

## 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)
<b>GP</b>	<b>54,076</b>	<b>76,683</b>	<b>98,274</b>
Other income	923	730	912
Distribution costs	(22,800)	(29,768)	(37,068)
Administration expenses	(11,553)	(11,956)	(11,050)
<b>Operating profit</b>	<b>20,646</b>	<b>35,689</b>	<b>51,068</b>
Finance income	56	270	1,121
Finance cost	(494)	(749)	(1,046)
<b>PBT</b>	<b>20,208</b>	<b>35,210</b>	<b>51,143</b>
Tax expense	(5,622)	(8,981)	(13,223)
<b>PAT</b>	<b>14,586</b>	<b>26,229</b>	<b>37,920</b>
<b>Other selected financial data</b>			
GP margin (%) <sup>(1)</sup>	39.4	41.5	41.7
PBT margin (%) <sup>(2)</sup>	14.7	19.1	21.7
PAT margin (%) <sup>(3)</sup>	10.6	14.2	16.1
Effective tax rate (%) <sup>(4)</sup>	27.8	25.5	25.9
Basic/Diluted EPS (RM) <sup>(5)</sup>	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:

	<b>Audited</b>		
	<b>As at 31 March</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Total non-current assets	27,996	46,647	53,376
Total current assets	30,591	50,061	66,973
<b>Total assets</b>	<b>58,587</b>	<b>96,708</b>	<b>120,349</b>
Share capital	1,000	1,000	1,000
Retained earnings	28,831	55,061	70,981
<b>Total equity/NA</b>	<b>29,831</b>	<b>56,061</b>	<b>71,981</b>
Total non-current liabilities	5,367	10,800	11,940
Total current liabilities	23,389	29,847	36,428
<b>Total liabilities</b>	<b>28,756</b>	<b>40,647</b>	<b>48,368</b>
<b>Total equity and liabilities</b>	<b>58,587</b>	<b>96,708</b>	<b>120,349</b>
<b>Other selected financial data</b>			
Total borrowings (consists of lease liabilities) (RM'000)	10,196	17,704	20,625
Gearing ratio (times) <sup>(1)</sup>	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.

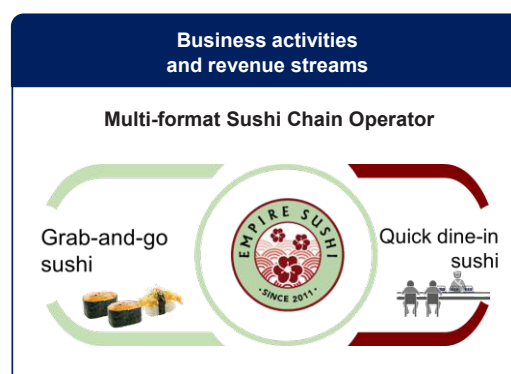
There are no accounting policies that are peculiar to our Group because of the nature of the business and industry in which we operate. For further details on the accounting policies of our Group, see Note 2 of the Accountants' Report included in Section 13 of this Prospectus.

#### 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
<b>Number of <i>Empire Sushi</i> outlets</b>			
Grab-and-go outlets <sup>(1)</sup>	70	92	108
Quick dine-in outlet	11	12	14
<b>Total</b>	<b>81</b>	<b>104</b>	<b>122</b>

**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) <sup>(1)</sup>	65,437	85,955	108,007
<b>Average spend per ticket (RM)<sup>(2)</sup></b>	<b>18.7</b>	<b>18.9</b>	<b>19.3</b>

**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<sup>(1)</sup> 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)
<b>Overall SSSG</b>	<b>12.2%</b>	<b>9.8%</b>	<b>5.5%</b>
Peninsular Malaysia			
- Central region <sup>(2)</sup>	8.8%	6.9%	2.8%
- Southern region <sup>(3)</sup>	71.5%	27.0%	8.1%
- Northern region <sup>(4)</sup>	9.7%	7.2%	7.8%
- East Coast region <sup>(5)</sup>	3.2%	8.1%	7.3%
East Malaysia	n.a <sup>(6)</sup>	n.a <sup>(6)</sup>	n.a <sup>(6)</sup>
Total number of outlets in operations	44 <sup>(7)</sup>	61 <sup>(8)</sup>	78 <sup>(9)</sup>
- 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.

