RM	Purchase of right-of-use <u>assets</u> RM	31 March <u>2025</u> RM
Lease liabilities			<u>17,703,551</u>	<u>(11,840,233)</u>	<u>14,761,220</u>	<u>20,624,538</u>

The accompanying notes form an integral part of the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS - 31 MARCH 2023, 31 MARCH 2024, 31 MARCH 2025**1. GENERAL INFORMATION****1.1 Introduction**

This report has been prepared solely to comply with the Prospectus Guidelines - Equity issued by the Securities Commission Malaysia and Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad for inclusion in the prospectus of Empire Premium in connection with the initial public offering and the listing of and quotation for the entire enlarged issued share capital of the Empire Premium on the Main Market of Bursa Malaysia Securities Berhad ("Listing") and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

1.2 Background

The Company was incorporated on 25 September 2023 as a private limited liability company, incorporated and domiciled in Malaysia. Subsequently, the Company has converted to a public limited liability company on 18 September 2025 and assumed its present name of Empire Premium Food Berhad. The registered office of the Company is located at Third Floor, No 77, 79 & 81, Jalan SS 21/60, Damansara Utama, 47400 Petaling Jaya, Selangor. The principal place of business of the Company is located at No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor.

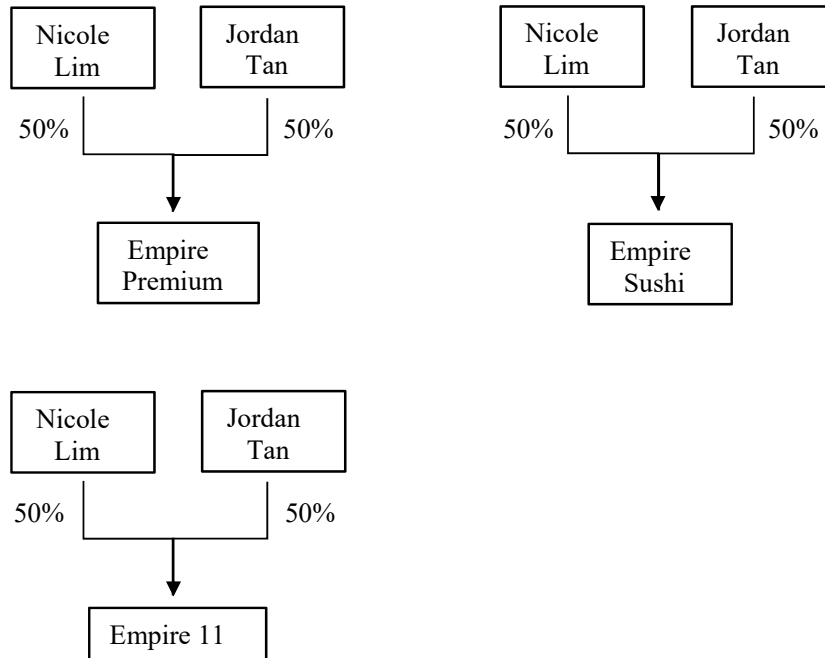
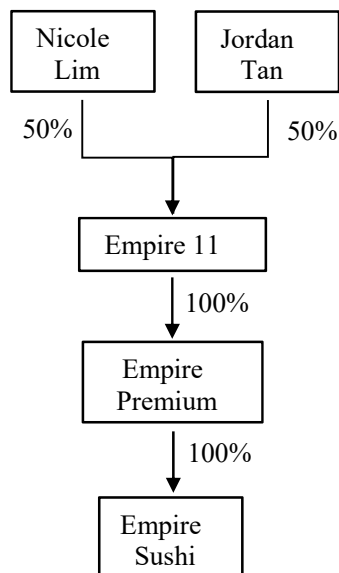
1.3 Principal Activities

The Company is principally engaged in investment holding.

Details of the combining entity of Empire Premium are as follows:-

Name of company	Effective ownership	Principal activities	Date of incorporation	Country of incorporation
Empire Sushi Sdn. Bhd. ("Empire Sushi")	100%	Operation of multi-format sushi chain	21 January 2020	Malaysia

There was no significant change in the nature of the principal activities of the Empire Premium and its combining entity.

13. ACCOUNTANTS' REPORT (Cont'd)**1. GENERAL INFORMATION (CONT'D)****1.4 Group Structure**Before the acquisitionsAfter the acquisitions

The Empire Premium Group will be formed pursuant to the completion of acquisition of its combining entity, Empire Sushi, by Empire Premium prior to the Listing.

Empire Premium will acquire the issued share capital of its combining entity comprising 1,000,002 ordinary shares ("Acquisition").

13. ACCOUNTANTS' REPORT (Cont'd)**1. GENERAL INFORMATION (CONT'D)****1.4 Group Structure (cont'd)**

The aggregate purchase consideration for the above Acquisition is RM29,988,000 to be satisfied by the issuance of 881,999,998 new ordinary shares at an issue price of RM0.0340 per share.

The Empire Premium Group is regarded as a continuing entity resulting from the Acquisition since the management of the entity which took major part in the Acquisition which were controlled by all Directors and substantially under same major shareholders before and immediately after the Acquisition. Consequently, immediately after the Acquisition, there was a continuation of the control over entity's financial and operating policy decisions and risks and benefits to the ultimate shareholders that existed prior to the Acquisition. The Acquisition has been accounted for as an acquisition under common control in a manner similar to pooling of interests. Accordingly, the combined financial statements for the financial years/period ended ("FYE" or "FPE") 31 March 2023, 31 March 2024 and 31 March 2025 have been prepared comprise the financial statements of the combining entity which was under common control of the ultimate shareholders that existed prior to the Acquisition during the relevant periods or since their respective dates of incorporation.

1.5 Auditors

The combined financial statements of Empire Premium Group for the financial year/period ended ("FYE" or "FPE") 31 March 2023, 31 March 2024 and 31 March 2025 reflect the financial information of Empire Premium Food Berhad and Empire Sushi Sdn. Bhd..

The relevant financial years of the audited financial statements presented for the purpose of this report and the Auditors of the respective companies within the Group is as follows:-

Company	Relevant Financial Periods/Years	Auditors
Empire Premium Food Berhad	FPE 31 March 2024 (25 September 2023 to 31 March 2024) FYE 31 March 2025	Grant Thornton Malaysia PLT
Empire Sushi Sdn. Bhd.	FYE 31 March 2023 FYE 31 March 2024 FYE 31 March 2025	Grant Thornton Malaysia PLT

The audited financial statements of Empire Premium Group for the Relevant Financial Years/Periods reported above were not subject to any qualification or modification.

2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS**2.1 Statement of Compliance**

The combined financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards ("IFRSs") based on the Guidance Note on 'Combined Financial Statements' issued by the Malaysian Institute of Accountants in relation to the Listing.

The combined financial statements consist of the financial statements of Empire Premium and its combining entity as disclosed in Note 1.4 to this report, which were under common control throughout the reporting years by virtue of common controlling shareholders.

13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.1 Statement of Compliance (cont'd)**

The combined financial statements have been prepared using financial information obtained from the records of the combining entity during the reporting years/periods.

The financial information as presented in the combined financial statements do not correspond to the financial statements of the Group, as the combined financial statements reflect business combinations under common control for the purpose of the Listing. Consequently, the combined financial information from the combined financial statements do not purport to predict the combined financial positions, results of operations and cash flows of the combining entity during the reporting years/periods.

2.2 Basis of Measurement

The combined financial statements of Empire Premium are prepared under the historical cost convention.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial market takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the combined financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

- Level 1 - Quoted (unadjusted) market prices in active markets for the identical assets.
- Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the combined financial statements on a recurring basis, the Group determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.3 Functional and Presentation Currency**

The combined financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 MFRSs**2.4.1 Adoption of New Standards/Amendments/Improvements to MFRSs**

At the beginning of the current financial year, the Group adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 April 2024.

Initial application of the new standards/amendments/improvements to the standards did not have any material financial impact to the combined financial statements of the Group.

2.4.2 Standards Issued but Not Yet Effective

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's combined financial statements are disclosed below. The Group intends to adopt these new and amended standards, if applicable, when they become effective.

Effective for financial period beginning on or after 1 January 2025:-

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability
------------------------	--

Effective for financial period beginning on or after 1 January 2026:-

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments - Disclosure - Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards - Volume 11
Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instrument - Disclosures - Contracts Referencing Nature-dependent Electricity

Effective for financial period beginning on or after 1 January 2027:-

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability - Disclosures

Deferred to a date to be determined by the MASB:-

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associate and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.4 MFRSs (cont'd)****2.4.2 Standards Issued but Not Yet Effective (cont'd)**

The initial application of the above amendments are not expected to have material financial impact to the combined financial statements except for:-

MFRS 18 Presentation and Disclosures of Financial Statements

MFRS 18 Presentation and Disclosure in Financial Statements introduces three sets of new requirements to improve companies' reporting of financial performance:-

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management-defined performance measures
- More useful grouping of information in the financial statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

2.5 Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the combined financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

2.5.1 Key Sources of Estimation Uncertainty

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful Lives of Depreciable Assets

Management estimates the useful lives of the plant and equipment, right-of-use assets and investment property to be within 2 to 50 years and reviews the useful lives of depreciable assets at end each of the reporting year. At the reporting date, management assesses that the useful lives represent the expected utility of the assets to the Group. Actual results, however, may vary due to change in the expected level of usage and technological developments, which resulted in the adjustment to the Group's assets.

13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.5 Significant Accounting Estimates and Judgements (cont'd)****2.5.1 Key Sources of Estimation Uncertainty (cont'd)**Impairment of Non-financial Assets

An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management make assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Inventories

The management reviews inventories to identify damaged, obsolete and slow-moving inventories which require judgement and changes in such estimates could result in revision of valuation of inventories.

Provision for Restoration Costs

The Group has an obligation to dismantle, remove and restore the lease retail shoplot to its original state and condition upon the expiry or termination of the lease agreement. The liabilities for dismantling, removal and restoration costs are recognised at present value of the compounded future expenditure estimated using existing technology, at current prices and discounted using a real discount rate. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision. While the provision is based on the best estimate of future costs and the economic lives of the affected assets, there is uncertainty regarding both the amount and timing of incurring these costs. All the estimates are reviewed on an annual basis or more frequently, where there is indication of a material change.

Provision for Expected Credit Losses ("ECLs") of Trade Receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns such as customer type and rating, and other forms of credit insurance.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the food and beverage sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.5 Significant Accounting Estimates and Judgements (cont'd)****2.5.1 Key Sources of Estimation Uncertainty (cont'd)**Income Taxes/Deferred Tax Liabilities

Significant judgement is involved in determining the Group's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognised tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

Leases - Estimating the Incremental Borrowing Rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.5.2 Significant Management Judgements

The following are significant management judgements made in applying the accounting policies of the Group that have the most significant effect on the combined financial statements.

Determining the Lease Term of Contracts with Renewal and Termination Options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, they consider all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset). The renewal periods for leases of retail shoplots with longer non-cancellable periods are not included as part of the lease term as these are not reasonably certain to be exercised.

13. ACCOUNTANTS' REPORT (Cont'd)

3. PLANT AND EQUIPMENT

Cost	Computers and software RM	Furniture and fittings and office equipment RM	Kitchen equipment and renovation RM	Motor vehicles RM	Total RM
At 1 April 2022	503,762	1,345,329	14,565,611	819,130	17,233,832
Additions	124,518	118,335	5,145,840	-	5,388,693
Disposal	-	-	(16,236)	-	(16,236)
Written off	-	(24,066)	(468,808)	-	(492,874)
At 31 March 2023	628,280	1,439,598	19,226,407	819,130	22,113,415
Additions	131,395	434,671	8,414,925	1,722,374	10,703,365
Disposal	-	-	-	(108,752)	(108,752)
Written off	-	-	(94,283)	-	(94,283)
Transfer from right-of-use assets	-	-	-	414,642	414,642
At 31 March 2024	759,675	1,874,269	27,547,049	2,847,394	33,028,387
Additions	143,591	193,296	7,506,498	-	7,843,385
Written off	(629)	-	(8,803)	-	(9,432)
At 31 March 2025	902,637	2,067,565	35,044,744	2,847,394	40,862,340

13. ACCOUNTANTS' REPORT (Cont'd)

3. PLANT AND EQUIPMENT (CONT'D)

	Computers and software RM	Furniture and fittings and office equipment RM	Kitchen equipment and renovation RM	Motor vehicles RM	Total RM
Accumulated depreciation					
At 1 April 2022	148,120	339,436	1,840,548	20,420	2,348,524
Charge for the financial year	105,756	226,228	1,828,002	81,913	2,241,899
Disposal	-	-	(3,860)	-	(3,860)
Written off	-	(11,045)	(118,599)	-	(129,644)
At 31 March 2023	253,876	554,619	3,546,091	102,333	4,456,919
Charge for the financial year	117,158	243,834	2,434,445	215,833	3,011,270
Disposal	-	-	-	(34,438)	(34,438)
Written off	-	-	(13,291)	-	(13,291)
Transfer from right-of-use assets	-	-	-	93,294	93,294
At 31 March 2024	371,034	798,453	5,967,245	377,022	7,513,754
Charge for the financial year	148,559	273,951	3,211,374	284,739	3,918,623
Written off	(629)	-	(2,775)	-	(3,404)
At 31 March 2025	518,964	1,072,404	9,175,844	661,761	11,428,973
Net carrying amount					
At 31 March 2023	374,404	884,979	15,680,316	716,797	17,656,496
At 31 March 2024	388,641	1,075,816	21,579,804	2,470,372	25,514,633
At 31 March 2025	383,673	995,161	25,868,900	2,185,633	29,433,367

13. ACCOUNTANTS' REPORT (Cont'd)**3. PLANT AND EQUIPMENT (CONT'D)**

All plant and equipment is subsequently stated at cost less accumulated depreciation and less any impairment losses. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful lives. All plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Computers and software	20% - 50%
Furniture and fittings and office equipment	10% - 50%
Kitchen equipment and renovation	10% - 20%
Motor vehicles	10%

4. RIGHT-OF-USE ASSETS

	<u>Retail shoplots</u> RM	<u>Hostels</u> RM	<u>Motor vehicle</u> RM	<u>Total</u> RM
Cost				
At 1 April 2022	16,204,368	158,692	414,642	16,777,702
Additions	9,021,377	87,376	-	9,108,753
Early termination of lease contracts	(1,052,493)	-	-	(1,052,493)
Expiration of lease contracts	(4,371,636)	(158,692)	-	(4,530,328)
At 31 March 2023	19,801,616	87,376	414,642	20,303,634
Additions	17,483,014	54,217	-	17,537,231
Transfer to plant and equipment	-	-	(414,642)	(414,642)
Early termination of lease contracts	(251,038)	-	-	(251,038)
Expiration of lease contracts	(7,949,810)	-	-	(7,949,810)
At 31 March 2024	29,083,782	141,593	-	29,225,375
Additions	15,116,646	31,879	-	15,148,525
Expiration of lease contracts	(8,927,689)	(107,429)	-	(9,035,118)
At 31 March 2025	35,272,739	66,043	-	35,338,782

13. ACCOUNTANTS' REPORT (Cont'd)**4. RIGHT-OF-USE ASSET (CONT'D)**

	<u>Retail shoplots</u> RM	<u>Hostels</u> RM	<u>Motor vehicle</u> RM	<u>Total</u> RM
Accumulated depreciation				
At 1 April 2022	6,936,990	93,417	51,830	7,082,237
Charge for the financial year	7,621,544	72,748	41,464	7,735,756
Early termination of lease contracts	(324,195)	-	-	(324,195)
Expiration of lease contracts	(4,371,636)	(158,692)	-	(4,530,328)
At 31 March 2023	9,862,703	7,473	93,294	9,963,470
Charge for the financial year	9,815,310	65,112	-	9,880,422
Transfer to plant and equipment	-	-	(93,294)	(93,294)
Early termination of lease contracts	(177,818)	-	-	(177,818)
Expiration of lease contracts	(7,949,810)	-	-	(7,949,810)
At 31 March 2024	11,550,385	72,585	-	11,622,970
Charge for the financial year	12,197,091	69,861	-	12,266,952
Expiration of lease contracts	(8,927,689)	(107,429)	-	(9,035,118)
At 31 March 2025	14,819,787	35,017	-	14,854,804
Net carrying amount				
At 31 March 2023	9,938,913	79,903	321,348	10,340,164
At 31 March 2024	17,533,397	69,008	-	17,602,405
At 31 March 2025	20,452,952	31,026	-	20,483,978

The above motor vehicle is under finance lease arrangement.

Provision for restoration costs has been included in retail shoplots and hostels based on the estimated costs to restore the leased retail shoplots and hostels at the end of their respective lease term.

13. ACCOUNTANTS' REPORT (Cont'd)**4. RIGHT-OF-USE ASSET (CONT'D)**

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

Retail shoplots	33% - 50%
Hostels	50%
Motor Vehicle	10%

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

5. INVESTMENT PROPERTY

	Freehold land and <u>building</u> RM
Cost	
At 1 April 2023	-
Addition	<u>3,559,533</u>
At 31 March 2024/31 March 2025	<u>3,559,533</u>
Accumulated depreciation	
At 1 April 2023	-
Charge for the financial year	<u>29,663</u>
At 31 March 2024	29,663
Charge for the financial year	<u>71,191</u>
At 31 March 2025	<u>100,854</u>
Net carrying amount	
At 31 March 2024	<u>3,529,870</u>
At 31 March 2025	<u>3,458,679</u>

Investment property is initially measured at cost. The cost of investment property includes expenditure that is directly attributable to the acquisition of the assets. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of freehold land and building is provided for on a straight-line basis to write off the cost over its estimated useful life at 2% per annum.

13. ACCOUNTANTS' REPORT (Cont'd)**5. INVESTMENT PROPERTY (CONT'D)****Income and expenses recognised in profit or loss**

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Income generating investment property	<u>-</u>	<u>66,632</u>	<u>217,507</u>

The operating lease payments to be received are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Within 1 year	-	210,307	185,918
More than 1 year but less than 5 years	<u>-</u>	<u>171,518</u>	<u>-</u>
	<u>-</u>	<u>381,825</u>	<u>185,918</u>

Fair value information

The fair value of investment property of the Company is as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Freehold land and building	<u>-</u>	<u>4,740,426</u>	<u>5,530,497</u>

The fair value of investment property of the Group was based on information available through internet research and Directors' best estimate by reference to indicative market price of similar properties in the vicinity.

6. INVENTORIES

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Raw materials and packaging	<u>1,027,083</u>	<u>1,531,828</u>	<u>2,424,742</u>
Recognised in profit or loss:-			
Inventories recognised as cost of sales	<u>51,736,721</u>	<u>65,617,513</u>	<u>81,778,956</u>

Inventories comprising raw materials and packaging are stated at the lower of cost and net realisable value.

Cost of inventories is determined by using first-in-first-out method.

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

13. ACCOUNTANTS' REPORT (Cont'd)**7. TRADE RECEIVABLES**

The normal credit terms granted by the Group to the customers is 7 to 30 days (31.3.2024: 30 days and 31.3.2023: 30 days).

8. OTHER RECEIVABLES

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Non-trade receivables	388,599	942,927	942,093
Deposits	3,498,334	4,694,442	5,483,909
Prepayments	<u>484,244</u>	<u>788,276</u>	<u>543,959</u>
	<u>4,371,177</u>	<u>6,425,645</u>	<u>6,969,961</u>

Included in deposit amounted to RM87,197 (31.3.2024: RM89,197 and 31.3.2023: RM51,775) are rental deposits paid to Directors.

9. CASH AND CASH EQUIVALENTS

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Deposits with a licensed bank	-	10,000,000	20,000,000
Cash and bank balances	<u>25,064,624</u>	<u>31,940,298</u>	<u>37,407,112</u>
	<u>25,064,624</u>	<u>41,940,298</u>	<u>57,407,112</u>

The deposits with a licensed bank of the Group bears interest rate ranging from 2.50% to 4.00% (31.3.2024: 4.00% to 4.15% and 31.3.2023: Nil) per annum and the average maturity period are 180 to 365 days (31.3.2024: 180 days and 31.3.2023: Nil).

10. SHARE CAPITAL

	<u>31.3.2023</u>	Number of shares <u>31.3.2024</u>	<u>31.3.2025</u>
	Unit	Unit	Unit
Issued and fully paid with no par value:-			
<u>Empire Premium</u>			
Brought forward	-	-	2
Incorporation of the Company	<u>-</u>	<u>2</u>	<u>-</u>
Carried forward	<u>-</u>	<u>2</u>	<u>2</u>
<u>Empire Sushi</u>			
Brought forward/Carried forward	<u>1,000,002</u>	<u>1,000,002</u>	<u>1,000,002</u>
Total	<u>1,000,002</u>	<u>1,000,004</u>	<u>1,000,004</u>

13. ACCOUNTANTS' REPORT (Cont'd)**10. SHARE CAPITAL (CONT'D)**

	<u>31.3.2023</u> RM	Amount <u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Issued and fully paid with no par value:-			
<u>Empire Premium</u>			
Brought forward	-	-	2
Incorporation of the Company	-	2	-
Carried forward	-	2	2
<u>Empire Sushi</u>			
Brought forward/Carried forward	1,000,002	1,000,002	1,000,002
Total	1,000,002	1,000,004	1,000,004

The holders of ordinary shares are entitled to receive dividends as and when declared by the Group. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Group's residual assets.

