

13. ACCOUNTANTS' REPORT

EMPIRE PREMIUM FOOD BERHAD
(Registration No.: 202301037567 (1531490-W))
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024
AND 31 MARCH 2025

GRANT THORNTON MALAYSIA PLT
CHARTERED ACCOUNTANTS
Member Firm of Grant Thornton International Ltd.

13. ACCOUNTANTS' REPORT (Cont'd)

Date: 22 September 2025

The Board of Directors
Empire Premium Food Berhad
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 Bandar Puchong Jaya
 47170 Puchong
 Selangor Darul Ehsan

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Dear Sir/Madam,

Reporting Accountants' Opinion on the Combined Financial Statements Contained in the Accountants' Report of Empire Premium Food Berhad ("the Company" or "Empire Premium")

Opinion

We have audited the accompanying combined financial statements ("financial information") of Empire Premium Food Berhad and its combining entity (collectively known as "the Group" or "Empire Premium Group") which comprises the combined statements of financial position of the Group as at 31 March 2023, 31 March 2024 and 31 March 2025, the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for the financial years ended 31 March 2023, 31 March 2024 and 31 March 2025 and material accounting policies and other explanatory notes, as set out on pages 4 to 42.

In our opinion, the accompanying financial statements give a true and fair view of the combined statements of financial position of the Group as at 31 March 2023, 31 March 2024 and 31 March 2025, and of their combined financial performance and their combined cash flows for the financial years then ended in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

13. ACCOUNTANTS' REPORT (Cont'd)**Responsibilities of the Directors for the Combined Financial Statements**

The Directors of the Company ("Directors") are responsible for the preparation of the combined financial statements of the Group that give a true and fair view in accordance with the Malaysian Financial Reporting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of combined financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements of the Group, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibility for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a reporting accountants' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined financial statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our reporting accountants' report to the related disclosures in the combined financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.

13. ACCOUNTANTS' REPORT (Cont'd)**Reporting Accountants' Responsibility for the Audit of the Combined Financial Statements (cont'd)**

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (cont'd):

- Evaluate the overall presentation, structure and content of the combined financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the combined financial statements of the entity or business activities within the Group to express an opinion on the combined financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Restriction on Distribution and Use

This report has been prepared solely to comply with the Prospectus Guidelines and Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad for inclusion in the Prospectus and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

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

Kuala Lumpur
22 September 2025

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

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025**

	<u>Note</u>	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
ASSETS				
Non-current assets				
Plant and equipment	3	17,656,496	25,514,633	29,433,367
Right-of-use assets	4	10,340,164	17,602,405	20,483,978
Investment property	5	-	3,529,870	3,458,679
Total non-current assets		27,996,660	46,646,908	53,376,024
Current assets				
Inventories	6	1,027,083	1,531,828	2,424,742
Trade receivables	7	127,899	163,472	171,180
Other receivables	8	4,371,177	6,425,645	6,969,961
Cash and cash equivalents	9	25,064,624	41,940,298	57,407,112
Total current assets		30,590,783	50,061,243	66,972,995
TOTAL ASSETS		58,587,443	96,708,151	120,349,019
EQUITY AND LIABILITIES				
EQUITY				
Share capital	10	1,000,002	1,000,004	1,000,004
Retained earnings		28,831,461	55,060,618	70,980,597
Total equity		29,831,463	56,060,622	71,980,601
LIABILITIES				
Non-current liabilities				
Lease liabilities	11	3,237,474	8,396,580	9,275,085
Provision for restoration costs	12	363,466	508,768	715,612
Deferred tax liabilities	13	1,765,900	1,894,600	1,949,800
Total non-current liabilities		5,366,840	10,799,948	11,940,497
Current liabilities				
Trade payables	14	6,478,608	8,447,116	10,241,259
Other payables	15	9,282,756	10,021,113	12,125,849
Contract liabilities	16	4,345	4,687	15,235
Lease liabilities	11	6,958,154	9,306,971	11,349,453
Provision for restoration costs	12	208,477	283,581	262,512
Tax payable		456,800	1,784,113	2,433,613
Total current liabilities		23,389,140	29,847,581	36,427,921
Total liabilities		28,755,980	40,647,529	48,368,418
TOTAL EQUITY AND LIABILITIES		58,587,443	96,708,151	120,349,019

The accompanying notes form an integral part of the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025**