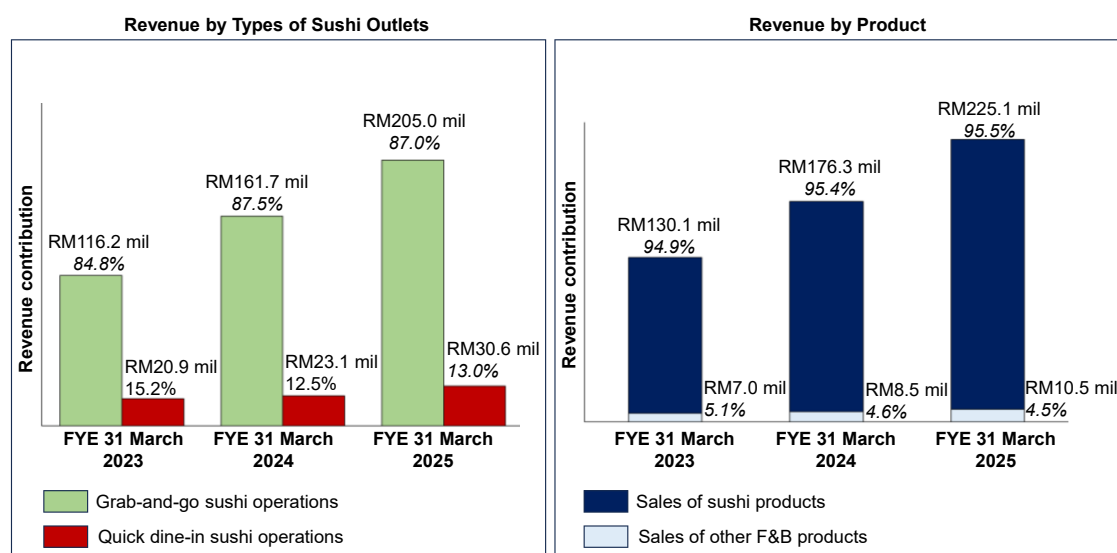
## 12. FINANCIAL INFORMATION (Cont'd)

### 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	%
<b>Grab-and-go operations</b>	<b>sushi</b>	<b>116,206</b>	<b>84.8</b>	<b>161,731</b>	<b>87.5</b>	<b>204,977</b>	<b>87.0</b>
-	Sushi products	111,239	81.2	155,260	84.0	197,007	83.6
-	Other F&B products <sup>(1)</sup>	4,967	3.6	6,471	3.5	7,970	3.4
<b>Quick dine-in operations</b>	<b>sushi</b>	<b>20,889</b>	<b>15.2</b>	<b>23,070</b>	<b>12.5</b>	<b>30,623</b>	<b>13.0</b>
-	Sushi products	18,846	13.7	21,004	11.4	28,097	11.9
-	Other F&B products <sup>(2)</sup>	2,043	1.5	2,066	1.1	2,526	1.1
<b>Total</b>		<b>137,095</b>	<b>100.0</b>	<b>184,801</b>	<b>100.0</b>	<b>235,600</b>	<b>100.0</b>

**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 <sup>(1)</sup>		7,010	5.1	8,537	4.6	10,496	4.5
<b>Total</b>		<b>137,095</b>	<b>100.0</b>	<b>184,801</b>	<b>100.0</b>	<b>235,600</b>	<b>100.0</b>

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

**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
<b>Peninsular Malaysia</b>	<b>22</b>	<b>102</b>
- Central region	10	48
- Northern region	2	26
- Southern region	9	18
- East Coast region	1	10
<b>East Malaysia</b>	<b>2</b>	<b>2</b>
<b>Total</b>	<b>24</b>	<b>104</b>

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 <sup>(1)</sup>					
Peninsular Malaysia				East Malaysia	Group
Central region	Southern region	Northern region	East Coast region		
6.9% <sup>(2)</sup>	27.0% <sup>(3)</sup>	7.2% <sup>(4)</sup>	8.1% <sup>(5)</sup>	N/A <sup>(6)</sup>	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
<b>Peninsular Malaysia</b>	<b>17</b>	<b>119</b>
- Central region	10	58
- Northern region	2	28
- Southern region	4	22
- East Coast region	1	11
<b>East Malaysia</b>	<b>1</b>	<b>3</b>
<b>Total</b>	<b>18</b>	<b>122</b>