11. LEASE LIABILITIES

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Non-current	3,237,474	8,396,580	9,275,085
Current	6,958,154	9,306,971	11,349,453
	10,195,628	17,703,551	20,624,538

The Group has leased for the retail shoplots, hostels and motor vehicle. Future minimum lease payments as at year end are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Within 1 year	7,251,386	9,956,576	12,113,892
More than 1 year but less than 5 years	3,328,391	8,741,090	9,593,236
Total undiscounted lease liabilities	10,579,777	18,697,666	21,707,128

The expenses relating to payments not included in the measurement of a lease liabilities is as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Variable lease payments	1,506,024	3,343,828	4,414,160
Short-term lease	1,213,608	1,107,709	1,293,148

13. ACCOUNTANTS' REPORT (Cont'd)**11. LEASE LIABILITIES (CONT'D)**

The total cash outflows for leases amounted to RM18,593,324 (31.3.2024: RM14,708,052 and 31.3.2023: RM10,482,029).

The lease liabilities of the Group amounting to RM3,326,253 (31.3.2024: RM4,109,548 and 31.3.2023: RM1,998,120) are personnel guarantee by all the Directors of the Group.

The effective interest rate of lease liability of the Group is charged at rate of 5.08% (31.3.2024: 5.08% and 31.3.2023: 3.39%) per annum.

12. PROVISION FOR RESTORATION COSTS

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Non-current	363,466	508,768	715,612
Current	<u>208,477</u>	<u>283,581</u>	<u>262,512</u>
	<u>571,943</u>	<u>792,349</u>	<u>978,124</u>

Provision for restoration costs comprise estimated costs of dismantled, removal or restoration of leased retail shoplots upon the expiry of tenancy agreement. The reconciliation of the provision for restoration costs is as follows:-

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Brought forward	474,142	571,943	792,349
Recognised in profit or loss	23,220	32,864	43,536
Recognised in right-of-use assets	296,264	413,797	387,305
Reversal	<u>(221,683)</u>	<u>(226,255)</u>	<u>(245,066)</u>
Carried forward	<u>571,943</u>	<u>792,349</u>	<u>978,124</u>

13. DEFERRED TAX LIABILITIES

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Brought forward	1,165,000	1,765,900	1,894,600
Recognised in profit or loss	<u>600,900</u>	<u>128,700</u>	<u>55,200</u>
Carried forward	<u>1,765,900</u>	<u>1,894,600</u>	<u>1,949,800</u>

13. ACCOUNTANTS' REPORT (Cont'd)**13. DEFERRED TAX LIABILITIES (CONT'D)**

The components and movement of deferred tax assets/(liabilities) are as follows:-

	<u>Plant and equipment</u> RM	<u>Right-of-use assets</u> RM	<u>Contract liabilities</u> RM	<u>Total</u> RM
At 1 April 2022	1,179,000	(13,000)	(1,000)	1,165,000
Recognised in profit or loss	<u>593,200</u>	<u>7,700</u>	<u>-</u>	<u>600,900</u>
At 31 March 2023	1,772,200	(5,300)	(1,000)	1,765,900
Recognised in profit or loss	<u>139,700</u>	<u>(10,900)</u>	<u>(100)</u>	<u>128,700</u>
At 31 March 2024	1,911,900	(16,200)	(1,100)	1,894,600
Recognised in profit or loss	<u>52,900</u>	<u>4,800</u>	<u>(2,500)</u>	<u>55,200</u>
At 31 March 2025	<u>1,964,800</u>	<u>(11,400)</u>	<u>(3,600)</u>	<u>1,949,800</u>

14. TRADE PAYABLES

The normal credit terms granted by the suppliers to the Group ranging from 15 to 45 days (31.3.2024: 15 to 45 days and 31.3.2023: 15 to 45 days).

15. OTHER PAYABLES

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Non-trade payables	413,795	870,679	842,181
Accruals	7,514,491	7,070,791	8,867,697
Sales and services tax payable	1,354,470	1,988,808	2,321,536
Deposit refundable	<u>-</u>	<u>90,835</u>	<u>94,435</u>
	<u>9,282,756</u>	<u>10,021,113</u>	<u>12,125,849</u>

16. CONTRACT LIABILITIES

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Deferred income	<u>4,345</u>	<u>4,687</u>	<u>15,235</u>

Deferred income relates to voucher provided to customers which is yet to expire or redeem by the customer as at the reporting date. The Group applies the practical expedient in MFRS 15 on not disclosing the aggregate amount of the revenue expected to be recognised in the future as the performance obligation is part of a contract that has an original expected duration of less than one year.

13. ACCOUNTANTS' REPORT (Cont'd)**16. CONTRACT LIABILITIES (CONT'D)**

Movement of deferred income as at the end of each reporting date are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Brought forward	2,184	4,345	4,687
Arising during the financial year	71,151	16,915	47,880
Revenue recognised during the financial year	(13,916)	(11,883)	(17,309)
Reversal during the financial year	<u>(55,074)</u>	<u>(4,690)</u>	<u>(20,023)</u>
Carried forward	<u>4,345</u>	<u>4,687</u>	<u>15,235</u>

17. REVENUE

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Revenue from contract with customers			
<u>Products transferred at a point in time:-</u>			
Sales of food and beverage	<u>137,094,890</u>	<u>184,800,988</u>	<u>235,599,999</u>

Performance obligation

Information about the Group's performance obligation, are summarised below:-

Sale of food and beverages

Revenue relating to sale of food and beverages is recognised at a point in time when the food and beverages are served/delivered and accepted by the customers.

18. FINANCE INCOME

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Interest income:			
- banks	55,883	145,582	527,931
- deposits with a licensed bank	<u>-</u>	<u>124,841</u>	<u>593,168</u>
	<u>55,883</u>	<u>270,423</u>	<u>1,121,099</u>

19. FINANCE COST

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Interest expense:			
- lease liabilities	<u>493,706</u>	<u>749,413</u>	<u>1,045,783</u>

13. ACCOUNTANTS' REPORT (Cont'd)**20. PROFIT BEFORE TAX**

Profit before tax has been determined after charging/(crediting), amongst others, the following items:-

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Auditors' remuneration	105,000	106,000	131,000
Depreciation of plant and equipment	2,241,899	3,011,270	3,918,623
Depreciation of right-of-use assets	7,735,756	9,880,422	12,266,952
Depreciation of investment property	-	29,663	71,191
Loss/(Gain) on disposal of plant and equipment	10,876	(75,686)	-
Loss/(Gain) on early termination of right-of-use assets	6,974	(7,549)	-
Plant and equipment written off	363,230	80,992	6,028
Rent concessions	(112,306)	(13,820)	-
Rental income	-	(66,632)	(217,507)
Reversal of provision for restoration costs	(221,683)	(226,255)	(245,066)

21. TAX EXPENSE

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Income tax			
- current financial year	5,081,800	8,909,800	12,959,300
- (over)/under provision in prior financial year	(60,264)	(57,487)	209,409
	<u>5,021,536</u>	<u>8,852,313</u>	<u>13,168,709</u>
Deferred tax			
- current financial year	(18,300)	118,800	49,300
- under recognised in prior financial year	619,200	9,900	5,900
	<u>600,900</u>	<u>128,700</u>	<u>55,200</u>
	<u>5,622,436</u>	<u>8,981,013</u>	<u>13,223,909</u>

Malaysian income tax is calculated at the statutory tax rate 24% (31.3.2024: 24% and 31.3.2023: 24%) of the estimated taxable profit for the financial year.

13. ACCOUNTANTS' REPORT (Cont'd)**21. TAX EXPENSE (CONT'D)**

A reconciliation of tax expense applicable to profit before tax at the statutory income tax rate to tax expense at the effective tax rate of the Group is as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Profit before tax	<u>20,208,850</u>	<u>35,210,170</u>	<u>51,143,888</u>
Tax at statutory tax rate of 24%	4,850,124	8,450,440	12,274,533
Tax effects in respect of:-			
Expenses not deductible for tax purposes	272,711	657,566	792,883
Income not subject to tax	(59,335)	(79,406)	(58,816)
(Over)/Under provision of income tax in prior financial year	(60,264)	(57,487)	209,409
Under recognised of deferred tax liabilities in prior financial year	<u>619,200</u>	<u>9,900</u>	<u>5,900</u>
	<u>5,622,436</u>	<u>8,981,013</u>	<u>13,223,909</u>

22. EARNINGS PER ORDINARY SHARE**Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Profit attributable to owners of the Group (RM)	<u>14,586,414</u>	<u>26,229,157</u>	<u>37,919,979</u>
Weighted average number of ordinary shares (unit)	<u>1,000,002</u>	<u>1,000,004</u>	<u>1,000,004</u>
Basic earnings per ordinary shares (RM)	<u>14.59</u>	<u>26.23</u>	<u>37.92</u>

Diluted earnings per ordinary share

Diluted earnings per ordinary share was equivalents to the basic earnings per ordinary shares as there were no potentially dilutive equity instruments in issue.

13. ACCOUNTANTS' REPORT (Cont'd)**23. DIVIDENDS**

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
In respect of the financial year ended 31 March 2025:-			
First interim single tier dividend of RM22 per ordinary share, declared on 1 May 2024 and paid on 16 December 2024	-	-	22,000,000

A single tier final dividend of RM15 per ordinary share amounting to RM15,000,000 in respect of the financial year ended 31 March 2025 has been declared on 30 July 2025 and paid on 8 August 2025. The financial statements for the current financial year do not reflect this dividend as it was declared subsequent to the financial year end. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2026.

24. EMPLOYEE BENEFITS EXPENSE

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Staffs' remuneration			
Salaries and other emoluments	33,230,176	43,451,420	54,167,334
Defined contribution plans	1,535,200	2,795,085	4,301,167
Social security contribution	422,316	556,009	649,858
	<u>35,187,692</u>	<u>46,802,514</u>	<u>59,118,359</u>
Directors' remuneration			
Salaries and other emoluments	4,511,528	4,093,578	3,657,570
Defined contribution plans	819,288	737,148	697,230
Social security contribution	2,122	2,510	2,552
	<u>5,332,938</u>	<u>4,833,236</u>	<u>4,357,352</u>
	<u>40,520,630</u>	<u>51,635,750</u>	<u>63,475,711</u>

The estimate monetary value of benefits-in-kind received by the Directors other than cash from the Group amounted to RM123,517 (31.3.2024: RM87,517 and 31.3.2023: RM66,100).

25. CAPITAL COMMITMENTS

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Authorised but not contracted for			
- Plant and equipment	-	216,646	191,275

13. ACCOUNTANTS' REPORT (Cont'd)**26. RELATED PARTY DISCLOSURES****Related party transactions**

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Rental paid to Directors	<u>287,903</u>	<u>296,616</u>	<u>439,632</u>
Operating expenses paid on behalf of a company in which Directors have interest	<u>-</u>	<u>1,000</u>	<u>-</u>

Compensation with key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. Key management includes certain Directors and certain members of senior management of the Group.

The remuneration of key management personnel during the financial year was as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Salaries and other emoluments	5,159,764	4,989,042	4,703,260
Defined contribution plans	836,568	796,096	821,955
Social security contribution	<u>4,026</u>	<u>4,590</u>	<u>4,842</u>
	<u>6,000,358</u>	<u>5,789,728</u>	<u>5,530,057</u>

The estimate monetary value of benefits-in-kind received by the Directors other than cash from the Group amounted to RM123,517 (31.3.2024: RM87,517 and 31.3.2023: RM66,100).

27. FINANCIAL INSTRUMENTS**27.1 Categories of Financial Instruments**

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost.

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Financial assets			
Trade receivables	127,899	163,472	171,180
Other receivables	3,886,933	5,637,369	6,426,002
Cash and cash equivalents	<u>25,064,624</u>	<u>41,940,298</u>	<u>57,407,112</u>
	<u>29,079,456</u>	<u>47,741,139</u>	<u>64,004,294</u>

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.1 Categories of Financial Instruments (cont'd)**

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost (cont'd).

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Financial liabilities			
Trade payables	6,478,608	8,447,116	10,241,259
Other payables	<u>7,928,286</u>	<u>8,032,305</u>	<u>9,804,313</u>
	<u>14,406,894</u>	<u>16,479,421</u>	<u>20,045,572</u>

27.2 Financial Risk Management

The Group is mainly exposed to credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group has formal risk management policies and guidelines, as approved by the Board of Directors, which set out its overall business strategies, its tolerance for risks and its general risk management philosophy. Such policies are monitored and undertaken by the management.

The following sections explain key risks faced by the Group and its management.

27.2.1 Credit Risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial instrument is broadly diversified along geographical lines and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group does not offer credit terms without the approval of the management.

Following are the areas where the Group are exposed to credit risk.

Trade receivables

The Group applies the simplified approach under MFRS 9 to measure ECLs, which uses a lifetime ECLs allowance for all trade receivables. The Group evaluates the ECLs on a case-by-case basis.

In monitoring customer credit risk, customers are grouped according to their characteristics, including whether are an individual or a legal entity, whether they are wholesale, retail or end-user customers, their geographical location, industry, trading history with the Group, number of days past due and corresponding historical credit losses experienced.

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.1 Credit Risk (cont'd)**Trade receivables (cont'd)

The Group also considers differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected life of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year. No significant changes to estimation techniques or assumptions were made during the reporting year.

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables.

	Gross carrying <u>amount</u> RM	Loss <u>allowances</u> RM	Net <u>balances</u> RM
31.3.2023			
Current (Not past due)	70,584	-	70,584
1-30 days past due	57,315	-	57,315
	<u>127,899</u>	<u>-</u>	<u>127,899</u>
31.3.2024			
Current (Not past due)	82,374	-	82,374
1-30 days past due	81,098	-	81,098
	<u>163,472</u>	<u>-</u>	<u>163,472</u>
31.3.2025			
Current (Not past due)	96,795	-	96,795
1-30 days past due	74,385	-	74,385
	<u>171,180</u>	<u>-</u>	<u>171,180</u>

Trade receivables that are neither past due nor impaired are credit worthy debtors with good payment records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial years.

None of the Group's financial assets are secured by collateral or other credit enhancements.

Credit risk concentration profile

All the trade receivables are concentrated within Malaysia.

The Group determines concentration of credit risk by comparing the amount due from each individual customer against the total trade receivables.

At the reporting date, 99% (31.3.2024: 100% and 31.3.2023: 99%) of the Group's trade receivables were due from 1 (31.3.2024: 1 and 31.3.2023: 1) customer.

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.1 Credit Risk (cont'd)**Other receivables

The Group's exposure to credit risk arises primarily from sundry receivables and deposits.

The maximum exposure to credit risk of sundry receivables and deposits is represented by their carrying amounts in the statements of financial position. The Group provides unsecured advances to the sundry receivables and monitor their results regularly.

As at the reporting date, there is no indication that the advances and deposits are not recoverable.

Cash and cash equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings and have no history of default.

27.2.2 Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due as a result of shortage of funds.

In managing its exposure to liquidity risk arises principally from its various payables, the Group maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they fall due.

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows:-

	Carrying amount RM	Total RM	Contractual cash flows		
			Current On demand/ Not later than 1 year RM	1 to 5 years RM	More than 5 years RM
31.3.2023					
Non-derivative financial liabilities					
Trade payables	6,478,608	6,478,608	6,478,608	-	-
Other payables	7,928,286	7,928,286	7,928,286	-	-
Lease liabilities	10,195,628	10,579,777	7,251,386	3,328,391	-
	24,602,522	24,986,671	21,658,280	3,328,391	-

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.2 Liquidity Risk (cont'd)**

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows (cont'd):-

	Carrying amount RM	Total RM	Contractual cash flows		
			Current On demand/ Not later than 1 year RM	Non-current 1 to 5 years RM	More than 5 years RM
31.3.2024					
Non-derivative financial liabilities					
Trade payables	8,447,116	8,447,116	8,447,116	-	-
Other payables	8,032,305	8,032,305	8,032,305	-	-
Lease liabilities	17,703,551	18,697,666	9,956,576	8,741,090	-
	<u>34,182,972</u>	<u>35,177,087</u>	<u>26,435,997</u>	<u>8,741,090</u>	<u>-</u>
31.3.2025					
Non-derivative financial liabilities					
Trade payables	10,241,259	10,241,259	10,241,259	-	-
Other payables	9,804,313	9,804,313	9,804,313	-	-
Lease liabilities	20,624,538	21,707,128	12,113,892	9,593,236	-
	<u>40,670,110</u>	<u>41,752,700</u>	<u>32,159,464</u>	<u>9,593,236</u>	<u>-</u>

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities at the reporting date.

27.2.3 Interest Rate Risk

Interest rate risk is caused by changes in market interest rate resulting in fluctuation in fair value or future cash flow of financial instruments of the Group. The Group's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation.

The Group's lease liabilities is at fixed interest rates. The exposure to interest rates for the Group's short-term placement is considered immaterial.

The carrying amount of the Group's financial instruments that are exposed to interest rate risk are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Fixed rate instrument			
<u>Finance asset</u>			
Deposit with a licensed bank	-	10,000,000	20,000,000
<u>Finance liability</u>			
Lease liabilities	<u>(10,195,628)</u>	<u>(17,703,551)</u>	<u>(20,624,538)</u>
	<u>(10,195,628)</u>	<u>(7,703,551)</u>	<u>(624,538)</u>

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.3 Interest Rate Risk (cont'd)**Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss and does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

27.2.4 Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposure arising from purchases that are denominated in a currency other than the functional currency of the Group which is RM. The foreign currency in which these transactions is denominated is mainly United States Dollar ("USD").

Foreign currency denominated financial liabilities which expose the Group to currency risk are disclosed below. The amounts shown are those reported to key management translated into RM at the closing rate:-

	<u>USD</u> RM
<u>31.3.2023</u>	
Financial liability	
Other payable	<u>93,001</u>
<u>31.3.2024</u>	
Financial liability	
Other payable	<u>23,473</u>
<u>31.3.2025</u>	
Financial liability	
Other payable	<u>5,040</u>

Foreign currency sensitivity analysis

The following illustrates the sensitivity of profit in regards to the Group's financial assets and financial liabilities and the RM/USD exchange rate with and all other things are being equal.

It assumes a +/- 2% (31.3.2024: +/- 2% and 31.3.2023: +/- 2%) change of the RM/USD exchange rate respectively. The percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's foreign currency denominated financial instruments held at each reporting date.

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.4 Foreign Currency Risk (cont'd)**

If the RM had strengthened against the USD by 2% (31.3.2024: 2% and 31.3.2023: 2%) then this would have had the following impact:-

	<u>Effect on profit/equity for the year</u>		
	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
RM/USD			
- Strengthened 2% (31.3.2024: 2% and 31.3.2023: 2%)	1,860	469	101
- Weakened 2% (31.3.2024: 2% and 31.3.2023: 2%)	<u>(1,860)</u>	<u>(469)</u>	<u>(101)</u>

If RM had weakened against the USD by 2% (31.3.2024: 2% and 31.3.2023: 2%) then the impact to profit for the year/equity would be opposite effect.

Exposure to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's exposure to currency risk.

27.3 Fair Value of Financial Instruments

The carrying amounts of financial assets and liabilities of the Group at the reporting date approximate their fair values due to their short-term nature and insignificant impact of discounting.

27.4 Fair Value Hierarchy

No fair value hierarchy has been disclosed as the Group does not have financial instruments measured at fair value.

28. SEGMENTAL INFORMATION

The Group is principally engaged in business as Japanese restaurant, refreshment and tea room, cafes and snack bars and other related activities.

Business Segment

For management purposes, the Group is organised into two major business units based on their services which comprises the following:-

- (a) Segment I - Grab-and-go outlets (include owned and operated Empire Sushi outlets and 1 consignment outlet)
- (b) Segment II - Quick dine-in outlet

Transfer prices between operating segments are on negotiated basis.