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 <sup>(1)</sup>					
Peninsular Malaysia				East Malaysia	Group
Central region	Southern region	Northern region	East Coast region		
2.8% <sup>(2)</sup>	8.1% <sup>(3)</sup>	7.8% <sup>(4)</sup>	7.3% <sup>(5)</sup>	N/A <sup>(6)</sup>	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 <sup>(1)</sup>	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
<b>Total</b>	<b>83,019</b>	<b>100.0</b>	<b>108,118</b>	<b>100.0</b>	<b>137,326</b>	<b>100.0</b>

**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
<b>Total</b>	<b>83,019</b>	<b>100.0</b>	<b>108,118</b>	<b>100.0</b>	<b>137,326</b>	<b>100.0</b>

**(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		GP margin (%)	GP		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
<b>Total / Group GP margin</b>	<b>54,076</b>	<b>100.0</b>	<b>39.4</b>	<b>76,683</b>	<b>100.0</b>	<b>41.5</b>
				<b>98,274</b>	<b>100.0</b>	<b>41.7</b>

#### (ii) Breakdown of GP by geographical markets

	FYE 31 March					
	2023			2024		
	GP		GP margin (%)	GP		GP margin (%)
	RM'000	%		RM'000	%	
<b>Peninsular Malaysia</b>						
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
<b>Total / Group GP margin</b>	<b>54,076</b>	<b>100.0</b>	<b>39.4</b>	<b>76,683</b>	<b>100.0</b>	<b>41.5</b>
				<b>98,274</b>	<b>100.0</b>	<b>41.7</b>

**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 <sup>(1)</sup>	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 <sup>(2)</sup>	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 <sup>(3)</sup>	109	11.8	141	19.3	133	14.6
<b>Total</b>	<b>924</b>	<b>100.0</b>	<b>730</b>	<b>100.0</b>	<b>912</b>	<b>100.0</b>

**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 <sup>(1)</sup>	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 <sup>(2)</sup>	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 <sup>(3)</sup>	784	3.4	1,243	4.2	1,485	4.0
Staff related cost <sup>(4)</sup>	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 <sup>(5)</sup>	637	2.7	759	2.4	747	1.9
<b>Total</b>	<b>22,800</b>	<b>100.0</b>	<b>29,768</b>	<b>100.0</b>	<b>37,068</b>	<b>100.0</b>

**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 <sup>(1)</sup>	4,622	40.0	5,408	45.2	5,369	48.6
Directors' remuneration and expenses <sup>(2)</sup>	5,333	46.2	4,833	40.4	4,357	39.4
Rental and related expenses <sup>(3)</sup>	162	1.4	200	1.7	402	3.6
Office expenses <sup>(4)</sup>	251	2.2	495	4.1	387	3.5
Professional fees <sup>(5)</sup>	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 <sup>(6)</sup>	184	1.6	130	1.1	157	1.4
<b>Total</b>	<b>11,553</b>	<b>100.0</b>	<b>11,956</b>	<b>100.0</b>	<b>11,050</b>	<b>100.0</b>

**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	%
<b>Finance income</b>						
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
<b>Total</b>	<b>56</b>	<b>100.0</b>	<b>270</b>	<b>100.0</b>	<b>1,121</b>	<b>100.0</b>
<b>Finance costs</b>						
Interest expense on:						
- lease liabilities	494	100.0	749	100.0	1,046	100.0
<b>Total</b>	<b>494</b>	<b>100.0</b>	<b>749</b>	<b>100.0</b>	<b>1,046</b>	<b>100.0</b>

**(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:

	<b>Audited</b>		
	<b>FYE 31 March</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
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)
<b>Net increase in cash and cash equivalents</b>	<b>13,747</b>	<b>16,876</b>	<b>15,467</b>
Cash and cash equivalents at the beginning of the financial year	11,317	25,064	41,940
<b>Cash and cash equivalents at the end of the financial year</b>	<b>25,064</b>	<b>41,940</b>	<b>57,407</b>

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:

	<b>RM'000</b>
Expansion of sushi chain operations	91,420
Upgrading of existing sushi outlets	14,470
<b>Total</b>	<b>105,890</b>