13. ACCOUNTANTS' REPORT (Cont'd)**28. SEGMENTAL INFORMATION (CONT'D)****Business Segment (cont'd)**

	<u>Note</u>	<u>Segment I</u> RM	<u>Segment II</u> RM	<u>Elimination</u> RM	<u>Total</u> RM
<u>31.3.2023</u>					
Revenue:-					
Total external revenue	(a)	116,206,217	20,888,673	-	137,094,890
Results:-					
Finance income					55,883
Finance cost					(493,706)
Depreciation of plant and equipment					(2,241,899)
Depreciation of right-of-use assets					(7,735,756)
Other non-cash expenses	(b)				(363,230)
Tax expense					(5,622,436)
Segment profit	(c)				<u>15,024,237</u>
Assets:-					
Unallocated segment assets	(d)				58,587,443
Additions to non-current assets	(e)				<u>14,497,446</u>
Liabilities:-					
Unallocated segment liabilities	(f)				<u>16,337,652</u>
<u>31.3.2024</u>					
Revenue:-					
Total external revenue	(a)	161,730,861	23,070,127	-	184,800,988
Results:-					
Finance income					270,423
Finance cost					(749,413)
Depreciation of plant and equipment					(3,011,270)
Depreciation of right-of-use assets					(9,880,422)
Depreciation of investment property					(29,663)
Other non-cash expenses	(b)				(80,992)
Tax expense					(8,981,013)
Segment profit	(c)				<u>26,708,147</u>

13. ACCOUNTANTS' REPORT (Cont'd)**28. SEGMENTAL INFORMATION (CONT'D)****Business Segment (cont'd)**

	<u>Note</u>	<u>Segment I</u> RM	<u>Segment II</u> RM	<u>Elimination</u> RM	<u>Total</u> RM
<u>31.3.2024 (cont'd)</u>					
Assets:-					
Unallocated segment assets	(d)				96,708,151
Additions to non-current assets	(e)				<u>31,800,129</u>
Liabilities:-					
Unallocated segment liabilities	(f)				<u>19,265,265</u>
<u>31.3.2025</u>					
Revenue:-					
Total external revenue	(a)	<u>204,976,710</u>	<u>30,623,289</u>	-	<u>235,599,999</u>
Results:-					
Finance income					1,121,099
Finance cost					(1,045,783)
Depreciation of plant and equipment					(3,918,623)
Depreciation of right-of-use assets					(12,266,952)
Depreciation of investment property					(71,191)
Other non-cash expenses	(b)				(6,028)
Tax expense					(13,223,909)
Segment profit	(c)				<u>37,844,663</u>
Assets:-					
Unallocated segment assets	(d)				120,349,019
Additions to non-current assets	(e)				<u>22,991,910</u>
Liabilities:-					
Unallocated segment liabilities	(f)				<u>23,360,467</u>

13. ACCOUNTANTS' REPORT (Cont'd)**28. SEGMENTAL INFORMATION (CONT'D)****Business Segment (cont'd)**

Notes:-

(a) There is no intersegment revenues being eliminated on consolidation.

(b) Notes to other non-cash expenses consist of the following items:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Plant and equipment written off	<u>(363,230)</u>	<u>(80,992)</u>	<u>(6,028)</u>
	<u>(363,230)</u>	<u>(80,992)</u>	<u>(6,028)</u>

(c) The following items are added to/(deducted from) segment profit to arrive at profit after tax reported in the statements of profit or loss:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Segment profit	15,024,237	26,708,147	37,844,663
Finance income	55,883	270,423	1,121,099
Finance cost	<u>(493,706)</u>	<u>(749,413)</u>	<u>(1,045,783)</u>
Profit after tax	<u>14,586,414</u>	<u>26,229,157</u>	<u>37,919,979</u>

(d) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Segment assets/Total assets	<u>58,587,443</u>	<u>96,708,151</u>	<u>120,349,019</u>

(e) Additions to non-current assets consist of:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Plant and equipment	5,388,693	10,703,365	7,843,385
Right-of-use assets	9,108,753	17,537,231	15,148,525
Investment property	<u>-</u>	<u>3,559,533</u>	<u>-</u>
	<u>14,497,446</u>	<u>31,800,129</u>	<u>22,991,910</u>

13. ACCOUNTANTS' REPORT (Cont'd)**28. SEGMENTAL INFORMATION (CONT'D)****Business Segment (cont'd)**

Notes (cont'd):-

- (f) The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:-

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Segment liabilities	16,337,652	19,265,265	23,360,467
Lease liabilities	10,195,628	17,703,551	20,624,538
Tax payable	456,800	1,784,113	2,433,613
Deferred tax liabilities	<u>1,765,900</u>	<u>1,894,600</u>	<u>1,949,800</u>
Total liabilities	<u>28,755,980</u>	<u>40,647,529</u>	<u>48,368,418</u>

The operations of the Group are carried out in Malaysia.

There is no significant concentration of revenue from any major customers as the Group's revenue is contributed by various customers.

29. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains adequate working capital and financially prudent capital ratios in order to support its current business as well as future expansion so as to maximise shareholder's value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions including the interest rate movements. To maintain and adjust the capital structure, the Group may adjust dividend payment to shareholder, return capital to shareholders, issue new shares or adjust bank borrowings level. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2025, 31 March 2024 and 31 March 2023.

13. ACCOUNTANTS' REPORT (Cont'd)

EMPIRE PREMIUM FOOD BERHAD
(Incorporated in Malaysia)**STATEMENT BY DIRECTORS**

We, the undersigned, being the Directors of the Company, do hereby state that, in our opinion, the accompanying combined financial statements set out on pages 4 to 42 are drawn up in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards so as to give a true and fair view of the statements of financial position of the Group as at 31 March 2023, 31 March 2024 and 31 March 2025, and of their financial performance and their cash flows for the financial years then ended.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors.



.....
TAN SIN GUAN



.....
LIM XUI JHI

Kuala Lumpur
22 September 2025

14. ADDITIONAL INFORMATION

14.1 SHARE CAPITAL

- (i) Save as disclosed in this Prospectus, no securities will be allotted, issued or offered on the basis of this Prospectus later than 6 months after the date of issue of this Prospectus.
- (ii) As at the LPD, we have only one class of shares in our Company, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (iii) Save as disclosed in Sections 4.2.6 and 6.1.3 of this Prospectus, our Company has not issued or proposed to issue any shares, stocks or debentures as fully or partly paid-up in cash or otherwise, within the Financial Years Under Review and up to the LPD.
- (iv) As at the date of this Prospectus, save for the Issue Shares reserved for the subscription by the Eligible Persons as disclosed in Section 4.2.2(i) of this Prospectus and the LTIP as disclosed in Section 4.2.6 of this Prospectus, there is currently no other scheme involving our Directors and employees in the share capital of our Company or our subsidiary.
- (v) Save for the ESOS Options as disclosed in Section 4.2.6 of this Prospectus, we have not agreed, conditionally or unconditionally, to put the share capital of our Company or any of our subsidiary under option.
- (vi) As at the date of this Prospectus, neither we nor our subsidiary have any outstanding warrants, options, convertible securities or uncalled capital.
- (vii) Save as disclosed in Section 2.2 of this Prospectus, and save as provided for under our Constitution as reproduced in Section 14.2 below and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares or the interests in any of our Company or our subsidiary or upon the declaration or payment of any dividend or distribution thereon.

14.2 EXTRACTS OF OUR CONSTITUTION

The following provisions are extracted from our Constitution and are qualified in its entirety by the remainder of our Constitution and by applicable law. The words and expressions appearing in the following provisions shall bear the same meanings used in our Constitution unless otherwise defined or the context otherwise requires.

Words	Meanings
Act	Companies Act 2016 and any statutory modification, amendment or re-enactment thereof for the time being in force.
Alternate Director	Any person who has been appointed and for the time being holds office as an alternate director of the Company in accordance with the provisions of this Constitution.
Applicable Laws	All laws, by-laws, regulations, rules, orders and/or official directions for the time being in force affecting the Company, including but not limited to the Act, the securities law, the Listing Requirements and every other law for the time being in force concerning companies and affecting the Company and any other orders, directives or requirements imposed on the Company by the Securities Commission, the Exchange and/or other relevant regulatory bodies and/or authorities.

14. ADDITIONAL INFORMATION (Cont'd)

Words	Meanings
Board	The board of Directors of the Company from time to time and where the context permits or requires, shall mean the Directors whose number is not less than the required quorum acting as a board of Directors.
Central Depositories Act	Securities Industry (Central Depositories) Act 1991 and any statutory modification, amendment or re-enactment thereof for the time being in force.
Central Depository	Bursa Malaysia Depository Sdn. Bhd. Registration No. 198701006854 (165570-W) or such other name by which it may be known from time to time.
Clause	Clauses of this Constitution as originally framed or as altered from time to time by a special resolution.
Company	Empire Premium Food Berhad Registration No.: 202301037567 (1531490-W) including any change of name from time to time.
Constitution	This Constitution of the Company as originally framed or as altered from time to time by a special resolution.
Deposited Security	A security in the Company standing to the credit of a Securities Account and includes a security in a Securities Account that is in suspense and "Deposited Securities" shall be construed accordingly.
Depositor	A holder of a Securities Account established by the Central Depository as defined under Section 2 of the Central Depositories Act.
Directors	The directors who have been appointed and for the time being hold office as a director of the Company in accordance with the provisions of the Act and this Constitution and, unless the context otherwise provides or requires, includes an Alternate Director.
Exchange	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)] or such other name by which it may be known from time to time, where the Securities of the Company are listed and quoted.
Listing Requirements	The Main Market Listing Requirements of the Exchange including any amendment or modification thereto that may be made from time to time.
Member or Members	Any person/persons for the time being holding one or more shares in the Company and whose names appear in the Register (except Bursa Malaysia Depository Nominees Sdn. Bhd. in its capacity as bare trustee) including Depositors whose names appear on the Record of Depositors and who has a credit balance of shares in the Company in his or her Securities Account who shall be treated as if he/she were a Member pursuant to Section 35 of the Central Depositories Act.

14. ADDITIONAL INFORMATION (Cont'd)

Words	Meanings
Record of Depositors	A record provided by the Central Depository to the Company pursuant to an application under Chapter 24.0 of the Rules.
Register	The register of Members to be kept pursuant to Section 50 of the Act.
Registrar	The Registrar of Companies designated under Section 20A(1) of the Companies Commission of Malaysia Act 2001.
Rules	The rules of the Central Depository and any amendment thereof for the time being in force.
Secretary or Secretaries	Any person or persons appointed to perform the duties of the secretary of the company (subject to the provisions of the act), and shall include a joint secretary, temporary assistant or deputy secretary.
Securities	Any securities as defined in Section 2(1) of the Capital Markets and Services Act 2007 and any statutory modification, amendment or re-enactment thereof for the time being in force and "Security" shall be construed accordingly.
Securities Account	An account established by the Central Depository for a Depositor for the recording of deposits of Securities and for dealing in such Securities by the Depositor.
Securities Commission	Securities Commission Malaysia.
share or shares	As regards the Company, or any other corporation means and includes a preference or deferred as well as an ordinary share and also stock and any security which carries any power of voting with respect to the management of the Company or such other corporation issuing or creating the same.
Surprise Holiday	Any day declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year.

14.2.1 Remuneration, voting and borrowing powers of Directors**(i) Remuneration of Directors**Clause 101 – Directors' Remuneration

Subject to the Act and the Listing Requirements, the fees of the Directors and any benefits payable to the Directors shall from time to time be determined by way of an ordinary resolution of the Company in a general meeting and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine and in default of agreement equally, except that if a Director has held office for part only of the period in respect of which such fees are payable, such a Director shall be entitled only to that proportion of the fees as is related to the period during which he has held office PROVIDED ALWAYS that:-

14. ADDITIONAL INFORMATION (Cont'd)

- (i) salaries, benefits and other emoluments payable to executive Director(s) pursuant to an employment contract or a contract of service need not be determined by the Company in a general meeting but such salaries may not include a commission on or percentage of profits or turnover;
- (ii) fees payable to non-executive Directors shall be a fixed sum and not by way of a commission on or percentage of profits or turnover; and
- (iii) any fee payable to an Alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Clause 102 – Reimbursement of expenses

- (a) The Directors shall be entitled to be reimbursed for all travelling or expenses as may be incurred in attending meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors. In addition to the foregoing, a Director shall be entitled to such reasonable fixed allowance as may be determined by the Directors in respect of any attendance at any meeting and/or the performance of any duty or other things required of him as a Director.
- (b) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board provided that in the case of non-executive Directors, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an executive Director, such fee may be either in addition to or in substitution for any director's fees payable to him from time to time.

Clause 126 – Alternate Directors

- (a) A Director may appoint any other person approved by a majority of the other members of the Board to act as his alternate provided that any fee paid by the Company to the alternate shall be deducted from that Director's remuneration. The Alternate Director shall not be required to hold any shares in the Company but shall be entitled to receive notices of all meetings and to attend, speak and vote, and be counted for the quorum, and generally to exercise all powers, rights, duties and authorities of the Director appointing him, at any such meeting at which the Director appointing him is not present. For the avoidance of doubt, an Alternate Director may not vote nor attend any meeting at which the Director appointing him is present. Any appointment so made may be revoked at any time by the appointor or by a majority of the Directors, and any appointment or revocation under this Constitution shall be effected by notice in writing to be delivered to the Secretary of the Company. An Alternate Director shall ipso facto cease to be an Alternate Director if his appointor for any reason ceases to be a Director.

14. ADDITIONAL INFORMATION (Cont'd)

- (b) No Director may act as an Alternate Director, and a person may not act as an Alternate Director for more than one (1) Director of the Company.
- (c) If any Director retires by rotation and is re-elected by the meeting or is, pursuant to this Constitution, deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him of an Alternate Director which was in force immediately prior to the appointor's retirement shall continue to operate after such re-election as if the appointor had not so retired.
- (d) Every person acting as an Alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to be the agent of or for the Director appointing him.

Clause 128 - Remuneration of chief executive, executive Director, managing Director

The remuneration of the chief executive, executive Director, managing Director or any person holding an equivalent position, shall, from time to time be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but such remuneration shall not include a commission on or percentage of profits or turnover but it may be a term of their appointment that they shall receive a pension, gratuity or other benefits upon their retirement.

(ii) Directors' voting powers**Clause 78 – Chairman's casting vote**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

Clause 120 - Votes by majority and chairman of the meeting to have a casting vote

Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes of the Directors present and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote, except where (a) at the meeting only 2 Directors form a quorum and only such a quorum is present, or (b) only 2 Directors are competent to vote on the question at issue, shall not have a casting vote.

Clause 123 - Restriction on voting

Subject to Section 222 of the Act, a Director shall not participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he shall do so his vote shall not be counted. A Director shall, notwithstanding his interest, be counted in the quorum for any meeting where a decision is to be taken upon any contract or proposed contract or arrangement in which he is in any way interested.

14. ADDITIONAL INFORMATION (Cont'd)Clause 124 – Power to vote

Subject to the Act, a Director may vote in respect of:-

- (i) any arrangement for giving the Director himself or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company;
- (ii) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security;
- (iii) any contract by the Director himself to subscribe for or underwrite shares or debentures of the Company; or
- (iv) any contract or arrangement with any other company in which he is interested only as an officer of the Company or as a holder of shares or other securities in that company.

(iii) Directors' borrowing powersClause 106 – Directors' borrowing powers

- (a) Subject to the Act and the Listing Requirements, the Directors may exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any related corporation (as defined in Section 7 of the Act):
 - (i) borrow money, raise funds and/or accept credit facilities;
 - (ii) mortgage or charge its undertaking, property (both present and future), and uncalled capital, or any part of such undertaking, property and uncalled capital;
 - (iii) issue debentures and other securities whether outright or as security;
 - (iv) lend and advance money or give credit to any person or company;
 - (v) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company; and/or
 - (vi) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company; and otherwise to assist any person or of any related corporation (as defined in Section 7 of the Act).
- (b) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

14. ADDITIONAL INFORMATION (Cont'd)**14.2.2 Changes to share capital**Clause 56 - Power to increase capital

The Company may from time to time by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital, voting or otherwise as the general meeting resolving upon such increase may direct.

Clause 57 - Issue of new shares to Members

Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to the shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution. Notwithstanding the above, the Directors shall not be required to offer any new ordinary shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created to the holders of the existing shares where the said shares or securities are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company.

For the avoidance of doubt, where the approval of Members is obtained in a general meeting for any issuance of shares or convertible securities, including approvals obtained for implementation of a scheme that involves a new issuance of shares or other convertible securities to employees of the Company and its subsidiaries and approval obtained under Sections 75 and 76 of the Act, such approval shall be deemed to be a direction to the contrary given in general meeting which will render the pre-emptive rights above inapplicable.

In any case and in respect of any issuance of shares or convertible securities, the pre-emptive rights of Members are strictly as contained in this Constitution and accordingly, Section 85 of the Act in respect of pre-emptive rights to new shares, shall not apply and the Company is not required to offer new shares or convertible securities in proportion to the shareholdings of the existing Members.

Clause 59 - Power to alter capital

Subject to the provisions of this Constitution and the Act, the Company may alter its share capital in any one or more of the following ways by ordinary resolution:

- (i) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;
- (ii) convert all or any of its paid-up shares into stock and reconvert that stock into fully-paid shares;

14. ADDITIONAL INFORMATION (Cont'd)

- (iii) subdivide its shares or any of its shares, such that whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or
- (iv) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

Clause 60 - Power to reduce capital

The Company may by special resolution, reduce its share capital in any manner permitted or authorised under and in compliance with all the Applicable Laws.

Clause 61 - Purchase by the Company of its own shares

The Company may, subject to it obtaining such approval from the relevant authorities (if required) and to its compliance with all the Applicable Laws, purchase its own shares. Any shares so purchased by the Company shall be purchased in good faith and in the best interests of the Company and dealt with in accordance with all the Applicable Laws. The provisions of Clauses 59 and 60 herein above shall not affect the power of the Company to cancel any shares or reduce its share capital pursuant to any exercise of the Company's powers under this Clause. The cancellation of shares purchased shall not be deemed to be a reduction of share capital within the meaning of the Act.

Clause 156 - Capitalisation of profits by bonus issue etc.

The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, provided that such sum be not required for paying the dividends on any shares carrying a fixed cumulative preferential dividend and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such Members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution.

14. ADDITIONAL INFORMATION (Cont'd)

14.2.3 Transfer of securitiesClause 30 – Transfer in writing

Subject to this Constitution, the Central Depositories Act and the Rules, any Member may transfer all or any of his Securities (except those Deposited Securities which are for the time being designated as securities in suspense) by an instrument in writing in the form prescribed and approved by the Exchange upon which the Company is listed on the Exchange. The instrument lodged with the Company shall have been executed by or on behalf of the transferor and the transferee, and the transferor shall be deemed to remain the holder of the Securities transferred until the transfer is registered and the name of the transferee is entered in the Record of Depositors.

Clause 31 - Transfers of Securities

The transfer of any Deposited Securities shall be made by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such Deposited Securities.

Clause 32 - No restriction on the transfer of fully paid Securities

Subject to this Constitution, the Central Depositories Act and the Rules, there shall be no restriction on the transfer of fully paid Securities except where required by law.

Clause 33(a) - Refusal to register

The Central Depository may, in its absolute discretion, refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and/or the Rules.

Clause 33(b) - Indemnity against wrongful transfer

Subject to the Act, the Central Depositories Act and the Rules, neither the Company nor the Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of Deposited Security although the same may, by reason of any fraud or other cause not known to the Company or the Directors or other officers, be legally inoperative or insufficient to pass the property in the Deposited Security proposed or professed to be transferred, and although transferred, as between the transferor and the transferee, be liable to be set aside and in every such case, the person registered as transferee, his executors, administrators and assignees alone, subject to compliance with the Act, the Central Depositories Act and the Rules, shall be entitled to be recognised as the holder of such Deposited Security and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

14. ADDITIONAL INFORMATION (Cont'd)Clause 34 - Suspension of registration

Subject to the provisions of the Act, the Central Depositories Act, the Rules and the Listing Requirements, the registration of transfers of any Securities may be suspended at such times and for such periods as the Directors may from time to time determine PROVIDED ALWAYS that such registration shall not be suspended for more than thirty (30) days in any year. Any notice of intention to close the Register and the reason therefor shall be given to the Exchange. Such closure of the Register shall be at least fourteen (14) days (or such other period as prescribed by the Exchange from time to time) after the date of notification to the Exchange stating the purpose or purposes for the suspension. In this respect, the Company shall request the Central Depository, in accordance with the Rules, to issue the appropriate Record of Depositors.

Clause 35 - Prohibited transfer

No shares shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind under the Applicable Laws.

Clause 36 - Renunciation

Subject to the provisions of this Constitution, the Directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder recognise a renunciation of such allotment of shares by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation on such terms and conditions as the Directors may determine.

14.2.4 Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rightsClause 7 - Allotment of shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of this Constitution, any Applicable Laws, and to the provisions of any resolution of the Company, the Board may issue, allot or grant rights to subscribe for or otherwise dispose of such shares to such persons at such price, on such terms and conditions, with such preferred, deferred and/or other special rights and subject to such restrictions and at such times as the Board may determine but the Board in making any issue of shares shall comply with the following conditions:-

- (i) in the case of shares, other than ordinary shares, no special rights shall be attached until the same has been expressed in this Constitution and in the resolution creating the same;
- (ii) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company to any person or corporation without the prior approval of the Members in general meetings;
- (iii) every issue of shares or options to employees and/or Directors of the Company and/or its subsidiaries under an employee share option scheme shall be approved by the Members in general meeting;
- (iv) no Director shall participate in a scheme that involves a new issuance of shares or options unless the Members in a general meeting have approved the specific allotment to be made to such Director; and

14. ADDITIONAL INFORMATION (Cont'd)

- (v) except in the case of an issue of Securities on a pro-rata basis to all Members, or, pursuant to a back-to-back placement or a Dividend Reinvestment Scheme undertaken in compliance with the Listing Requirements, there shall be no issuance and allotment of Securities to a Director, major shareholder, chief executive or person connected with any Director, major shareholder or chief executive (hereinafter referred to as the “interested Director”, “interested major shareholder”, “interested chief executive” or “interested person connected with a Director, major shareholder or chief executive” respectively) unless the Members in a general meeting have approved of the specific allotment to be made to such aforesaid interested Director, interested major shareholder, interested chief executive or interested person connected with a Director, major shareholder or chief executive, as the case may be. In this Constitution, “major shareholder”, “chief executive”, “person connected with any Director, major shareholder or chief executive” and “Dividend Reinvestment Scheme” shall have the meaning ascribed thereto in the Listing Requirements.

Clause 8 - Rights of preference shareholders

Subject to the Act and the Listing Requirements, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed and the Company shall not unless with the consent of the existing preference shareholders at a class of meeting issue preference shares ranking in priority above preference shares already issued, but may issue preference shares ranking equally therewith. Preference shareholders shall have:

- (i) the same rights as ordinary shareholders as regards to receiving notices, reports and audited accounts and attending general meetings of the Company; and
- (ii) the right to vote at any meeting convened for the purpose of reducing the capital of the Company or on a proposal to wind up or during the winding up of the Company, or sanctioning a sale of the whole of the Company's undertaking, property or business, or where any resolution to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares or part of the dividend is in arrears for more than six (6) months.

Clause 10 - Variation of class rights

Subject to Sections 71 and 91 of the Act, if at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with:

- (i) the consent in writing of the holders of not less than seventy-five per centum (75%) of the total voting rights of the Members in that class; or
- (ii) the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons holding or representing by proxy at least one-third (1/3) of the number of the issued shares of the class (excluding any shares of that class held as treasury shares). If that class of shares has only one holder, a quorum shall be constituted by one (1) person present holding shares of such class. Any holder of shares of the class present in person or by proxy may demand a poll and shall be entitled on a poll to one (1) vote for every such share held by him. For adjourned meetings, the quorum is one (1) person present holding

14. ADDITIONAL INFORMATION (Cont'd)

shares of such class. To every such special resolution, Section 292 of the Act shall with such adaptations as are necessary, apply.

Clause 11 - Ranking of class rights

The rights conferred upon the holders of any shares or class of shares issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of such shares, as regards to participation in the profits or assets of the Company in some or in all respect be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

Clause 42 - Person entitled may receive dividends etc

Subject to the provisions of any Applicable Laws, where the registered holder of any share dies or becomes bankrupt, his personal representative or the assignee of his estate, as the case may be, shall, upon the production of such evidence as may from time to time be properly required by the Directors and/or the Central Depository in that behalf, be entitled to receive and may give a discharge for all dividends and other moneys payable in respect of the shares as the registered holder would have been entitled to if he had not died or become bankrupt, but he shall not be entitled to receive notice of or to attend or vote at any meeting, or, save as aforesaid, to exercise any of the rights and privileges of a Member, unless and until he shall have become a Member in respect of the shares.

Clause 54 - Rights of stock holders

The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages with regards to dividends, participation in assets on a winding up, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, so that none of such rights, privileges or advantages (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of the stock which would not, if existing in shares, have conferred such rights, privileges or advantages.

Clause 149 - Payment of dividends

Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this Constitution as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

Clause 154 - Payment of Dividends in specie

The Company, upon the recommendation of the Directors in authorising distribution of dividends, may direct payment of such dividends wholly or partly by the distribution of specific assets and in particular of paid-up shares, debentures or debenture stock of any other company or in any one (1) or more of such ways; and the Directors shall give effect to such resolution, and where any difficulty arises in regard to payment of such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for the distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to

14. ADDITIONAL INFORMATION (Cont'd)

the Directors. No distribution, settlement, arrangement or adjustment so made by the Directors shall be questioned by any Member.

14.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of the Shares must deposit his Shares with Bursa Depository on or before the date is fixed, failing which our Share Registrar will be required to transfer his Shares to the Minister of Finance, Inc. and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a Depositor by means of entries in the Securities Account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be a shareholder of our Company and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.4 LIMITATION ON THE RIGHT TO HOLD SECURITIES AND/OR EXERCISE VOTING RIGHTS

Subject to Section 14.3 above, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on our Shares, which is imposed by Malaysian law or by our Constitution.

14.5 REPATRIATION OF CAPITAL, REMITTANCE OF PROFIT AND TAXATION

As at the LPD, we do not have foreign subsidiary or associate and are not subject to governmental laws, decrees, regulations and/or other requirements which may affect the repatriation of capital and remittance of profits by or to our Group.

All corporations in Malaysia are required to adopt a single-tier dividend. All dividends distributed by Malaysian resident companies under a single tier dividend are not taxable. Further, the Government does not levy withholding tax on dividend payment. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian resident companies. There is no Malaysian capital gain tax arising from the disposal of listed shares.

Based on the Finance Act 2024 gazetted on 31 December 2024, dividend tax at the rate of 2.0% will be imposed on annual chargeable dividend income exceeding RM100,000 received by individual shareholders (resident and non-residents) as well as individuals who hold shares through nominees with certain exemptions, effective from year of assessment 2025.

14. ADDITIONAL INFORMATION (Cont'd)**14.6 MATERIAL CONTRACTS**

Save as disclosed below, our Group has not entered into any material contracts that are not in the ordinary course of business during the Financial Years Under Review and up to the date of this Prospectus:

(a) Conditional share sale agreement dated 17 September 2025

On 17 September 2025, our Company entered into a conditional share sale agreement with the Sellers in respect of the acquisition of the entire equity interest in Empire Sushi, comprising 1,000,002 Empire Sushi Shares, for a purchase consideration of approximately RM30.0 million, pursuant to the Pre-IPO Acquisition. The purchase consideration was wholly satisfied via the issuance and allotment of 881,999,998 new Shares to Empire 11, being the company jointly nominated by the Sellers to receive and hold the new Shares. The Pre-IPO Acquisition was completed on [***];

(b) [Retail underwriting agreement dated [*]]**

[]

(c) [Lock-up Agreement]

[]

14.7 MATERIAL LITIGATION

As at the LPD, our Group is not engaged in any governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability in the 12 months immediately preceding the date of this Prospectus.

14.8 CONSENTS

The written consents of the Principal Adviser, Sole Bookrunner, Sole Underwriter and Sole Placement Agent, legal advisers, Share Registrar, Issuing House and company secretaries as listed in the Corporate Directory of this Prospectus for the inclusion of their names and all references thereto in the form and context in which such names are included in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of Grant Thornton Malaysia PLT for the inclusion of its name, opinion on our historical combined financial statements for the Financial Years Under Review contained in the Accountants' Report, the Reporting Accountants' Letter on the Pro Forma Combined Statements of Financial Position and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

The written consent of Vital Factor for the inclusion of its name, the IMR Report and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

14. ADDITIONAL INFORMATION (Cont'd)

14.9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of 6 months from the date of this Prospectus:

- (i) our Constitution;
- (ii) our material contracts as referred to in Section 14.1 of this Prospectus;
- (iii) audited financial statements of Empire Sushi for the Financial Years Under Review;
- (iv) Reporting Accountants' letter on The Pro Forma Combined Statements of Financial Position as included in Section 12.4 of this Prospectus;
- (v) Accountants' Report as included in Section 13 of this Prospectus;
- (vi) IMR Report as included in Section 8 of this Prospectus;
- (vii) By-Laws as included in Annexure D of this Prospectus; and
- (viii) letters of consent referred to in Section 14.8 of this Prospectus.

14.10 RESPONSIBILITY STATEMENTS

Our Directors, our Promoters and the Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Maybank IB, being the Principal Adviser, Sole Bookrunner and Sole Placement Agent for the Institutional Offering, and Sole Underwriter for the Retail Offering acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THE SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR ISSUE SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

15.1 OPENING AND CLOSING OF APPLICATIONS

Opening of the application period: [time], [date]

Closing of the application period: [time], [date]

Applications for our Issue Shares will open and close at the times and dates stated above. In the event there is any change to this timetable, we will advertise a notice of changes in widely circulated English and Bahasa Malaysia daily newspaper in Malaysia and make an announcement on the website of Bursa Securities.

Late Applications will not be accepted.

15.2 METHODS OF APPLICATION**15.2.1 Application for our Issue Shares by the Malaysian Public and Eligible Persons**

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed. You agree to be bound by our Constitution.

Types of Application and category of investors	Application Method
Applications by Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:- (a) Individuals	- White Application Form; or - Electronic Share Application; or - Internet Share Application
(b) Non-individuals	White Application Form only

15.2.2 Placement portion

Applications for the Issue Shares may be made using any of the following:-

Types of Application and category of investors	Application Method
Applications by:- (a) institutional and/or selected identified investors	The Sole Placement Agent will contact the selected investors directly. They should follow the Sole Placement Agent's instructions

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

(b) identified Bumiputera investors approved by the MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.
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Identified institutional and/or selected investors and Bumiputera investors approved by the MITI may still apply for our Issue Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application, where applicable.

15.3 ELIGIBILITY**15.3.1 General**

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 ISSUE SHARES OR MULTIPLES OF 100 ISSUE SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMIZES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

15.3.2 Application by the Malaysian Public

You can only apply for our Issue Shares if you fulfill all of the following:-

- (i) You must be one of the following:-
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our Issue Shares; or
 - (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (iii) You must submit an Application by using only one of the following methods:-
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

15.3.3 Application by Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated Issue Shares. Applicants must follow the notes and instructions in the said document and where relevant, in this Prospectus. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources or Finance Department.

Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, the Issuing House, Maybank IB, Participating Organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

15.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM[●] for each Issue Share.

Payment must be made out in favour of **"MIH SHARE ISSUE ACCOUNT NO.[●]"** and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

Method below is relevant for White Application Form only whereas for Pink Application Form, kindly direct the submission of the said form to our Company, through the Human Resources or Finance Department.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:-

- (i) despatched by **ORDINARY POST** in the official envelopes provided to the following address:-

Malaysian Issuing House Sdn Bhd
 (Registration No. 199301003608 (258345-X))
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim
 Seksyen 13
 46200 Petaling Jaya

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Selangor Darul Ehsan

or

P.O. Box 00010

Pejabat Pos Jalan Sultan

46700 Petaling Jaya

Selangor Darul Ehsan

- (ii) **DELIVERED BY HAND AND DEPOSITED** in the Drop-in Boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan so as to arrive not later than 5.00 p.m. on [date] or by such other time and date specified in any change to the date or time for closing. We will not accept late Applications.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Form or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

15.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION

Only Malaysian individuals may apply for our Issue Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Electronic Participating Financial Institutions.

15.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATION

Only Malaysian individuals may use the Internet Share Application to apply for our Issue Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of these Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn. Bhd., Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn. Bhd., Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

15.7 AUTHORITY OF OUR BOARD AND ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:-

- (i) reject Applications which:-

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
- (b) are illegible, incomplete or inaccurate; or
- (c) are accompanied by an improperly drawn up, or improper form of remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 15.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

15.8 OVER/UNDER-SUBSCRIPTION

In the event of over-subscription, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our Issue Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by our Issuing House to the SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website at www.mih.com.my within 1 market day after the balloting event.

Pursuant to the Listing Requirements, we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Sole Underwriter based on the terms of the Retail Underwriting Agreement.

15.9 UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner:-

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.9.1 For applications by way of Application Form**

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS Account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

15.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited (without interest) into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institution) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 10 Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 10 Market Days after the receipt of confirmation from the Issuing House.

15.10 SUCCESSFUL APPLICANTS

If you are successful in your Application:-

- (i) Our Issue Shares allotted to you will be credited into your CDS Account.
- (ii) A notice of allotment will be despatched to you at your registered or correspondence address last maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as prescribed securities. As such, our Issue Shares issued/offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

15.11 ENQUIRIES

Enquiries in respect of your Applications may be directed as follows:-



Mode of application		Parties to direct the enquiries
Application Form		Issuing House Enquiry Services Telephone at telephone no. +603-7890 4700
Electronic Application	Share	The relevant Participating Financial Institutions
Internet Application	Share	The relevant Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3:00 PM. Alternatively, you may contact any of the ADAs set out in the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS

Save as disclosed below, as at the LPD, our Group is not dependent on any other trademarks, brand names and intellectual property rights including patents and copyrights which could materially affect our business or profitability:





Trademarks

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application date / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
1.	 	Empire Premium	TM2025028963	Malaysia	22 August 2025	Under Formality Validation	N/A	N/A	Class 30/ Sushi; futomaki sushi; hosomaki sushi; maki sushi; nigiri sushi; norimaki sushi; temaki sushi; uramaki sushi; onigiri (rice balls); noodle-based prepared meals; prepared meals consisting primarily of rice; ramen (Japanese noodle-based dish); rice cakes; marshmallows; soy sauce; prepared wasabi; green tea
									Class 35/ Food kiosk services being retail store services featuring foodstuffs; online retail store services featuring foodstuffs;



ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application date / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
									retail services for food and beverages; administration of customer loyalty and incentive schemes; administration of loyalty rewards programs; providing customer loyalty discount codes for promotional purposes; providing customer loyalty points for promotional purposes; providing customer loyalty programs for promotional purposes
									Class 43/

ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
3.		Empire Sushi	2018063194	Malaysia	11 July 2018/ 11 July 2018	Registered	11 July 2018 – 11 July 2028	The transliteration and translation of the Chinese characters appearing in the mark is 'Di Guo Shou Si' meaning 'Empire Sushi'	Class 43/ Cafes; cafeterias; canteens; catering (food and drinks); restaurants; restaurants (self service); self service restaurants; snack-bars; all included in Class 43
4.	  <small>Premium Sushi For Everyone Premium Sushi For Everyone</small>	Empire Sushi	2018063195	Malaysia	11 July 2018/ 11 July 2018	Registered	11 July 2018 – 11 July 2028	-	Class 43/ Cafes; cafeterias; canteens; catering (food and drinks); restaurants; restaurants (self service); self service restaurants; snack-bars; all included in Class 43
5.		Empire Sushi	TM2019018749	Malaysia	24 May 2019/ 24 May 2019	Registered	24 May 2019 – 24 May 2029	Registration of this trade mark shall give no right to the exclusive use of the words 'sushi' and 'since 2011'	Class 43/ Cafes; cafeterias; canteens; catering (food and drinks); restaurants; restaurants (self service); self service restaurants; snack-bars; all included in class 43

ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application date / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
6.		Empire Sushi	TM2021019910	Malaysia	21 July 2021/ 21 July 2021	Registered	21 July 2021 – 21 July 2031	Empire Sushi disclaims the exclusive right over the use of the words “sushi” and “Malaysia Sushi”	Class 43/ Cafes; cafeterias; canteens; catering (food and drinks); restaurants; (self-service); service restaurants; snack-bars
7.		Empire Sushi	TM2024009081	Malaysia	29 March 2024/ 29 March 2024	Registered	29 March 2024 – 29 March 2034	Registration of this trademark shall give no right to the exclusive use of the word and Chinese characters meaning “sushi”	Class 30/ Sushi; futomaki sushi; hosomaki sushi; maki sushi; nigiri sushi; norimaki sushi; temaki sushi; uramaki sushi; onigiri (rice balls); noodle-based prepared meals; prepared meals consisting primarily of rice; ramen (Japanese noodle-based dish); rice cakes; marshmallows; soy sauce; prepared wasabi; green tea

ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application date / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
									Class 35/ Food kiosk services being retail store services featuring foodstuffs; online retail store services featuring foodstuffs; retail services for food and beverages; administration of customer loyalty and incentive schemes; administration of loyalty rewards programs; providing customer loyalty discount codes for promotional purposes; providing customer loyalty points for promotional purposes; providing customer loyalty programs for promotional purposes


ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application date / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
8.	EMPIRE SUSHI Premium Sushi For Everyone	Empire Sushi	TM2024009083	Malaysia	29 March 2024/ 29 March 2024	Registered	29 March 2024 – 29 March 2034	Registration of this trademark shall give no right to the exclusive use of the words “sushi” and “premium sushi for everyone”	Class 30/ Sushi; futomaki sushi; hosomaki sushi; maki sushi; nigiri sushi; norimaki sushi; temaki sushi; uramaki sushi; onigiri (rice balls); noodle-based prepared meals; prepared meals consisting primarily of rice; Ramen (Japanese noodle-based dish); rice cakes; marshmallows; soy sauce; prepared wasabi; green tea Class 35/ Food kiosk services being retail store services featuring foodstuffs; online retail store services featuring foodstuffs; retail services for food and beverages; administration of

ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application date / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
									customer loyalty and incentive schemes; administration of loyalty rewards programs; providing customer loyalty discount codes for promotional purposes; providing customer loyalty points for promotional purposes; providing customer loyalty programs for promotional purposes.
									Class 43/ Cafe, cafeteria and restaurant services; snack bar and canteen services; self-service restaurant services; catering services; take away food and drink services; sushi restaurant services; preparation of

ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application date / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
9.		Empire Sushi	TM2024009513	Malaysia	3 April 2024/ 3 April 2024	Registered	3 April 2024 – 3 April 2034	Registration of this trade mark shall give no right to the exclusive use of the words “sushi” and “dine-in”	Japanese food for immediate consumption; Japanese restaurant services; serving of food and beverages Class 30/ Sushi; futomaki sushi; hosomaki sushi; maki sushi; nigiri sushi; norimaki sushi; temaki sushi; uramaki sushi; onigiri (rice balls); noodle-based prepared meals; prepared meals consisting primarily of rice; ramen (Japanese noodle-based dish); rice cakes; marshmallows; soy sauce; prepared wasabi; green tea Class 35/ Food kiosk services being retail store services featuring

ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application date / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
									foodstuffs; online retail store services featuring foodstuffs; retail services for food and beverages; administration of customer loyalty and incentive schemes; administration of loyalty rewards programs; providing customer loyalty discount codes for promotional purposes; providing customer loyalty points for promotional purposes; providing customer loyalty programs for promotional purposes
									Class 43/ Cafe, cafeteria and restaurant services; snack bar and canteen services; self-service

ANNEXURE A: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Application / Registration no.	Place of application	Application date / Registration date	Status	Validity period	Disclaimer / Condition	Class/Description of trademark
									restaurant services; catering services; take away food and drink services; sushi restaurant services; preparation of Japanese food for immediate consumption; Japanese restaurant services; serving of food and beverages

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ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT

B.1 MATERIAL PROPERTIES OWNED BY OUR GROUP

Save as disclosed below, as at the LPD, our Group does not own any other properties:

No.	Registered owner/Beneficial owner/Title details/Postal address/Tenure	Description/ Existing use	Date of issuance of CCC or equivalent	Built-up area / Land area / Floor area	Category of land use / Express condition / Restriction in interest	Encumbrances
1.	Registered Owner Empire Sushi Title details Geran Mukim 1131, Lot 64746, Pekan Puchong Jaya, Daerah Petaling, Negeri Selangor Postal Address B-7F-05, Block B, 7th Floor, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, Puchong, 47170 Selangor Darul Ehsan Tenure Freehold	Brief description: Seventh floor of a 7-storey office building Existing use: Administration office	31 July 2012	7,890 square feet	Category of land use Business Express condition Business Restriction in interest Nil	Nil

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

B.2 MATERIAL PROPERTIES TENANTED BY OUR GROUP

(i) Outlets

As at the LPD, we operate a total of 131 *Empire Sushi* outlets (excluding 1 consignment outlet) in shopping centres, hypermarkets, airport and transit hub malls, where all 131 of the *Empire Sushi* outlets are rented by Empire Sushi from shopping centres, hypermarkets, airport retail mall and transit hub malls as premise owners.

(ii) Material properties tenanted by our Group

As at the LPD, the material properties tenanted by our Group are as follows:

No.	Tenant	Landlord/ Lessor	Location/ Postal address	Description/ Existing use	Tenure tenancy	Approximate rented built-up area	Rental per annum
1.	Empire Sushi	Nicole Lim and Jordan Tan	No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor Darul Ehsan	Brief description: Fifth floor of a 7- storey office building Existing use: For office use only	1 June 2024 – 31 May 2027	5,580 square feet	From 1 June 2024 to 31 May 2025 RM174,096 From 1 June 2025 to 31 May 2027 RM180,792
2.	Empire Sushi	Nicole Lim and Jordan Tan	No. 5, 3Ath Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, Puchong 47170 Selangor Darul Ehsan	Brief description: Fourth floor of a 7- storey office building Existing use: For office use only	1 February 2024 – 31 January 2027	5,580 square feet	From 1 February 2024 to 31 January 2025 RM174,096 From 1 February 2025 to 31 January 2027 RM180,792

Please refer to Section 10 of this Prospectus for further details of the properties tenanted from the related parties of our Group.

ANNEXURE C: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS

DETAILS OF OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS

We have various licences, permits and approvals for our business operations. Save as disclosed below, as at the LPD, our Group is not dependent on any other major certificates, licences, permits and approvals for our business operations:

C.1 OPERATIONAL LICENCES IN RESPECT OF OUR HEADQUARTERS OFFICE

No.	Holder of licence / permit	Approving authority / issuer	Description and Type of licences / permits / approvals	Licence / Permit / Reference no.	Validity period	Major condition(s) imposed	Status of compliance
1.	Empire Sushi	Subang Jaya City Council	Business Premise and Advertisements Licence for our Group's headquarter office at No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor Darul Ehsan	20200901145	7 February 2025 – 21 March 2026	Nil	Complied

Please refer to note (1) below.