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) <sup>(1)</sup>	43	52	56
Average trade payables turnover (days) <sup>(2)</sup>	26	25	25
Average inventory turnover (days) <sup>(3)</sup>	4	4	5
Current ratio (times) <sup>(4)</sup>	1.3	1.7	1.8
Gearing ratio (times) <sup>(5)</sup>	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 <sup>(1)</sup>	125	146	167
Consignment revenue	1,069	1,026	1,079
Average trade receivables turnover (days) <sup>(2)</sup>	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:

	<b>FYE 31 March</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	(RM'000)	(RM'000)	(RM'000)
Average trade payables <sup>(1)</sup>	5,888	7,463	9,344
Cost of sales	83,019	108,118	137,326
 Average trade payable turnover (days) <sup>(2)</sup>	 26	 25	 25

**Notes:**

(1) Computed as follows:

	<b>FYE 31 March</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	(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:

	<b>Past due</b>					<b>Total</b>
	<b>Current</b>	<b>1-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>More than 90 days</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Trade payables	7,212	2,976	38	-	15 <sup>(1)</sup>	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 <sup>(1)</sup>	851	1,279	1,978
Cost of sales	83,019	108,118	137,326
Average inventory turnover period (days) <sup>(2)</sup>	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) <sup>(1)</sup>	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) <sup>(1)</sup>	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	-	-
<b>Total</b>	<b>5,389</b>	<b>10,703</b>	<b>7,843</b>	<b>3,961</b>

**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:

	<b>FYE 31 March</b>			<b>From 1 April 2025 up to the LPD</b>
	<b>2023</b>	<b>2024</b>	<b>2025</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Computer and software	-	-	-	-
Furniture and fittings and office equipment	-	-	-	-
Kitchen equipment and renovation	16	-	-	2
Motor vehicles	-	109	-	-
<b>Total</b>	<b>16</b>	<b>109</b>	<b>-</b>	<b>2</b>

**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 2025 up to the LPD
	2023	2024	2025	
	RM'000	RM'000	RM'000	RM'000
Dividends declared <sup>(1)</sup>	-	-	37,000	[15,000]
Dividends paid <sup>(2)</sup>	-	-	37,000 <sup>(4)</sup>	-
PAT	14,586	26,229	37,920	-
Dividend payout ratio <sup>(3)</sup>	-	-	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
<b>Indebtedness</b>				
<b><u>Current</u></b>				
<i>Unsecured and unguaranteed</i>				
- Lease liabilities <sup>(1)</sup>	11,188	11,188	11,188	11,188
<b><u>Non-current</u></b>				
<i>Unsecured and unguaranteed</i>				
- Lease liabilities <sup>(1)</sup>	9,143	9,143	9,143	9,143
<b>Total indebtedness</b>	<b>20,332</b>	<b>20,332</b>	<b>20,332</b>	<b>20,332</b>
<b>Total capitalisation</b>	<b>1,000</b>	<b>29,988</b>	<b>[•]</b>	<b>[•]</b>
<b>Total capitalisation and indebtedness</b>	21,332	50,320	[•]	[•]
<b>Gearing ratio<sup>(2)</sup></b>	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)**

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**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

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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**

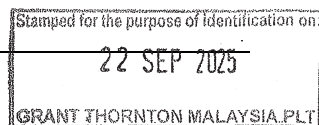
This report has been prepared solely for the purpose of inclusion in the Prospectus in connection with the Listing. It is not intended to be used for any other purposes. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Yours faithfully,

GRANT THORNTON MALAYSIA PLT  
(201906003682 & LLP0022494-LCA)  
CHARTERED ACCOUNTANTS (AF 0737)