Note:

- (1) As at the LPD, we have submitted an application to the relevant authorities for the addition of our office unit at No. 5, 3Ath Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, Puchong 47170 Selangor which has been used as our Group's office/training centre into the existing business premise and advertisements licence for our headquarters at No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor. As at the LPD, the issuance of the updated business and advertisements licence is currently pending.

ANNEXURE C: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

C.2 OPERATIONAL LICENCES AND REGISTRATION IN RESPECT OF OUR OUTLETS

(i) Business and advertisements licences

As at 27 September 2025, we have obtained all the business and advertisements licences for all our 131 *Empire Sushi* outlets (excluding 1 consignment outlet), save for the following which are pending approval:

- (a) First Avenue Mall outlet (advertisements licence);
- (b) AEON Kuching Central outlet (advertisements licence);
- (c) Vivacity Mall outlet (advertisements licence);
- (d) Lotus's Rimbayu outlet;
- (e) Lotus's Setia Alam outlet;
- (f) Mydin Seremban 2 outlet;
- (g) Quayside Mall outlet;
- (h) Mydin Senawang outlet;
- (i) Lotus's Nilai outlet;
- (j) Boulevard Shopping Mall outlet; and
- (k) Lotus's Setia Tropika outlet.

Further, the business and advertisements licence for our Lotus's Bukit Puchong outlet has expired on 28 August 2025. The premise owner of Lotus's Bukit Puchong outlet is in the midst of renewing the fire certificate issued to Lotus's Bukit Puchong mall with the relevant authorities. As the fire certificate is one of the supporting documents for the application for the business and advertisements licence, we may only submit the said renewal application once the renewed fire certificate has been issued by the relevant authorities. We have been actively following up with the premise owner for the renewed fire certificate in order for us to submit the said renewal application to the relevant authorities.

We expect to receive the relevant business premise and advertisements licences within 3 to 6 months from the submission of applications.

(ii) Storage licences

As at 27 September 2025, we have rented 40 external storerooms/storage spaces to house inventory and goods required for the operations of our *Empire Sushi* outlets, out of which we have obtained storage licences for 22 external storerooms/storage spaces. We are not required to obtain storage licences for the 2 external storerooms/storage spaces located in Sarawak.

ANNEXURE C: OUR MAJOR CERTIFICATES, LICENCES, PERMITS AND APPROVALS (Cont'd)

As at the LPD, we have submitted storage licence applications for the remaining 16 external storerooms/storage spaces for which approvals are pending.

Please refer to Section 7.25.4 of this Prospectus for further details of the non-compliance.

(iii) Certificate of Registration for Food Premises via Food Safety Information System of Malaysia (FoSIM)

All food premises involved in the preparation, processing, storage and serving of food for sale are required to be registered with Ministry of Health Malaysia via FoSIM.

As at the LPD, all our 131 *Empire Sushi* outlets (excluding 1 consignment outlet) have been registered via FoSIM and are valid.

Such registration is valid for a period of 3 years and are renewable upon expiry.

C.3 PRODUCT LICENCES AND CERTIFICATIONS

In Malaysia, Halal certification issued by JAKIM ensures that the products which are endorsed or certified Halal are pure and Halal in accordance with Islamic principles.

As at the LPD, we have obtained Halal certificates for 112 *Empire Sushi* outlets and all our Halal certificates are valid. Such Halal certification is valid for a period of 2 years and are renewable upon expiry.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP**1. DEFINITION AND INTERPRETATION**

1.1 In these By-Laws, except where the context otherwise requires, the following expressions shall have the following meanings:

“Act”	:	Companies Act 2016, as amended from time to time including all regulations made thereunder and any re-enactment thereof
“Authorised Nominee”	:	A person who is authorised to act as a nominee as specified in accordance with the schedule prescribed under Part VIII of the Rules of Bursa Malaysia Depository
“Award Date”	:	The date of the letter or electronic mail of which an LTIP Award is offered by the LTIP Committee to the Eligible Persons to participate in the Scheme
“Board”	:	The Board of Directors of the Company
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd (Registration No.: 198701006854 (165570-W))
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
“By-Laws”	:	The rules, terms and conditions contained in these by-laws governing the Scheme, as amended from time to time in accordance with By-Law 28
“CDS”	:	Central Depository System
“CDS Account”	:	An account established by Bursa Depository for a depositor for the recording of deposits and withdrawal of securities and for dealings in such securities by a depositor
“Company”	:	Empire Premium Food Berhad (Registration No.: 202301037567 (1531490-W))
“Constitution”	:	The Constitution of the Company, as amended from time to time
“Date of Acceptance”	:	The date on which the LTIP Committee shall receive the written notice accepting an ESOS Award accompanied by a payment to the Company of a sum of Ringgit Malaysia One (RM1.00) only as non-refundable consideration for the ESOS from an Eligible Person in accordance with By-Law 7.1
“Date of Expiry”	:	The last day of the Duration of the Scheme as defined in By-Law 25.2
“Director”	:	A director within the meaning of Section 2 of the Act, which for the avoidance of doubt, excludes an alternate director
“Disciplinary Proceedings”	:	Proceedings instituted by any company in the Group against any Grantee or Eligible Person for any alleged misbehaviour, misconduct and/or any other acts of such Grantee or Eligible Person deemed to be unacceptable by the said company whether or not such disciplinary proceedings may give rise to a dismissal or termination of service of such Grantee or Eligible Person

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

“Duration of the Scheme”	:	The duration of the Scheme as defined in By-Law 25.1 and includes any extension thereof in accordance with By-Law 25.2
“Effective Date”	:	The date on which the Scheme comes into force as provided in By-Law 25.1
“Eligible Person(s)”	:	An Executive Director(s) or Executive(s) who meets the criteria of eligibility for participation in the Scheme as set out in By-Law 4
“Executive(s)”	:	Any person who is an executive, in the employment and on the payroll of any company within the Group
“Entitlement Date”	:	The date (and as at the close of business) on which shareholders’ name must appear in the Company’s Record of Depositors maintained at Bursa Depository in order to be entitled to any dividends, rights, allotments and/or other distributions
“ESGS”	:	The executive share grant scheme for the Company to grant Shares to Eligible Persons according to the terms of these By-Laws
“ESGS Grant”	:	A grant of existing Shares made in writing by the LTIP Committee from time to time to an Eligible Person to participate in the ESGS in the manner provided in By-Law 11
“ESGS Grantee”	:	An Eligible Person who has accepted an ESGS Grant in the manner as provided in By-Law 12
“ESGS Vesting Date”	:	Such date on which all or some of the Shares awarded pursuant to an ESGS Grant are vested upon fulfilment of the Vesting Conditions as stipulated by the LTIP Committee in accordance with By-Law 13
“ESOS”	:	The executive share option scheme for the benefit of the Eligible Persons to subscribe for new Shares according to the terms of these By-Laws
“ESOS Award”	:	An award of such number of ESOS Options made in writing by the LTIP Committee from time to time to an Eligible Person to participate in the ESOS in the manner provided in By-Law 6
“ESOS Grantee”	:	An Eligible Person who has accepted an ESOS Award in the manner provided in By-Law 7
“ESOS Options” or “Options”	:	The right of an ESOS Grantee to subscribe for new Shares at the Exercise Price in the manner provided in By-Law 9
“ESOS Vesting Date”	:	Such date on which all or some of the Options pursuant to an ESOS Award are vested upon fulfilment of the Vesting Conditions as stipulated by the LTIP Committee in accordance with By-Law 7.4
“Executive Director”	:	A Director who, on the Award Date, is on the payroll of the Group and is involved in the day-to-day management of any company within the Group

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

“Grantee”	:	An ESOS Grantee and/or ESGS Grantee, as the case may be
“Group”	:	The Company and its subsidiary company(ies) as defined in Section 4 of the Act (which for the avoidance of doubt shall exclude the Company’s associate company(ies)). Subject to the foregoing, the expression “subsidiary company(ies)” shall for the purposes hereof include subsidiaries which are existing as at the Effective Date and such subsidiaries which the LTIP Committee may, from time to time, determine at its discretion, and subsidiaries which are incorporated or acquired at any time during the Duration of the Scheme but excludes: <ul style="list-style-type: none"> (i) subsidiaries which have been divested in the manner provided in By-Law 23; and (ii) subsidiaries which are dormant
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities
“LTIP” or “Scheme”	:	The Empire Premium Food Berhad Long Term Incentive Plan comprising ESOS and ESGS, which shall be administered in accordance with these By-Laws
“LTIP Awards”	:	Collectively, the ESOS Award and ESGS Grant and “LTIP Award” shall mean any one of them in the context of these By-Laws
“LTIP Committee”	:	The committee as appointed from time to time by the Board pursuant to By-Law 2.1 to implement and administer the LTIP in accordance with these By-Laws
“Market Day”	:	A day on which Bursa Securities is open for trading of securities
“Maximum Allowable Allotment”	:	The maximum aggregate number of Shares in respect of the LTIP Awards that can be offered and allotted to an Eligible Person in accordance with the provisions of By-Law 5.2
“Offer Period”	:	A period of thirty (30) days from the Award Date or such longer period as may be determined by the LTIP Committee at its sole and absolute discretion during which an ESOS Award is valid for acceptance as stipulated in By-Law 6.3
“Option Period”	:	The period commencing from the ESOS Vesting Date and expiring on a date on which the Options terminates, expires or lapses and/or otherwise ceases to be of any force and effect in accordance with these By-Laws and as set out in the ESOS Award
“Exercise Price”	:	The price at which an ESOS Grantee shall be entitled to subscribe for each new Share upon the exercise of an ESOS Option, as initially determined in accordance with the provisions of By-Law 10 and as may be adjusted pursuant thereto in accordance with the provisions of By-Law 21

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- | | | |
|-----------------------------|---|--|
| “Performance Targets” | : | The performance targets determined and prescribed by the LTIP Committee, which are to be achieved by the Grantee and/or Group (and/or such business units within the Group as determined by the LTIP Committee), during such period as specified in the LTIP Award |
| “persons connected” | : | Shall have the meaning as that assigned to “person connected” in paragraph of the Listing Requirements |
| “Principal Adviser” | : | Shall have the meaning as that assigned to “Adviser” in paragraph 1.01 of the Listing Requirements |
| “RM” | : | Ringgit Malaysia |
| “Rules of Bursa Depository” | : | The Rules of Bursa Depository, as issued pursuant to SICDA |
| “Shares” | : | Ordinary shares in the Company |
| “SICDA” | : | Securities Industry (Central Depositories) Act 1991 |
| “Validity Period” | : | A period of thirty (30) days from the Award Date or such longer period as may be determined by the LTIP Committee at its sole and absolute discretion on a case-to-case basis during which an ESGS Grant is valid for acceptance as stipulated in By-Law 11.4 |
| “Vesting Conditions” | : | The conditions determined by the LTIP Committee and stipulated in the LTIP Awards which must be fulfilled for the Options under the ESOS Award and/or the Shares under the ESGS Grant to be vested in an ESOS Grantee and/or ESGS Grantee as provided in By-Laws 7.4 and 13 respectively |
-
- 1.2 Any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision and the Listing Requirements, policies and/or guidelines of Bursa Securities and/or other relevant authorities respectively (whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with reasonable commercial practice of persons to whom such requirements, policies, regulations and/or guidelines are addressed to by Bursa Securities and /or other relevant authorities).

 - 1.3 Any reference to a statutory provision shall include that provision as from time to time modified or re-enacted whether before or after the date of these By-Laws so far as such modification or re-enactment applies or is capable of applying to the LTIP Awards made, offered and/or accepted within the Duration of the Scheme, and shall also include any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced.

 - 1.4 In these By-Laws, unless the context requires otherwise, words denoting the singular number shall include the plural number and vice versa, and words denoting one gender shall include the other gender.

 - 1.5 The headings in these By-Laws are for convenience only and shall not be taken into account in the interpretation of these By-Laws.

 - 1.6 If an event is to occur on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day; and if an event is to occur on a stipulated day which falls after the Date of Expiry then the stipulated day shall be taken to be the last Market Day prior to the Date of Expiry.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 1.7 Under these By-Laws, any liberty or power of discretion which may be exercised, and/or any decision or determination which may be made:
- (i) by the Board may be exercised in the Board's sole and absolute discretion and the Board shall not be under any obligation to give any reasons therefor; and
 - (ii) by the LTIP Committee may be exercised in the LTIP Committee's sole and absolute discretion and the LTIP Committee shall not be under any obligation to give any reason therefor, but subject always to the Board's power to overrule any decision of the LTIP Committee.
- 1.8 In the event of any change in the name of the Company from its present name, all references to "Empire Premium Food Berhad" in these By-Laws and all other documents pertaining to the Scheme shall be deemed to be references to the Company's new name.
- 1.9 This Scheme shall be known as the "Empire Premium Food Berhad Long Term Incentive Plan" and will comprise the ESOS and the ESGs.
- 1.10 The establishment of this Scheme is to:
- (i) recognise the contribution of the Eligible Person whose services are valued and considered vital to the past and future growth of the Group;
 - (ii) reward the Eligible Person by allowing them to participate in the Group's profitability and eventually realise any capital gains arising from appreciation in the value of the Shares;
 - (iii) motivate the Eligible Person and promote high performance through greater productivity and loyalty within the Group;
 - (iv) inculcate a greater sense of belonging and dedication as the Eligible Person are given the opportunity to participate directly in the equity of the Company, thereby promoting a shared vision amongst the stakeholders to further enhance shareholder value;
 - (v) possibly retain the Eligible Person, hence ensuring that the loss of key personnel is kept to a minimum level;
 - (vi) realign the total compensation of Eligible Person whereby this Scheme is incorporated to offset the reduction of other variable pay components, thereby better aligning the remuneration of Eligible Person with that of shareholder value creation; and
 - (vii) align Eligible Person with the share price performance of the Company and future growth of the Group.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

2. ADMINISTRATION AND TRUST

- 2.1 The Scheme shall be administered by the LTIP Committee consisting of such number of Directors and/or senior management personnel of the Group as shall be appointed and duly authorised by the Board from time to time. The Board shall have the power to determine all matters pertaining to the LTIP Committee, including, without limitation, setting the terms of reference for the LTIP Committee, as well as determining its composition, duties, powers and limitations. The Board is also entitled, at any time and from time to time to rescind the appointment of any member of the LTIP Committee and appoint replacement members to the LTIP Committee, to change the terms of appointment of the members of the LTIP Committee, to determine and change the terms of reference for the LTIP Committee, and to assume and/or exercise or execute any of the powers and authorities conferred upon the LTIP Committee pursuant to these By-Laws.
- 2.2 The LTIP Committee shall administer the Scheme in such manner as it shall in its discretion deem fit and with such powers and duties as are conferred upon it, subject only to these By-Laws as may be amended from time to time. The LTIP Committee may meet together for the despatch of business, to adjourn or otherwise regulate its meetings as it thinks fit.
- 2.3 In implementing the Scheme, the LTIP Committee may, at its discretion, decide that any vesting of Shares comprised in an ESOS Award shall be satisfied through:
- (i) the issuance of new Shares;
 - (ii) any other methods as may be permitted by the Act or any other relevant laws or authorities, as amended from time to time; or
 - (iii) a combination of any of the above.

In considering the modes of satisfaction as referred to in (i) to (iii) above, the LTIP Committee will take into consideration, amongst others, factors such as the prevailing market price of the Shares, funding considerations, dilutive effects of any such issuance on the Company's share capital base, and cash requirements of the Group.

On the other hand, the LTIP Committee may, at its discretion, decide that any vesting of Shares comprised in an ESGS Grant shall be satisfied through:

- (i) the acquisition of existing Shares from the open market of Bursa Securities;
- (ii) the transfer of the Company's treasury shares, if any;
- (iii) any other methods as may be permitted by the Act or any other relevant laws or authorities, as amended from time to time; or
- (iv) a combination of any of the above.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 2.4 For the purposes of facilitating the implementation and administration of the Scheme, the Company may (but shall not be obliged to) establish a trust to be administered by a trustee to be appointed by the Company for the Scheme from time to time ("**Trustee**"), if required, for the purposes of subscribing for new Shares, acquiring existing Shares from the open market of Bursa Securities and/or receiving treasury shares, and transferring them to the Grantees at such times as the LTIP Committee shall direct ("**Trust**"). For the said purposes and to pay expenses in relation to the administration of the Trust, the Trustee may, to the extent permitted by law, be entitled from time to time to accept funding and/or assistance, financial or otherwise, from the Group and/or any third party to be paid into the bank account(s) to be established by the Trustee for the purpose of the Trust as the Trustee may direct for any such payment. The LTIP Committee shall have the discretion to revoke or suspend any such direction that has earlier been given to the Trustee.
- 2.5 The Trustee, if and when the Trust is established, shall administer the Trust in accordance with the terms of a trust deed to be entered into between the Company and the Trustee ("**Trust Deed**"). For the purpose of administering the Trust, the Trustee shall do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements or make rules, regulations or impose terms and conditions or delegate part of its power relating to the administration of the Trust, as the LTIP Committee may in its sole and absolute discretion direct for the implementation and administration of the Trust.
- 2.6 The Company shall have power from time to time, at any time, to appoint or rescind or terminate the appointment of the Trustee as it deems fit in accordance with the provisions of the Trust Deed. The Company shall have the power from time to time, at any time, negotiate with the Trustee to amend the provisions of the Trust Deed.
- 2.7 Without limiting the generality of By-Laws 2.1 and 2.2, the LTIP Committee may, for the purpose of administering the Scheme, do all acts and things, rectify any errors in the LTIP Award subject to By-Laws 6.5 and 11.5, enter into or execute all transactions, agreements, deeds, documents and arrangements, construe and interpret the Scheme and LTIP Award granted under it, to define the terms and to recommend to the Board to establish, amend, waive (not inconsistent with the Scheme) and revoke rules and regulations relating to the Scheme and its administration, to give effect to the provisions of the Scheme, to determine all questions of policy and expediency that may arise in the administration of the Scheme and delegate any of its powers and duties relating to the Scheme as it may at its discretion consider to be necessary or desirable for giving effect to the Scheme. The LTIP Committee in the exercise of this power may correct any defect, supply any omission, or reconcile any inconsistency in the Scheme or in any agreement providing for an LTIP Award in a manner and to the extent it shall deem necessary to expedite and make the Scheme fully effective. Any decisions of the LTIP Committee which are made in accordance with these By-Laws shall be final, binding and conclusive but subject always to the Board's power to overrule any decision of the LTIP Committee as provided under By-Laws 1.7(ii).
- 3. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME**
- 3.1 The maximum number of Shares which may be made available under the Scheme shall not in aggregate exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the Duration of the Scheme.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 3.2 Notwithstanding the provision of By-Law 3.1 above and any other provision herein contained, in the event the maximum number of Shares granted under the Scheme exceeds in aggregate the aforesaid ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) as a result of the Company purchasing or cancelling its own Shares in accordance with the provisions of Section 127 of the Act or undertaking any other corporate proposal and thereby reducing its the total number of issued shares, then such LTIP Awards granted prior to the variation of the issued share capital of the Company shall remain valid and exercisable in accordance with the provisions of this Scheme as if that purchase or cancellation or reduction had not occurred. However, in such a situation, the LTIP Committee shall not make any further LTIP Awards unless the total number of Shares under the subsisting LTIP Awards including Shares that have been issued under the Scheme falls below ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the Duration of the Scheme.

4. ELIGIBILITY

- 4.1 Subject to the discretion of the LTIP Committee, any Eligible Person who fulfils the following criteria as at the Award Date shall be eligible to participate in the LTIP and qualify for consideration and/or selection by the LTIP Committee if:
- (i) such person is at least eighteen (18) years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (ii) he/she is employed on full time basis and is on the payroll of any company within the Group, and who has been confirmed in service/employment as a full-time employee of the Group, and has not at the relevant point in time served a notice of resignation or received a notice of termination;
 - (iii) in respect of an Executive Director, the Executive Director must have been appointed as an Executive Director for such period as may be determined by the LTIP Committee prior to and up to the Award Date and has not at the relevant point in time served a notice of resignation or received a notice of termination; and/or
 - (iv) he/she falls within any other categories or criteria as may be determined by the LTIP Committee from time to time in its absolute discretion.

For the avoidance of doubt, an Executive who attains the prescribed retirement age but is offered to continue to serve the Company and/or Group on a full time basis shall not be excluded as an Eligible Person.

The LTIP Committee may determine any other eligibility criteria and/or waive any of the conditions of eligibility as set out in this By-Law 4.1, provided that these bases are in compliance with the Listing Requirements and applicable laws, for purposes of selecting an Eligible Person at any time and from time to time, in the LTIP Committee's discretion, whose decision shall be final and binding but subject always to the Board's power to overrule any decision of the LTIP Committee as provided under By-Law 1.7(ii).

- 4.2 Where a specific allocation of Options and/or Shares is proposed to be made pursuant to a LTIP Award to an Eligible Person who is the chief executive, Director or major shareholder of the Company, or a person connected with such chief executive, Director or major shareholder of the Company, such specific allocation to the said person requires prior shareholders' approval in a general meeting provided always that the chief executive, Director and/or major shareholder of the Company and/or persons connected with them shall not have voted on the resolution approving the said allocation of Shares and/or Options to be made thereunder and any such allocation is not prohibited or disallowed by the relevant authorities or by any laws or regulation.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 4.3 Without prejudice to the generality of the foregoing and subject to the LTIP Committee's discretion otherwise, any LTIP Award made by the LTIP Committee shall become void, of no force and effect and cease to be capable of acceptance by the Eligible Persons upon any of the following events occurring (prior to such LTIP Award being accepted by the Eligible Person selected by the LTIP Committee to whom an LTIP Award was made in accordance with By-Laws 7 and/or 12 hereof ("**Selected Executive**")):
- (i) the death of the Selected Executive;
 - (ii) the Selected Executive having received a letter of termination or ceasing to be an employee of the Group, for any reason whatsoever;
 - (iii) the Selected Executive giving notice of his or her resignation from service/employment;
 - (iv) the company within the Group which employs the Selected Executive ceasing to be part of the Group or becomes dormant;
 - (v) the Selected Executive is subject to Disciplinary Proceedings (whether or not such Disciplinary Proceedings will give rise to a dismissal or termination of service);
 - (vi) the Selected Executive is adjudicated a bankrupt; or
 - (vii) termination of the LTIP Award pursuant to By-Law 7.1.
- 4.4 The LTIP Committee may from time to time at its absolute discretion select and identify suitable Eligible Persons to be offered the LTIP Award. In the event that any Eligible Persons are a member of the LTIP Committee, such Eligible Persons shall not participate in the deliberation or discussion of their own allocations and the Vesting Conditions of the LTIP Awards.
- 4.5 No Executive of a company within the Group which is dormant or becomes dormant shall be eligible to participate in the Scheme.
- 4.6 Eligibility under the Scheme does not confer on an Eligible Person a claim or right to participate in or any rights whatsoever under the Scheme and an Eligible Person does not acquire or have any rights over or in connection with the LTIP Awards unless an LTIP Award has been made by the LTIP Committee to the Eligible Person and the Eligible Person has accepted the LTIP Award in accordance with By-Laws 7 and/or 12 hereof.
- 4.7 Subject to these By-Laws and any applicable law, the LTIP Committee shall have the discretion, at any time and from time to time, to extend the benefit of this Scheme to any Eligible Person who is seconded to a corporation which is not within the Group but which is a corporation associated with the Group or a subsidiary of a corporation associated with the Group, and deem such Eligible Person (whether seconded before or after the coming into force of these By-Laws) to be an Executive and such a corporation to be within the Group.
- 4.8 Without prejudice to the generality of the foregoing and subject to the LTIP Committee's discretion otherwise, any Eligible Person who holds more than one position within the Group and by holding such position is an Eligible Person, shall only be entitled to the maximum allocation of any one category/designation of employment. Each Director shall only be entitled to the maximum allocation of any one category irrespective of his/her sitting on more than one board of directors within the Group. The LTIP Committee shall be entitled at its discretion to determine the applicable category/designation of employment of such Eligible Person.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)**5. BASIS OF ALLOCATION AND MAXIMUM ALLOWABLE ALLOCATION**

- 5.1 Subject to By-Laws 3.1 and 5.2, and any adjustments which may be made under By-Law 23, the LTIP Committee shall be entitled in its sole and absolute discretion to determine the aggregate maximum number of Shares that may be allocated between the ESOS and the ESGS, and to any one class/grade of Eligible Person.
- 5.2 Not more than ten percent (10%) of the total number of Shares to be made available under the LTIP shall be allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds twenty percent (20%) or more of the total number of issued shares of the Company (excluding treasury shares, if any) ("**Maximum Allowable Allotment**").
- 5.3 Subject to By-Law 5.2, the aggregate number of Shares that may be allocated to any class or grade of Eligible Persons under the LTIP shall be determined at the sole and absolute discretion of the LTIP Committee, after taking into consideration, among others:
- (i) the Eligible Person's performance, seniority (denoted by employee job grade), length of service, and contribution to the performance of the Group;
 - (ii) in the case of an Eligible Person who is an Executive Director, the Eligible Person's contribution towards the growth of the Group and positions held in various board committees of the Company; and
 - (iii) any other criteria which the LTIP Committee deems relevant.
- At the time the LTIP Award is offered, the LTIP Committee shall set out the basis of allocation of the LTIP Award(s) made to the Eligible Person(s) having the further particulars as set out in By-Law 6.4 and/or By-Law 11.3 (as the case may be).
- 5.4 The aggregate maximum allocation to the Executive Directors and senior management of the Group shall not be more than eighty percent (80.0%) of the total number of Shares to be made available under the LTIP, in order to incentivise the Directors for their contribution towards development, growth and success and strategic direction to drive long term shareholder value enhancement of the Group and to incentivise the Senior Management of the Group for their commitment, dedication and loyalty towards attainment of higher performance.
- 5.5 The LTIP Committee may make more than one (1) LTIP Award to an Eligible Person PROVIDED THAT the aggregate number of Options and/or Shares so awarded to an Eligible Person throughout the entire Duration of the Scheme does not exceed the Maximum Allowable Allotment of such Eligible Person as referred to in By-Law 5.2.
- 5.6 The Company shall ensure that allocation of Shares pursuant to the Scheme is verified by the Audit and Risk Management Committee of the Company at the end of each financial year as being in compliance with the criteria for allocation of Shares which have been disclosed to the Executives and the Directors. A statement by the Audit and Risk Management Committee of the Company verifying such allocations shall be included in the annual report of the Company.
- 5.7 The LTIP Committee shall have the discretion in determining:
- (i) whether the allocation available shall be awarded in one (1) single LTIP Award, or several separate and independent LTIP Awards; and
 - (ii) where the allocation is awarded in several separate and independent LTIP Awards, the number of Shares comprised in each LTIP Award as well as the vesting date(s) and vesting conditions for each LTIP Award.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 5.8 No Eligible Person shall participate in the deliberation or discussion of their respective allocations.

6. ESOS AWARD

- 6.1 The LTIP Committee may at its discretion at any time and from time to time as it shall deem fit during the Duration of the Scheme make an ESOS Award in writing for acceptance in accordance with By-Law 7 below to an Eligible Person based on the criteria for allotment set out in By-Law 5 above and otherwise in accordance with the terms of this Scheme.
- 6.2 The actual number of ESOS Options which may be offered to an Eligible Person shall be at the discretion of the LTIP Committee subject to any adjustments that may be made under By-Laws 21 but shall not be more than the Maximum Allowable Allotment. The number of ESOS Options so offered which may be exercised in respect of all or any part of the Shares shall not be less than one hundred (100) Shares and shall be in multiples of one hundred (100) Shares (or in any other denomination as prescribed by Bursa Securities as a board lot).
- 6.3 An ESOS Award shall be valid for acceptance for a period of thirty (30) days from the Award Date or such longer period as may be determined by the LTIP Committee at its sole and absolute discretion ("**Offer Period**").
- 6.4 The LTIP Committee shall state the following particulars in the letter of offer of an ESOS Award:
- (i) the number of ESOS Options that are subject of the ESOS Award;
 - (ii) the number of new Shares which the Eligible Person shall be entitled to subscribe for upon the vesting and exercise of the ESOS Options offered;
 - (iii) the date of the ESOS Award;
 - (iv) the Option Period;
 - (v) the Exercise Price;
 - (vi) the Offer Period as mentioned in By-Law 6.3;
 - (vii) the Vesting Conditions, if any;
 - (viii) the ESOS Vesting Date(s);
 - (ix) the basis of the allocation of the ESOS Award(s) made having regard to the Eligible Person(s)' annual appraised performance, class or grade of employment, Maximum Allowable Allotment and such other consideration that the LTIP Committee may in its sole and absolute discretion deem fit; and
 - (x) any other information deemed necessary by the LTIP Committee.
- 6.5 Without prejudice to By-Law 2, in the event of an error on the part of the Company in stating any of the particulars referred to in By-Law 6.4 above, the following provisions shall apply:
- (i) as soon as possible but in any event no later than one (1) month after discovery of the error, the Company shall issue a supplemental letter of offer, stating the correct particulars referred to in By-Law 6.4 above;

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- (ii) in the event that the error relates to particulars other than the Exercise Price, the Exercise Price applicable in the supplemental letter of offer shall remain as the Exercise Price as per the original letter of offer; and
 - (iii) in the event that the error relates to the Exercise Price, the Exercise Price stated in the supplemental letter of offer shall be the Exercise Price applicable as at the date of the original letter of offer, save and except with respect to any ESOS Option which has already been exercised as at the date of issue of the supplemental letter of offer.
- 6.6 When an ESOS Award is made pursuant to these By-Laws, the LTIP Committee shall ensure that the Company makes an announcement of the following to Bursa Securities on the date of the ESOS Award:
 - (i) the date of ESOS Award;
 - (ii) the Exercise Price;
 - (iii) the number of Options or Shares offered;
 - (iv) the market price of its Shares on the date of the ESOS Award;
 - (v) the number of Options or Shares offered to each Executive Director, if any; and
 - (vi) the vesting period of the Options or Shares offered.
- 6.7 The Company shall keep and maintain at its expense a register of Options granted as required under Section 129 of the Act.

7. ACCEPTANCE OF ESOS AWARD

- 7.1 An ESOS Award shall be accepted by the Eligible Person within the Offer Period by way of a written notice of acceptance addressed to the LTIP Committee accompanied by a payment to the Company of a sum of Ringgit Malaysia One (RM1.00) only as non-refundable consideration for the ESOS Award (regardless of the number of Shares comprised therein). The date of receipt by the LTIP Committee of such written notice and the payment shall constitute the Date of Acceptance.
- 7.2 The LTIP Committee shall within thirty (30) days of the Date of Acceptance issue to the ESOS Grantee an option certificate in such form as may be determined by the LTIP Committee.
- 7.3 If the ESOS Award is not accepted in the manner set out in By-Law 7.1 above, such ESOS Award shall upon the expiry of the Offer Period automatically lapse and be null and void and of no further force and effect (unless otherwise extended at any time and from time to time by the LTIP Committee). The new Shares comprised in such Options may, at the discretion of the LTIP Committee, be re-offered to other Eligible Persons or for future ESOS Award.
- 7.4 The Options or such part thereof as may be satisfied in the ESOS Award will only vest with the ESOS Grantee on the ESOS Vesting Date(s) if as at the ESOS Vesting Date(s) the Vesting Conditions (if any) are fully and duly satisfied, including the following:
 - (i) the said ESOS Grantee has not been adjudicated a bankrupt;
 - (ii) the said ESOS Grantee remains an Executive or a Director and has not given notice of resignation, or received a notice of termination, or has otherwise ceased or had his/her employment terminated; and

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

(iii) any other conditions as may be determined by the LTIP Committee.

- 7.5 The LTIP Committee shall have full discretion to determine whether any Vesting Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the LTIP Committee shall have the right to make reference to, among others, the audited financial results of the Company or the Group (as the case may be) and to take into account such factors as the LTIP Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend and/or waive any Vesting Condition if the LTIP Committee decides that a changed Performance Target would be a fairer measure of performance. If the LTIP Committee determines, in its sole discretion, that the Vesting Condition and/or any other condition applicable to that ESOS Award has not been satisfied (whether fully or partially), that ESOS Award shall lapse and be of no value.

8. CANCELLATION OF ESOS AWARDS

The LTIP Committee may cancel any ESOS Awards awarded under this Scheme or any Options that has not been exercised or any unvested Options. In the event of any such cancellation, the LTIP Committee may, at its sole discretion, authorise the granting of new ESOS Awards (which may or may not cover the same number of Shares that had been the subject of any prior ESOS Award) in such manner, at such Exercise Price and subject to such terms, conditions and discretion as would have been applicable under this Scheme had the cancelled ESOS Awards not been awarded.

9. EXERCISE OF ESOS OPTIONS

- 9.1 Each Option shall be exercisable into one (1) new Share in accordance with the provisions of these By-Laws.
- 9.2 Subject to By-Laws 4.7, 17, 22, 23, 24 and 25, an ESOS Grantee shall be allowed to exercise the ESOS Options granted to him/her (subject to By-Law 9.4 during the Duration of the Scheme) as provided in these By-Laws whilst he/she is in the employment with the Group or during his/her tenure as Director and within the Option Period.
- 9.3 An ESOS Grantee shall exercise the Options granted to him/her in whole or part in multiples of one hundred (100) Shares. Notwithstanding anything herein to the contrary, in the event of any alteration in the share capital of the Company during the Option Period in accordance with By-Law 21 which results in the number of Shares comprised in the Options not being in multiples of one hundred (100) Shares, then the requirement that the Options shall be exercised in multiples of one hundred (100) Shares shall not be applicable for the ESOS Grantee's final exercise of the balance Options and such balance Options have to be executed in a single application.
- 9.4 An ESOS Grantee shall exercise his/her ESOS Options vested in him/her in such form and manner as the LTIP Committee may prescribe or approve ("**Notice of Exercise**"), which will be attached to the letter of offer. The procedure for the exercise of ESOS Options to be complied with by an ESOS Grantee shall be determined by the LTIP Committee from time to time. Any ESOS Option including vested Options which remains unexercised at the expiry of the Option Period shall be automatically terminated and lapse without any claim against the Company.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 9.5 Subject to By-Law 9.4, an ESOS Grantee shall exercise his/her ESOS Options by issuing the Notice of Exercise, stating the number of ESOS Options to be exercised and number of Shares to be subscribed and be accompanied with the remittance for the full amount of the subscription monies payable in respect thereof in Ringgit Malaysia in the form of a banker's draft or cashier's order drawn and payable in Malaysia or any other mode acceptable to the LTIP Committee for the full amount of the Exercise Price in relation to the number of Shares in respect of which the Notice of Exercise is given PROVIDED THAT the number of new Shares stated therein shall not exceed the amount granted to such ESOS Grantees and be subject to By-Laws 9.2 and 9.3 above. The LTIP Committee may, pursuant to By-Law 28 hereof, at any time and from time to time, before or after the ESOS Award is awarded, limit the times and exercise, and the exercise of the ESOS Option to a maximum number of new Shares and/or such percentage of total new Shares comprised in the ESOS Award during such periods within the Option Period and impose any other terms and/or conditions deemed appropriate by the LTIP Committee in its sole discretion including amending or varying any terms and conditions imposed earlier. The exercise by an ESOS Grantee of some but not all of the ESOS Options which have been offered to and accepted by him/her shall not preclude the ESOS Grantee from subsequently exercising any other ESOS Options which have been or will be offered to and accepted by him/her, during the Option Period.
- 9.6 The ESOS Grantee shall provide all information as required in the Notice of Exercise. Within eight (8) Market Days of the receipt by the Company of such notice and payment, or such other period as may be prescribed by Bursa Securities, and subject to the Constitution, SICDA and the Rules of Bursa Depository, the Company shall allot and issue the relevant number of Shares to the ESOS Grantee, despatch the notice of allotment to the ESOS Grantee stating the number of Shares so credited, and apply to Bursa Securities for the listing and quotation for such new Shares arising from the exercise of the ESOS Options, where applicable. The said Shares will be credited directly into the CDS Account of the ESOS Grantee or his/her Authorised Nominee, as the case may be. No physical share certificates will be issued to the ESOS Grantee or his/her Authorised Nominee (as the case may be).
- 9.7 Notwithstanding anything to the contrary herein contained in these By-Laws, the LTIP Committee shall have the right, at its absolute discretion by notice in writing to that effect to the ESOS Grantee, to suspend the right of any ESOS Grantee who is being subjected to Disciplinary Proceedings (whether or not such Disciplinary Proceedings may give rise to a dismissal or termination of service of such ESOS Grantee or are found to have had no basis or justification) to exercise his/her ESOS Options pending the outcome of such Disciplinary Proceedings. In addition to this right of suspension, the LTIP Committee may impose such terms and conditions as the LTIP Committee shall deem appropriate at its sole and absolute discretion, on the ESOS Grantee's right to exercise his/her ESOS Options and/or have new ESOS Options vested in him/her having regard to the nature of the charges made or brought against such ESOS Grantee, PROVIDED ALWAYS that:
- (i) in the event such ESOS Grantee is found not guilty of the charges which gave rise to such Disciplinary Proceedings, the LTIP Committee shall reinstate the right of such ESOS Grantee to exercise his/her Option;
 - (ii) in the event the Disciplinary Proceedings result in a recommendation for the dismissal or termination of service of such ESOS Grantee, all unexercised and partially exercised ESOS Options of the ESOS Grantee shall immediately lapse and be null and void and of no further force and effect, without notice to the ESOS Grantee, upon pronouncement of the dismissal or termination of service of such ESOS Grantee notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the ESOS Grantee in any other forum;
 - (iii) in the event the ESOS Grantee is found guilty but no dismissal or termination of service is recommended, the LTIP Committee shall have the right to determine at its absolute discretion whether or not the ESOS Grantee may continue to exercise his/her ESOS

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

Options and/or have new ESOS Options vested in him/her and if so, to impose such terms and conditions as it deems appropriate, on such exercise and/or vesting of his/her ESOS Options; and

- (iv) in the event that no decision is made and/or Disciplinary Proceedings are not concluded prior to the Date of Expiry, the ESOS Options of such ESOS Grantee shall immediately lapse on the Date of Expiry without notice,

and nothing herein shall impose any obligation on the LTIP Committee to enquire into or investigate the substantiveness and/or validity of such Disciplinary Proceedings and the LTIP Committee shall not under any circumstances be held liable for any costs, losses, expenses, damages or liabilities, gains or profits foregone, arising from the LTIP Committee's exercise of or failure to exercise any of its rights under these By-Laws. Any ESOS Options that has lapsed and become null and void pursuant to this By-Law 9.7 may, at the discretion of the LTIP Committee, be re-allocated to other Eligible Persons.

- 9.8 The Group, the Board (including Directors that had resigned but were a member of the Board during the Option Period) and the LTIP Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities, gains or profits foregone, howsoever arising in the event of any delay on the part of the Company in allotting and issuing the Shares or in procuring Bursa Securities to list and quote the Shares subscribed for by an ESOS Grantee or any delay in receipt or non-receipt by the Company of the Notice of Exercise in respect of the ESOS Options or for any errors in any ESOS Award.
- 9.9 Any failure to comply with the procedures specified by the LTIP Committee or to provide information required by the Company in the Notice of Exercise or inaccuracy in the CDS Account number or any other information provided shall result in the Notice of Exercise being rejected at the discretion of the LTIP Committee. The LTIP Committee shall inform the ESOS Grantee of the rejection of the Notice of Exercise within ten (10) Market Days from the date of rejection and the ESOS Grantee shall be deemed not to have exercised his/her Option.
- 9.10 Every ESOS Award shall subject to the condition that no new Shares shall be issued pursuant to the ESOS Award if such issue would be contrary to any law, enactment, rule and/or regulation of any legislative or non-legislative body which may be in force during the Duration of the Scheme or such period as may be extended.

10. EXERCISE PRICE

- 10.1 The Exercise Price of each new Share upon the exercise of an ESOS Option shall, subject always to the provisions of By-Law 21 hereof and the Listing Requirements, be:
 - (i) in respect of any ESOS Award made in conjunction with the initial public offering of the Company, the Final Retail Price; or
 - (ii) in respect of any ESOS Award made subsequent to the initial public offering of the Company, based on the volume weighted average market price of the Shares for the five (5) Market Days immediately preceding the date of the ESOS Award less a potential discount of not more than ten percent (10%) therefrom or such other percentage or discount as may be permitted by Bursa Securities and/or any other relevant authorities from time to time, as determined by the LTIP Committee which shall be binding and conclusive.

For the purposes of By-Law 10.1(i) above, "Final Retail Price" shall refer to the final price paid by investors for the Shares issued by the Company under its retail offering pursuant to its initial public offering, as determined in the manner described in the Company's prospectus for the said initial public offering.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

10.2 The Exercise Price shall be stipulated in each option certificate.

11. ESGS GRANT

11.1 During the Duration of the Scheme, the LTIP Committee may at its discretion at any time and from time to time as it shall deem fit make an ESGS Grant in writing for acceptance in accordance with By-Law 12 below to an Eligible Person based on the criteria for allotment as set out in By-Law 5 and otherwise in accordance with the terms of this Scheme.

11.2 The actual number of Shares which may be awarded to an Eligible Person shall be at the discretion of the LTIP Committee subject to any adjustments that may be made under By-Law 21 but shall not be more than the Maximum Allowable Allotment. The number of Shares so awarded shall not be less than one hundred (100) Shares and shall be in multiples of one hundred (100) Shares (or in any other denomination as prescribed by Bursa Securities as a board lot). The LTIP Committee may stipulate any terms and conditions it deems appropriate in an ESGS Grant and the terms and conditions of each may differ. Nothing herein shall require any ESGS Grant offered to be the same as ESGS Grants previously or subsequently offered whether to the same or a different Eligible Person.