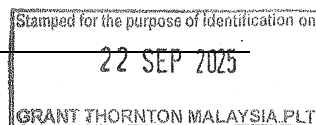
LIM CHOOI LING  
(NO: 03537/11/2026 (J))  
CHARTERED ACCOUNTANT

Kuala Lumpur  
22 September 2025

**12. FINANCIAL INFORMATION (Cont'd)**
**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.

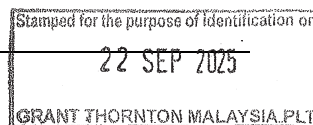
			Pro Forma I After Adjustment for the Completed Material Transactions and Proposed Acquisitions RM	Pro Forma II After Proposed IPO RM	Pro Forma III After the Proposed Listing RM
	Note	Audited as at 31.3.2025 RM			
<b>ASSETS</b>					
<b>Non-current assets</b>					
Plant and equipment		-	29,433,367	[•]	[•]
Right-of-use assets		-	20,483,978	[•]	[•]
Investment property		-	3,458,679	[•]	[•]
<b>Total non-current assets</b>		-	53,376,024	[•]	[•]
<b>Current assets</b>					
Inventories		-	2,424,742	[•]	[•]
Trade and other receivables		-	7,152,882	[•]	[•]
Cash and cash equivalents	4.1	2	15,407,112	[•]	[•]
<b>Total current assets</b>		2	24,984,736	[•]	[•]
<b>Total assets</b>		<b>2</b>	<b>78,360,760</b>	<b>[•]</b>	<b>[•]</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
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)	[•]	[•]
<b>(Capital deficiency)/Total equity</b>		<b>(13,189)</b>	<b>29,980,601</b>	<b>[•]</b>	<b>[•]</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Lease liabilities		-	9,275,085	[•]	[•]
Provision for restoration costs		-	715,612	[•]	[•]
Deferred tax liabilities		-	1,949,800	[•]	[•]
<b>Total non-current liabilities</b>		-	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
	31.3.2025	Acquisitions	IPO	Listing
	RM	RM	RM	RM
<b>EQUITY AND LIABILITIES (CONT'D)</b>				
<b>LIABILITIES (CONT'D)</b>				
<b>Current liabilities</b>				
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
<b>Total current liabilities</b>	<b>13,191</b>	<b>36,439,662</b>	<b>36,439,662</b>	<b>36,439,662</b>
<b>Total liabilities</b>	<b>13,191</b>	<b>48,380,159</b>	<b>48,380,159</b>	<b>48,380,159</b>
<b>Total equity and liabilities</b>	<b>2</b>	<b>78,360,760</b>	<b>[•]</b>	<b>[•]</b>
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.

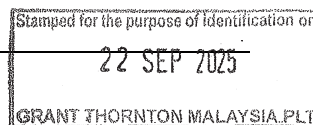
The applicable criteria on the basis of which the Directors have compiled the Pro Forma Combined Statements of Financial Position are as described below. The Pro Forma Combined Statements of Financial Position is prepared in accordance with the requirements of the Prospectus Guidelines and the Guidance 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:-

	<b>RM</b>
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:-

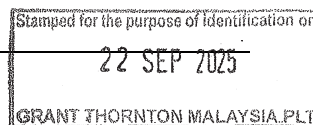
- (i) Interim dividend of RM15.0 million declared on 22 August 2025 and paid on 1 September 2025.
- (ii) Interim dividend of RM12.0 million. Intended to be paid prior to the submission of confirmation of registration of the Prospectus to the Securities Commission Malaysia.

**(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**

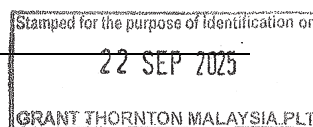
The Proposed Retail Offering involves the offering of 70,000,000 Issue Shares, representing 6.4% of the enlarged issued Shares.

**(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.

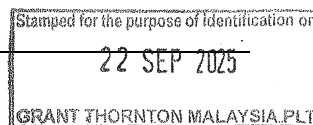
**12. FINANCIAL INFORMATION (Cont'd)****EMPIRE PREMIUM FOOD BERHAD AND ITS COMBINING ENTITY****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONT'D)****3. PRO FORMA ADJUSTMENT TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)****(iii) Pro Forma 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 <sup>(1)</sup>	Within 36 months	[●]	60.49
Upgrading of existing outlets to enhance customer experience <sup>(2)</sup>	Within 36 months	[●]	9.66
Working capital <sup>(3)</sup>	Within 36 months	[●]	23.89
Estimated listing expenses <sup>(4)</sup>	Within 3 months	[●]	5.96
<b>Total estimated proceeds</b>		[●]	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

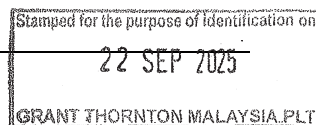
The movements of cash and cash equivalents are as follows:-

	<u>RM</u>
<b>Current assets</b>	
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)**

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**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