11.3 The LTIP Committee will in its letter of offer for an ESGS Grant to an Eligible Person ("**ESGS Grant Letter**") state, among others:

- (i) the number of Shares that are subject of the ESGS Grant;
- (ii) the date of the ESGS Grant;
- (iii) the Vesting Conditions, if any;
- (iv) the ESGS Vesting Date(s);
- (v) the Validity Period;
- (vi) the basis of the allocation of the ESGS Grant(s) made having regard to the Eligible Person(s)' annual appraised performance, class or grade of employment, achievement of Performance Targets, Maximum Allowable Allotment and such other consideration that the LTIP Committee may in its sole and absolute discretion deem fit; and
- (vii) any other information deemed necessary by the LTIP Committee.

11.4 The ESGS Grant shall be valid for acceptance for a period of thirty (30) days from the Award Date or such longer period as may be determined by the LTIP Committee at its sole and absolute discretion ("**Validity Period**").

11.5 Without prejudice to By-Law 2, in the event of an error on the part of the Company in stating any of the particulars referred to in By-Law 11.3 above in the ESGS Grant Letter, the Company shall, as soon as possible but in any event no later than one (1) month after discovery of the error, issue a supplemental ESGS Grant Letter, stating the correct particulars referred to in By-Law 11.3.

12. ACCEPTANCE OF ESGS GRANT

12.1 An ESGS Grant shall be accepted by the Eligible Person within the Validity Period by way of a written notice of acceptance accompanied by a payment to the Company of a sum of Ringgit Malaysia One (RM1.00) only as non-refundable consideration for the ESGS Grant (regardless of the number of Shares comprised therein).

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

12.2 If the ESGS Grant is not accepted in the manner set out in By-Law 12.1 above, the ESGS Grant shall upon the expiry of the Validity Period automatically lapse and be null and void and of no further force and effect provided that the LTIP Committee shall not be precluded from making a fresh ESGS Grant to the Eligible Person subsequently or re-awarding to any other Eligible Person at the discretion of the LTIP Committee.

12.3 The Eligible Persons are not required to pay for the Shares they are entitled to receive upon vesting of the Shares pursuant to the ESGS Grant.

13. VESTING CONDITIONS AND SATISFACTION OF VESTING CONDITIONS

13.1 The LTIP Committee shall, as and when it deems practicable and necessary, review and determine at its own discretion the Vesting Conditions specified in respect of an ESGS Grant. The Shares or such part thereof as may be specified in respect of an ESGS Grant will only vest with the ESGS Grantee on the ESGS Vesting Date(s) as at the ESGS Vesting Date(s) if the Vesting Conditions (if any) are fully and duly satisfied, including the following:

- (i) the said ESGS Grantee has not been adjudicated a bankrupt;
- (ii) the said ESGS Grantee remains an Executive or a Director and has not given notice of resignation, or received a notice of termination, or has otherwise ceased or had his/her employment terminated;
- (iii) the Performance Targets are fully and duly satisfied; and
- (iv) any other conditions as may be determined by the LTIP Committee.

13.2 The LTIP Committee shall have full discretion to determine whether the Performance Targets have been fully and duly satisfied. In the event that the LTIP Committee shall determine that the Performance Targets are not fully and duly satisfied, the LTIP Committee may, at its discretion, adjust the number of Shares (if any) which may vest in the ESGS Grantee on the ESGS Vesting Date(s) and/or take into account the shortfall in such manner as the LTIP Committee may in its discretion otherwise deem fit.

13.3 Where the LTIP Committee has determined that the Vesting Conditions have been fully and duly satisfied, the LTIP Committee shall notify the ESGS Grantee of the number of Shares vested or which will be vested in him/her on the ESGS Vesting Date ("**ESGS Vesting Notice**").

13.4 No ESGS Grantee shall have any right to or interest in the Shares comprised in an ESGS Grant until and unless the Shares are vested in him/her on and with effect from the ESGS Vesting Date.

13.5 The ESGS Grantee shall provide all information stated in the ESGS Vesting Notice and ESGS Grant Letter as required by the Company, and the Company shall within eight (8) Market Days after the ESGS Vesting Date, or such other period as may be prescribed or allowed by Bursa Securities, and subject to the Constitution, the SICDA and the Rules of Bursa Depository, transfer the relevant number of existing Shares to the ESGS Grantee, despatch the notice of transfer to the ESGS Grantee stating the number of Shares so credited. The said Shares pursuant to the vesting of an ESGS Grant will be credited directly into the CDS Account of the respective ESGS Grantee or his/her Authorised Nominee, as the case may be. No physical share certificates will be issued and/or delivered to the ESGS Grantee or his/her Authorised Nominee (as the case may be).

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

13.6 Notwithstanding anything to the contrary herein contained in these By-laws, the LTIP Committee shall have the right, at its absolute discretion by notice in writing to that effect to the ESGS Grantee, to suspend the right of any ESGS Grantee who is being subjected to Disciplinary Proceedings (whether or not such Disciplinary Proceedings may give rise to a dismissal or termination of service of such ESGS Grantee or are found to have had no basis or justification) to have any ESGS Grant awarded vested in him/her pending the outcome of such Disciplinary Proceedings. In addition to this right of suspension, the LTIP Committee may impose such terms and conditions as the LTIP Committee shall deem appropriate at its sole and absolute discretion, on the ESGS Grantee's right to have Shares granted under an ESGS Grant vested in him/her having regard to the nature of the charges made or brought against such ESGS Grantee, PROVIDED ALWAYS that:

- (i) in the event such ESGS Grantee is found not guilty of the charges which gave rise to such Disciplinary Proceedings, the LTIP Committee shall reinstate the right of such ESGS Grantee to their ESGS Grants;
- (ii) in the event the Disciplinary Proceedings result in a recommendation for the dismissal or termination of service of such ESGS Grantee, all unvested ESGS Grants shall immediately lapse and be null and void and of no further force and effect, without notice to the ESGS Grantee, upon pronouncement of the dismissal or termination of service of such ESGS Grantee notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the ESGS Grantee in any other forum;
- (iii) in the event the ESGS Grantee is found guilty but no dismissal or termination of service is recommended, the LTIP Committee shall have the right to determine at its absolute discretion whether or not the ESGS Grantee may continue to have the ESGS Grant vested in him/her and if so, to impose such terms and conditions as it deems appropriate, on such rights; and
- (iv) in the event that no decision is made and/or Disciplinary Proceedings are not concluded prior to the Date of Expiry, the ESGS Grant of such ESGS Grantee shall immediately lapse on the Date of Expiry without notice,

and nothing herein shall impose any obligation on the LTIP Committee to enquire into or investigate the substantiveness and/or validity of such Disciplinary Proceedings and the LTIP Committee shall not under any circumstances be held liable for any costs, losses, expenses, damages or liabilities, gains or profits foregone, arising from the LTIP Committee's exercise of or failure to exercise any of its rights under these By-Laws. Any ESGS Grant that has lapsed and become null and void pursuant to this By-Law 13.6 may, at the discretion of the LTIP Committee, be re-allocated to other Eligible Persons.

14. NON-TRANSFERABILITY

- 14.1 An LTIP Award is personal to the Grantee and subject to the provisions of By-Laws 14.2, 14.3, 17.2, 17.3 and 17.4, is exercisable only by the Grantee personally during his/her lifetime whilst he/she is in the employment of any company in the Group.
- 14.2 An LTIP Award shall not be transferred, assigned, disposed of or subject to any encumbrances by the Grantee. Any attempt to transfer, assign, dispose or encumber any LTIP Award shall result in the automatic cancellation of the LTIP Award.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 14.3 Notwithstanding this By-Law 14, in the event a Grantee is transferred to another company within the Group which has its own share issuance scheme, the Grantee shall be entitled to continue to exercise all unexercised LTIP Awards granted under this Scheme, in accordance with these By-Laws, but such Grantee shall not upon such transfer taking effect be eligible to participate for further LTIP Awards under this Scheme.

15. RIGHTS ATTACHING TO SHARES AND LTIP AWARDS

- 15.1 The Shares to be allotted and issued under the Scheme will be subject to the provisions of the Constitution and will, upon allotment and issue, rank equally in all respects with the then existing Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, unless the allotment and issue of Shares are made on or prior to the Entitlement Date of such dividends, rights, allotments and /or other distributions which precedes the date of allotment and issuance of new Shares.
- 15.2 In respect of the existing Shares to be transferred to the ESGS Grantees pursuant to the vesting of the Shares comprised in an ESGS Grant, such Shares rank equally in all respects with the then existing Shares. However, the ESGS Grantee shall not be entitled to any dividends, rights, allotments and/or other distributions, unless the Shares are credited into the CDS Accounts of the ESGS Grantees or his/her Authorised Nominee (as the case may be) on or prior to the Entitlement Date of such dividends, rights, allotments and/or other distributions.
- 15.3 The LTIP Awards shall not carry any rights to vote at any general meeting of the Company until and unless the LTIP Awards have been exercised and such Shares have been issued, allotted or transferred, and credited into the CDS Accounts of the Grantees or his/her Authorised Nominee (as the case may be). For the avoidance of doubt, the Grantee shall not in any event be entitled to any dividends, rights, allotments or other distributions on his/her unexercised ESOS Options and/or unvested Shares comprised in the ESGS Grants.

16. RESTRICTION ON DEALING/RETENTION PERIOD

The new Shares to be allotted and issued and/or existing Shares to be transferred to the Grantees pursuant to the Scheme will not be subject to any retention period unless the LTIP Committee stipulates otherwise upon granting of the LTIP Awards. However, the Company encourages the Grantees to hold the Shares granted to them, or subscribed for by them, as a long-term investment and not for realisation of immediate gain. Notwithstanding the foregoing, the LTIP Committee shall be entitled to prescribe or impose, in relation to any LTIP Awards, any condition relating to any retention period or restrictions on transfer as it deems fit.

17. TERMINATION OF THE LTIP AWARD

- 17.1 Prior to the full vesting of any LTIP Award and/or the allotment or satisfaction by any other means of an LTIP Award in the manner as provided for under these By-Laws, such LTIP Award that remain unvested or unexercised or unsatisfied (as the case may be) shall be automatically terminated and ceased or be deemed to cease to be valid without any claim against the Group in the following circumstances:
- (i) termination or cessation of employment of the Grantee with the Group by reason of resignation or for any reason whatsoever, in which event the termination of LTIP Awards shall be effective on the Grantee's last day of employment;
 - (ii) bankruptcy of the Grantee, in which event the termination of LTIP Award shall be effective on the date a receiving order is made against the Grantee by a court of competent jurisdiction;

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- (iii) upon the happening of any other event which results in the Grantee being deprived of the beneficial ownership of the LTIP Award, in which event the termination of LTIP Award shall be effective on the date of happening of such event;
- (iv) in accordance with By-Law 24; or
- (v) termination of the Scheme pursuant to By-Law 25.4, in which event the termination of the LTIP Award shall be effective on the Termination Date (as defined below) pursuant to By-Law 25.4.

Upon the termination of the LTIP Award(s) pursuant to By-Laws 17.1(i), (ii), (iii), (iv) or (v) above, the Grantee shall have no right to compensation or damages or any claim against the Company or any other member of the Group from any loss of any right or benefit or prospective right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from him/her ceasing to hold office or employment or from the suspension of his/her entitlement to the award of, acceptance or vesting of any LTIP Award(s) or right to exercise his/her ESOS Option(s) or his/her LTIP Award(s) ceasing to be valid.

- 17.2 Notwithstanding By-Law 17.1(i) above, the LTIP Committee may at its discretion allow vested Option to remain exercisable during the Option Period and/or as the case may be, for all or any part of any unvested LTIP Awards as may be proportionate to the duration of service provided by such Grantee to vest in accordance with the provisions of these By-Laws, and at the times or period at or within which such LTIP Awards may vest (provided that no LTIP Awards shall vest after the respective ESOS Vesting Date(s) or ESGS Vesting Date(s) has passed) and in such other manner and on such terms and conditions as it shall deem fit if the cessation of employment occurs as a result of:

- (i) ill-health, injury, physical or mental disability;
- (ii) retirement at or after attaining the normal retirement age, or retirement before attaining the normal retirement age with the consent of his/her employer;
- (iii) redundancy or retrenchment pursuant to the acceptance by that Grantee of a voluntary separation scheme offered by a company within the Group;
- (iv) resignation, retirement or removal of an Executive Director, for any reason, save where such resignation, retirement or removal was due to the breach of duty, gross negligence or wilful misconduct of such Executive Director;
- (v) transfer to any company outside the Group at the direction of the Company; or
- (vi) any other circumstances which are acceptable to the LTIP Committee in its sole and absolute discretion.

- 17.3 In the event where a Grantee dies before the Date of Expiry and at the time of his/her death held unexercised vested Options, such vested Options may be exercised by the legal or personal representative(s) of the Grantee after the date of his/her death no later than twenty-four (24) months after the death of the Grantee unless otherwise approved by the LTIP Committee. Such exercise by the legal or personal representative(s) of the Grantee after his/her death shall always be subject to any restriction in the LTIP Award (unless otherwise approved by the LTIP Committee) and provided further that no vested Option shall be exercised after the Date of Expiry. All vested Options remaining unexercised after the Date of Expiry shall automatically lapse and become null and void.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 17.4 In the event where a Grantee dies before the Date of Expiry and at the time of his/her death held unvested Options or unvested Shares, then the LTIP Committee may, in its discretion determine whether the ESOS Award and/or the ESGS Grant then held by such Grantee, to the extent not yet vested, shall lapse or that all or any part of such ESOS Award and/or ESGS Grant shall be preserved. If the LTIP Committee determines that the ESOS Award and/or ESGS Grant shall lapse, then such ESOS Award and/or ESGS Grant shall lapse without any claim whatsoever against the Company. If the LTIP Committee determines that all or any part of the ESOS Award and/or ESGS Grant shall be preserved, the LTIP Committee shall decide as soon as reasonably practicable following such event either to vest some or all of the Options and/or new Shares which are the subject of the ESOS Award and/or ESGS Grant or to preserve all or part of any ESOS Award and/or ESGS Grant and/or each ESOS Vesting Date or ESGS Vesting Date (if any) and subject to the provisions of the ESOS Award and/or ESGS Grant. In exercising its discretion, the LTIP Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Grantee and the extent to which the Vesting Conditions (if any) has/have been satisfied.
- 17.5 Any LTIP Award that has lapsed and become null and void pursuant to this By-Law 17 may at the discretion of the LTIP Committee be re-allocated to other Eligible Persons.

18. INSPECTION OF THE AUDITED FINANCIAL STATEMENTS

All Grantees shall be entitled to inspect a copy of the latest audited financial statements of the Company, which shall be made available on Bursa Securities' website as well as the Company's website and at the registered office of the Company during normal office hours on any working day of the Company.

19. SCHEME NOT A TERM OF EMPLOYMENT

This Scheme shall not confer or be construed to confer on an Eligible Person any special rights or privileges over the Eligible Person's terms and conditions of employment in the Group under which the Eligible Person is employed nor any rights additional to any compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment. This Scheme shall not form part of or be in any way construed as part of the terms and conditions of employment of any employee of the Group.

20. TAXES

All other costs, fees, levies, charges and/or taxes (including, without limitation, income taxes), if any, that are incurred by a Grantee pursuant to or relating to the exercise of any ESOS Options or vesting of any Shares under the ESGS Grants, and any holding or dealing of such Shares (including, without limitation, brokerage commissions and stamp duty) shall be borne by the Grantee for his/her own account and the Company shall not be liable for any one or more of such costs, fees, levies, charges and/or taxes.

21. ALTERATION OF SHARE CAPITAL AND ADJUSTMENTS

- 21.1 In the event of any alteration in the share capital of the Company during the Duration of the Scheme, whether by way of a rights issue, bonus issue or other capitalisation issue, subdivision or consolidation of shares or reduction or any other variation of share capital or otherwise howsoever, the LTIP Committee may, in its discretion, determine whether:

- (i) in respect of the ESOS:

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- (a) the Exercise Price; and/or
- (b) the number of unvested or unexercised ESOS Options; and
- (c) the Exercise Price and/or number of ESOS Options in respect of which future ESOS Awards may be granted under the ESOS; and
- (ii) in respect of the ESGS, the ESGS Grant Price and/or number of Shares comprised in the unvested ESGS Grants,

shall be adjusted, and if so, the manner in which such adjustments should be made.

21.2 The provisions of this By-Law 21 shall not apply where the alteration in the capital structure of the Company arises from any of the following:

- (i) an issue of Shares pursuant to the exercise of ESOS Options and/or vesting of ESGS Grants under the Scheme;
- (ii) an issue of securities as consideration or part consideration for an acquisition of any other securities, assets or business;
- (iii) an issue of securities via a private placement (including an issuance of securities pursuant to Sections 75 or 76 of the Act);
- (iv) any special issuance of new Shares or other securities to Bumiputera investors nominated by the Malaysian government and/or any other relevant authority of the Malaysian government to comply with the Malaysian government's policy on Bumiputera capital participation;
- (v) a restricted issue of securities;
- (vi) an issue of new Shares arising from the exercise/conversion of warrants, convertible loan stocks or other instruments of the Company; or
- (vii) a purchase by the Company of its own Shares of all or a portion of such Shares purchased pursuant to the Section 127 of the Act.

21.3 Save as expressly provided for herein, the external auditors or Principal Adviser selected by the Directors (acting as experts and not as arbitrators) shall confirm in writing that the adjustments are in their opinion fair and reasonable. The opinion of such external auditors or Principal Adviser shall be final, binding and conclusive.

21.4 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to the Act, By-Law 21.1 shall be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which By-Law 21.1 is applicable, but By-Law 21.1 shall not be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which By-Law 21.1 is not applicable as described in By-Law 21.2.

21.5 Any adjustment pursuant to By-Law 21.1 shall be made according to the following terms:

- (i) in the case of a rights issue, bonus issue or other capitalisation issue, on the next Market Day immediately following the Entitlement Date in respect of such issue; or
- (ii) in the case of a subdivision or consolidation of shares or reduction of share capital, on the next Market Day immediately following the date on which the consolidation,

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

subdivision or reduction becomes effective or such other period as may be prescribed by Bursa Securities.

21.6 Upon any adjustment required to be made pursuant to this By-Law 21, the Company shall within twenty (20) Market Days notify the Grantee (or his or her duly appointed personal representatives where applicable) in writing and deliver to him/her (or his/her duly appointed personal representatives where applicable) a statement setting forth:

- (i) in respect of the ESOS, the Exercise Price or number of ESOS Options which are the subject of the adjusted ESOS Award; and
- (ii) in respect of the ESGS, the number of Shares comprised in the unvested ESGS Grants which are the subject of the adjusted ESGS Grant.

Any adjustment shall take effect upon such written notification being given or such date as may be specified in such written notification.

21.7 In respect of the ESOS Options or the ESGS Grants, any adjustment pursuant to this By-Law 21 shall be made in accordance with the following formulae below (as applicable), pursuant to By-Law 21.6:

- (a) If and whenever the number of issued Share changes by reason of any consolidation or subdivision (including subdivision by way of a bonus issue without capitalisation of profits or reserves) or conversion, in respect of ESOS Options, the Exercise Price shall be adjusted and the adjusted number of the Shares relating to the ESOS Options and/or ESGS Grants (where applicable) to be issued or transferred shall be calculated in accordance with the following formula:

$$\text{New Exercise Price} = \frac{S \times L}{M}$$

$$\text{Additional number of Shares} = \frac{T \times M}{L} - T$$

Where:

- L = Total number of issued Shares immediately before the consolidation, subdivision or conversion;
- M = Total number of issued Shares immediately after the consolidation, subdivision or conversion;
- S = Existing Exercise Price; and
- T = Existing number of the Shares relating to the ESOS Options and/or ESGS Grants.

Such adjustment will be effective from the close of business on the Market Day immediately following the date on which the consolidation or subdivision or conversion becomes effective or such other period as may be prescribed by Bursa Securities.

- (b) If and whenever the Company shall make any issue of new Shares to ordinary shareholders credited as fully paid-up, by way of bonus issue or capitalisation of profits or reserves of the Company, in respect of ESOS Options, the Exercise Price shall be adjusted by multiplying it by the following fraction:

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

$$\frac{A}{A + B}$$

and the additional number of Shares relating to the ESOS Options and/or ESGS Grants shall be calculated as follows:

Additional number of Shares =

$$T \times \left[\frac{A + B}{A} \right] - T$$

Where:

- A = The aggregate number of issued Shares immediately before such bonus issue or capitalisation of profits or reserves of the Company;
- B = The aggregate number of Shares to be issued pursuant to any allotment to ordinary shareholders of the Company credited as fully issued by way of bonus issue or capitalisation of profits or reserves of the Company; and
- T = T as in By-Law 23.7(a) above.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.

- (c) If and whenever the Company shall make:
- (i) a Capital Distribution (as defined below) to ordinary shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets);
 - (ii) any offer or invitation to its ordinary shareholders whereunder they may acquire or subscribe for new Shares by way of rights; or
 - (iii) any offer or invitation to ordinary shareholders by way of rights whereunder they may acquire or subscribe for securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares attached thereto,

then and in respect of each such case, the Exercise Price for ESOS Options shall be adjusted by multiplying it by the following fraction:

$$\frac{C - D}{C}$$

and in respect of the case referred to in By-Law 21.7(c)(ii) hereof, the number of additional Shares relating to the ESOS Options and/or ESGS Grants shall be calculated as follows:

Additional number of Shares =

$$T \times \left[\frac{C}{C - D^*} \right] - T$$

Where:

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- C = The current market price of each Share on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, the offer or invitation is publicly announced to Bursa Securities or (failing any such announcement) immediately preceding the date of the Capital Distribution or, as the case may be, of the offer or invitation or (where appropriate) any relevant date as may be determined by the Company in consultation with the Principal Adviser;
- D = (aa) In the case of an offer or invitation to acquire or subscribe for new Shares under By-Law 21.7(c)(ii) above or for securities convertible into Shares or securities with rights to acquire or subscribe for new Shares under By-Law 21.7(c)(iii) above, the value of rights attributable to one (1) Share (as defined below); or
- (bb) In the case of any other transaction falling within By-Law 21.7(c) hereof, the fair market value as determined (with the concurrence of the auditor) by the external auditors or Principal Adviser of that portion of the Capital Distribution attributable to one (1) Share;
- D* = The value of the rights attributable to one (1) Share (as defined below); and
- T = T as in By-Law 21.7(a) above.

For the purpose of definition (aa) of “D” above, “**value of rights attributable to one (1) Share**” shall be calculated in accordance with the formula:

$$\frac{C - E}{F + 1}$$

Where:

- C = C as in By-Law 21.7(c) hereof;
- E = The subscription price for one (1) new Share under the terms of such offer or invitation to acquire or subscribe for Shares or subscription price of one (1) Share upon conversion of the convertible securities or exercise of such rights to acquire or subscribe for one (1) Share under the offer or invitation; and
- F = The number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share or subscribe for security convertible into one (1) additional Share or rights to acquire or subscribe for additional Shares.

For the purpose of definition of “D*” above, the “**value of rights attributable to one (1) Share**” shall be calculated in accordance with the formula:

$$\frac{C - E^*}{F^* + 1}$$

Where:

- C = C as in By-Law 21.7(c) hereof;

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

E* = The subscription price for one (1) additional Share under the terms of such offer or invitation; and

F* = The number of existing Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share.

For the purpose of By-Law 21.7(c) hereof, “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of new Shares (not falling under By-Law 21.7(b) hereof) or other securities credited as fully or partly paid-up by way of capitalisation of profits or reserves of the Company.

Any dividend declared or provided for in the audited financial statements of the Company for any period shall (whenever paid and howsoever described) be deemed to be a Capital Distribution unless it is paid out of the aggregate of the net profits attributable to the ordinary shareholders as shown in the audited consolidated financial statement of comprehensive income of the Company.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day (or such other period as may be prescribed by Bursa Securities) immediately following the Entitlement Date for such issue.

- (d) If and whenever the Company makes any allotment to its ordinary shareholders as provided in By-Law 21.7(b) above and also makes any offer or invitation to its ordinary shareholders as provided in By-Law 21.7(c)(ii) or (iii) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer of invitation, the Exercise Price shall be adjusted by multiplying it by the following fraction:

$$\frac{(G \times C) + (H \times I)}{(G + H + B) \times C}$$

and where the Company makes any allotment to its ordinary shareholders as provided in By-Law 21.7(b) above and also makes any offer or invitation to its ordinary shareholders as provided in By-Law 21.7(c)(ii) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the number of additional Shares relating to the ESOS Options and/or ESGS Grants shall be calculated as follows:

Additional number of Shares =

$$T \times \left[\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right] - T$$

Where:

B = B as in By-Law 21.7 (b) above;

C = C as in By-Law 21.7 (c) above;

G = The aggregate number of issued Shares on the Entitlement Date;

H = The aggregate number of new Shares under an offer or invitation to acquire or subscribe for Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

into Shares or rights to acquire or subscribe for Shares, as the case may be;

- H* = The aggregate number of new Shares under an offer or invitation to acquire or subscribe for Shares by way of rights;
- I = The subscription price of one (1) additional Share under the offer or invitation to acquire or subscribe for Shares or the subscription price of one (1) Share upon conversion of the convertible securities or exercise of such rights to acquire or subscribe for one (1) Share under the offer or invitation, as the case may be;
- I* = The subscription price of one (1) additional Share under the offer or invitation to acquire or subscribe for Shares; and
- T = T as in By-Law 21.7(a) above.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day (or such other period as may be prescribed by Bursa Securities) immediately following the Entitlement Date for such issue.

- (e) If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for Shares as provided in By-Law 21.7(c)(ii) above together with an offer or invitation to acquire or subscribe for securities convertible into new Shares or securities with rights to acquire or subscribe for ordinary shares as provided in By-Law 21.7(c)(iii) above, the Exercise Price shall be adjusted by multiplying it by the following fraction:

$$\frac{(G \times C) + (H \times I) + (J \times K)}{(G + H + J) \times C}$$

and the number of Shares relating to the ESOS Options and/or ESGS Grants shall be adjusted by multiplying it by the following fraction:

- (1) in respect of the ESOS Options:

Additional number of Shares =

$$T \times \frac{(G + H^*) \times C}{(G \times C) + (H^* \times I^*)} - T$$

- (2) in respect of the ESGS Grants:

Additional number of Shares =

$$T \times \frac{(G + H + J) \times C}{(G \times C) + (H \times I) + (J \times K)} - T$$

Where:

- C = C as in By-Law 21.7(c) above;
- G = G as in By-Law 21.7(d) above;
- H = H as in By-Law 21.7(d) above;

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

H*	=	H* as in By-Law 21.7(d) above;
I	=	I as in By-Law 21.7(d) above;
I*	=	I* as in By-Law 21.7(d) above;
J	=	The aggregate number of Shares to be issued to its ordinary shareholders upon conversion of such securities or exercise of such rights to subscribe for Shares by the ordinary shareholders;
K	=	The exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share; and
T	=	T as in By-Law 21.7(a) above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day (or such other period as may be prescribed by Bursa Securities) immediately following the Entitlement Date for such issue.

- (f) If and whenever the Company makes an allotment to its ordinary shareholders as provided in By-Law 21.7(b) above and also makes an offer or invitation to acquire or subscribe for Shares to its ordinary shareholders as provided in By-Law 21.7(c)(ii) above, together with rights to acquire or subscribe for securities convertible into new Shares or with rights to acquire or subscribe for Shares as provided in By-Law 21.7(c)(iii) above, and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be calculated as follows :

$$\frac{(G \times C) + (H \times I) + (J \times K)}{(G + H + J + B) \times C}$$

and the number of additional Shares relating to the ESOS Options and/or ESGS Grants shall be calculated as follows:

- (1) in respect of the ESOS Options:

Additional number of Shares =

$$T \times \left[\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right] - T$$

- (2) in respect of the ESGS Grants:

Additional number of Shares =

$$T \times \left[\frac{(G + H^* + J + B) \times C}{(G \times C) + (H^* \times I^*) + (J \times K)} \right] - T$$

Where:

B	=	B as in By-Law 21.7(b) above;
C	=	C as in By-Law 21.7(c) above;
G	=	G as in By-Law 21.7(d) above;
H	=	H as in By-Law 21.7(d) above;

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

H*	=	H* as in By-Law 21.7(d) above;
I	=	I as in By-Law 21.7(d) above;
I*	=	I* as in By-Law 21.7(d) above;
J	=	J as in By-Law 21.7(e) above;
K	=	K as in By-Law 21.7(e) above; and
T	=	T as in By-Law 21.7(a) above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of next the Market Day (or such other period as may be prescribed by Bursa Securities) immediately following the Entitlement Date for such issue.

For the purpose of By-Law 21.7(c), (d), (e) and (f), the current market price in relation to one (1) existing Share for any relevant day shall be the weighted average of the last traded prices for the five (5) consecutive Market Days before such date or during such other period as may be determined in accordance with any guidelines issued, from time to time, by the relevant authorities.

- 21.8 If an event occurs that is not set out in By-Law 21.7 or if application of any of the formula to an event results in a manifest error or does not, in the opinion of the LTIP Committee, achieve the desired result of preventing the dilution or enlargement of the Eligible Person's rights, the LTIP Committee may agree to an adjustment subject to the provision of By-Law 21.7 provided that the Eligible Persons shall be notified of the adjustment through an announcement to all Eligible Persons to be made in such manner deemed appropriate by the LTIP Committee.
- 21.9 Notwithstanding the provisions referred to in this By-Law, the LTIP Committee may exercise its discretion to determine whether any adjustments to the Exercise Price, the number of Options and/or new Shares (as the case may be) be calculated on a different basis or date or should take effect on a different date or that such adjustments be made to the Exercise Price and/or the number of Options notwithstanding that no such adjustment formula has been explicitly set out in this By-Law.
- 21.10 Any adjustment to the Exercise Price shall be rounded up to the nearest of RM0.01.
- 21.11 In the event that a fraction of a Share arises from the adjustments pursuant to this By-Law 21, the number of Shares comprised in an ESOS Award or ESGS Grant shall automatically be rounded down to the nearest whole number.
- 21.12 Upon any adjustment being made pursuant to this By-Law, the LTIP Committee shall, within thirty (30) days of the effective date of the alteration in the capital structure of the Company, notify the Grantee (or his/her legal representatives where applicable) in writing informing him/her of the adjusted Exercise Price thereafter in effect and/or the revised number of Shares thereafter to be issued on the exercise of the ESOS Options and/or to be vested under the ESGS Grants.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)**22. TAKE-OVER, SCHEME OF ARRANGEMENT, AMALGAMATION, RECONSTRUCTION, ETC**

In the event of:

- 22.1 a takeover offer being made for the Company through a general offer to acquire the whole of the issued share capital of the Company (or such part thereof not at the time held by the person making the general offer ("**Offeror**") or any persons acting in concert with the Offeror);
- 22.2 the Offeror becoming entitled or bound to exercise the rights of compulsory acquisition of Shares under the provisions of the Capital Markets and Services Act 2007 or other relevant laws applicable at the material time and gives notice to the Company that it intends to exercise such right on a specific date; or
- 22.3 the court sanctioning a compromise or arrangement between the Company and its members proposed for the purposes of, or in connection with, a scheme of arrangement and reconstruction of the Company under Section 366 of the Act or its amalgamation with any other company or companies under Section 370 of the Act,

the LTIP Committee may at its discretion and to the extent permitted by law allow the exercise of any vested ESOS Options and/or the vesting of any unvested ESOS Awards or unvested ESGS Grants (or any part thereof) by the Grantee at any time subject to such terms and conditions as may be prescribed notwithstanding that:

- (i) the ESOS Vesting Date or ESGS Vesting Date (whichever applicable) is not due or has not occurred; and/or
- (ii) the other terms and conditions set out in the LTIP Award have not been fulfilled or satisfied.

Upon the compromise or arrangement becoming effective, all Options remaining unexercised and all unvested LTIP Awards shall cease to be capable of vesting and automatically lapse and become null and void.

23. DIVESTMENT FROM THE GROUP

- 23.1 If a Grantee who was in the employment of a company in the Group which was subsequently divested, then such Grantee:

- (i) shall:
 - (a) not be entitled to continue to exercise all such unexercised vested ESOS Options held by him/her; and
 - (b) cease to be capable of being vested with any unvested ESOS Options or unvested ESGS Grants granted to him/her under the Scheme,

from the date of completion of such divestment unless the LTIP Committee at its discretion permit such exercise of the unexercised vested ESOS Options or the vesting of the unvested ESOS Options and/or unvested ESGS Grants including its allocation thereof. For the avoidance of doubt, save and except to the extent permitted by the LTIP Committee, all existing LTIP Awards shall automatically lapse and be null and void and of no further force and effect; and

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- (ii) shall not be eligible to participate for further LTIP Awards under the Scheme as from the date of completion of such divestment.

23.2 For the purposes of By-Law 23.1, a company shall be deemed to be divested from the Group or disposed of from the Group in the event that the effective interest of the Company in such company is reduced from above 50% to 50% or below so that such company would no longer be a subsidiary of the Company pursuant to Section 4 of the Act or such company ceases to form part of the Group for such reason(s) as determined by the LTIP Committee at its absolute discretion.

24. WINDING UP

All outstanding LTIP Awards shall be automatically terminated and be of no further force and effect in the event that a resolution is passed or a court order is made for the winding up of the Company commencing from the date of such resolution or the date of the court order. In the event a petition is presented in court for the winding up or liquidation of the Company, all rights to exercise and/or vest the LTIP Awards shall automatically be suspended from the date of presentation of the petition. Conversely, if the petition for winding-up is dismissed by the court, the right to exercise and/or vest the LTIP Awards shall accordingly be unsuspended.

25. DURATION OF THE SCHEME

25.1 The Scheme is conditional upon:

- (i) submission of the final copy of the By-Laws to Bursa Securities together with a letter of compliance pursuant to paragraph 2.12 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements;
- (ii) approval from Bursa Securities for the listing of and quotation for such number of Shares representing up to ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) on the open market of Bursa Securities;
- (iii) approval of the shareholders of the Company for the establishment of the Scheme pursuant to these By-Laws;
- (iv) receipt of the approval(s) of any other relevant authorities (where applicable); and
- (v) fulfilment or waiver (as the case may be) of all applicable conditions attached to the above approvals (if any).

The Scheme shall be in force for a duration of five (5) years commencing from the effective date of implementation of the Scheme, which shall be a date following the full compliance with all relevant requirements of the Listing Requirements and under the law in relation to the Scheme ("**Effective Date**") ("**Duration of the Scheme**").

25.2 The Duration of the Scheme, or the duration of ESOS, or the duration of ESGS, may be extended for a further period of up to five (5) years immediately from the expiry of the Duration of the Scheme ("**Date of Expiry**") on the same terms and conditions as contained in these By-Laws at the discretion of the Board upon the recommendation of the LTIP Committee, without having to obtain approval of the Company's shareholders. Any extension of the Scheme shall not, in aggregate with the initial term, exceed ten (10) years from the Effective Date, or such longer period as may be allowed by the relevant authorities.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 25.3 On the expiry of the Scheme, any LTIP Awards which have yet to be vested (whether fully or partially) shall be deemed terminated and be null and void and of no further force and effect.
- 25.4 The Scheme may be terminated by the LTIP Committee at any time before the Date of Expiry, provided that the Company makes an announcement immediately to Bursa Securities, which the contents of the said announcement shall, amongst others, include:
- (i) the effective date of termination of the Scheme;
 - (ii) the number of Options exercised or Shares vested; and
 - (iii) the reasons for termination of the Scheme.

26. SUBSEQUENT EMPLOYEES' SHARE SCHEMES

The Company may, in addition to the Scheme, implement more than one (1) employees' share scheme provided that the aggregate number of Shares available under all the employee share schemes implemented by the Company is not more than fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any one time or any other limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time.

27. COMPENSATION

- 27.1 This Scheme shall afford the Grantee no additional right to compensation or damages in the event of the cessation of his/her employment or appointment for any reason whatsoever.
- 27.2 Participation in this Scheme by an Eligible Person is a matter entirely separate from his/her terms and conditions of employment and participation in this Scheme shall in no respects whatever affect in any way a Grantee's terms and conditions of employment. In particular (but without limiting the generality of the foregoing words) any Grantee who ceases to hold office or leaves employment shall not be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under this Scheme which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal, dismissal without just cause or excuse, or other breach of contract or by way of compensation for loss of office or otherwise howsoever.
- 27.3 This Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Option or ESGS themselves) against the Company or any corporation of the Group or any members of the LTIP Committee directly or indirectly or give rise to any cause of action at law or in equity against the Company or the Group.
- 27.4 No Grantee or his/her legal or personal representatives shall bring any claim, action or proceedings against the Company or the LTIP Committee or any party for compensation, loss or damages whatsoever and howsoever arising including but not limited to:
- (a) the suspension of his/her rights to exercise his/her Vested Options or be vested his/her ESGS Grants, or
 - (b) his/her Options or ESGS Grants ceasing to be valid pursuant to the provisions of these By-Laws as may be amended from time to time in accordance with By-Law 28.
- 27.5 Neither the Scheme nor LTIP Awards granted under the Scheme shall impose on the Company or the LTIP Committee or any of its members any liability whatsoever in connection with:

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

- (a) the lapse of any LTIP Awards pursuant to any provision of the Scheme;
- (b) the failure or refusal by the LTIP Committee to exercise, or the exercise by the LTIP Committee of, any discretion under the Scheme; and/or
- (c) any decision or determination of the LTIP Committee made pursuant to any provision of the Scheme.

28. MODIFICATION/VARIATION TO THESE BY-LAWS

- 28.1 The LTIP Committee may at any time and from time to time recommend to the Board any amendments and/or modifications to all or any of the provisions of these By-Laws and the power to amend and/or modify all or any of the provisions of these By-Laws shall rest with the Board PROVIDED THAT no amendment and/or modifications shall alter adversely the rights attaching to any LTIP Awards granted prior to such amendment and/or modifications, nor alter such rights to the advantage of any Grantee without the prior approval of the shareholders of the Company as set out in By-Law 28.2. The LTIP Committee shall within ten (10) Market Days of any amendment and/or modification made pursuant to this By-Law notify the Grantee in writing of any amendment and/or modification made pursuant to this By-Law. The Company is required to submit to Bursa Securities a confirmation letter that the amendment and/or modification does not contravene any of the provisions of the Listing Requirements on employees' share option scheme and the rules issued by Bursa Depository no later than five (5) Market Days after the effective date of the said amendment and/or modification is made.
- 28.2 No such addition or amendment, modification and/or deletion of these By-Laws shall be made which will:
- (a) prejudice any rights then accrued to any Grantee without the prior consent or sanction of the majority of the Grantees at a meeting called for such purpose. The quorum for such meetings of Grantees shall be two (2);
 - (b) prejudice any rights of the shareholders of the Company without the prior approval of the Company's shareholders in a general meeting;
 - (c) increase the maximum number of Shares which may be made available under the Scheme provided under By-Law 3.1; and
 - (d) alter any matter which are required to be contained in the By-Laws by virtue of the Listing Requirements to the advantage of the Eligible Person and/or Grantee without the prior approval of the Company's shareholders in a general meeting,

unless allowed otherwise by the provisions of the Listing Requirements.

29. DISPUTES

Any dispute or difference of any nature arising hereunder shall be referred to the decision of the LTIP Committee. The said decision shall be final and binding on the parties unless the Eligible Person or Grantee, as the case may be, shall dispute the same by notice to the LTIP Committee within fourteen (14) days of the receipt of the decision of the LTIP Committee, in which case, such dispute or difference shall be referred to the Board, whose decision shall be final and binding in all respects and whose costs shall be borne by the party against whom the decision is given on appeal.

ANNEXURE D: BY-LAWS GOVERNING THE LTIP (Cont'd)

30. COSTS AND EXPENSES

All fees, costs and expenses incurred in relation to the Scheme including but not limited to the fees, costs and expenses relating to the issue and allotment and/or transfer of the Shares pursuant to the LTIP Award, shall be borne by the Company. Notwithstanding this, the Grantee shall bear any fees, costs and expenses incurred in relation to his/her acceptance of the LTIP Awards and exercise of the Options under the Scheme and the holding or subsequent dealing of such Shares (such as, including but not limited to, brokerage commissions and stamp duty).

31. CONSTITUTION

Notwithstanding the rules, terms and conditions contained in these By-Laws, if a situation of conflict should arise between these By-Laws and the Constitution, the provisions of the Constitution shall prevail at all times save and except where such provisions of the By-Laws are included pursuant to the Listing Requirements.

32. NOTICE

- 32.1 Any notice which under the Scheme is required to be given to or served upon the LTIP Committee by an Eligible Person or Grantee or any correspondence to be made between an Eligible Person or Grantee and the LTIP Committee shall be given or served in writing and either delivered by hand or sent to the registered office of the Company by ordinary letter. Proof of posting shall not be evidence of receipt of the letter.
- 32.2 Any notice under the Scheme required to be given to or served upon an Eligible Person or Grantee shall be deemed to be sufficiently given, served or made if it is given, served or made by hand, by electronic mail, and/or by letter sent via ordinary post addressed to the Eligible Person or Grantee at his/her place of employment, to his/her electronic mail address, or to his/her last-known address. Any notice served by hand, by electronic mail or post as aforesaid shall be deemed to have been received at the time when such notice (if by hand) is received and acknowledged, (if by electronic mail) the dispatch of the electronic mail, (if any post) three (3) days after postage.
- 32.3 Any notice served by a party after the Company's official working hours shall be deemed to have been served on the next working day.

33. SEVERABILITY

Any term, condition, stipulation or provision in these By-Laws which is or becomes illegal, void, prohibited or unenforceable shall be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining provisions hereof, and any such illegality, voidness, prohibition or unenforceability shall not invalidate or render illegal, void or unenforceable any other term, condition, stipulation or provision herein contained.

34. GOVERNING LAW

The Scheme, the By-Laws, and all LTIP Awards made and granted and actions taken under the Scheme shall be governed by and construed in accordance with the laws of Malaysia. The Grantee, by accepting the LTIP Award in accordance with the By-Laws and terms of the Scheme, irrevocably submits to the exclusive jurisdiction of the courts of Malaysia.