	<u>Note</u>	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Revenue	17	137,094,890	184,800,988	235,599,999
Cost of sales		<u>(83,018,433)</u>	<u>(108,118,195)</u>	<u>(137,326,132)</u>
Gross profit		54,076,457	76,682,793	98,273,867
Other income		923,635	730,474	912,201
Distribution costs		(22,800,355)	(29,768,225)	(37,068,127)
Administrative expenses		<u>(11,553,064)</u>	<u>(11,955,882)</u>	<u>(11,049,369)</u>
Operating profit		20,646,673	35,689,160	51,068,572
Finance income	18	55,883	270,423	1,121,099
Finance cost	19	<u>(493,706)</u>	<u>(749,413)</u>	<u>(1,045,783)</u>
Profit before tax	20	20,208,850	35,210,170	51,143,888
Tax expense	21	<u>(5,622,436)</u>	<u>(8,981,013)</u>	<u>(13,223,909)</u>
Profit for the financial year/Total comprehensive income for the financial year		<u>14,586,414</u>	<u>26,229,157</u>	<u>37,919,979</u>
Earnings per ordinary share:-				
Basic/Diluted	22	<u>14.59</u>	<u>26.23</u>	<u>37.92</u>

The accompanying notes form an integral part of the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025**

	Share capital RM	Retained earnings RM	Total RM
At 1 April 2022	1,000,002	14,245,047	15,245,049
Total comprehensive income for the financial year	-	14,586,414	14,586,414
At 31 March 2023	1,000,002	28,831,461	29,831,463
Transaction with owners:-			
Issuance of shares	2	-	2
Total comprehensive income for the financial year	-	26,229,157	26,229,157
At 31 March 2024	1,000,004	55,060,618	56,060,622
Transaction with owners:-			
Dividend paid	23	(22,000,000)	(22,000,000)
Total comprehensive income for the financial year	-	37,919,979	37,919,979
At 31 March 2025	1,000,004	70,980,597	71,980,601

The accompanying notes form an integral part of the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025**

	<u>Note</u>	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
OPERATING ACTIVITIES				
Profit before tax		20,208,850	35,210,170	51,143,888
Adjustments for:				
Depreciation of plant and equipment		2,241,899	3,011,270	3,918,623
Depreciation of right-of-use assets		7,735,756	9,880,422	12,266,952
Depreciation of investment property		-	29,663	71,191
Loss/(Gain) on disposal of plant and equipment		10,876	(75,686)	-
Loss/(Gain) on early termination of right-of-use assets		6,974	(7,549)	-
Interest expense		493,706	749,413	1,045,783
Interest income		(55,883)	(270,423)	(1,121,099)
Plant and equipment written off		363,230	80,992	6,028
Rent concessions		(112,306)	(13,820)	-
Reversal of provision for restoration costs		(221,683)	(226,255)	(245,066)
Operating profit before working capital changes		30,671,419	48,368,197	67,086,300
Changes in working capital:-				
Inventories		(352,428)	(504,745)	(892,914)
Receivables		(1,152,440)	(2,090,041)	(552,024)
Payables		3,153,354	2,706,865	3,898,879
Contract liabilities		2,161	342	10,548
Cash generated from operations		32,322,066	48,480,618	69,550,789
Tax paid		(5,398,736)	(7,525,000)	(12,519,209)
Net cash from operating activities		26,923,330	40,955,618	57,031,580
INVESTING ACTIVITIES				
Interest received		55,883	270,423	1,121,099
Purchase of plant and equipment		(5,388,693)	(10,703,365)	(7,843,385)
Purchase of right-of-use assets	A	-	-	-
Purchase of investment property		-	(3,559,533)	-
Proceeds from disposal of plant and equipment		1,500	150,000	-
Repayment from a company in which Directors have interests		6,723	-	-
Net cash used in investing activities		(5,324,587)	(13,842,475)	(6,722,286)
FINANCING ACTIVITIES				
Interest paid		(470,486)	(716,549)	(1,002,247)
Dividend paid		-	-	(22,000,000)
Repayment of lease liabilities		(7,380,997)	(9,520,922)	(11,840,233)
Net cash used in financing activities		(7,851,483)	(10,237,471)	(34,842,480)

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025 (CONT'D)**

	<u>Note</u>	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
CASH AND CASH EQUIVALENTS				
Net changes		13,747,260	16,875,672	15,466,814
At date of incorporation		-	2	-
Brought forward		<u>11,317,364</u>	<u>25,064,624</u>	<u>41,940,298</u>
Carried forward	9	<u><u>25,064,624</u></u>	<u><u>41,940,298</u></u>	<u><u>57,407,112</u></u>

NOTE TO THE COMBINED STATEMENTS OF CASH FLOWS**A. PURCHASE OF RIGHT-OF-USE ASSETS**

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Total purchase	9,108,753	17,537,231	15,148,525
Future lease payment included in lease liabilities	(8,812,489)	(17,123,434)	(14,761,220)
Provision for restoration costs capitalised	<u>(296,264)</u>	<u>(413,797)</u>	<u>(387,305)</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED
31 MARCH 2023, 31 MARCH 2024 AND 31 MARCH 2025 (CONT'D)**

RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

	1 April <u>2022</u> RM	<u>Cash flows</u> RM	Transfer of <u>operations</u> RM	Rent <u>concessions</u> RM	Purchase of right-of-use <u>assets</u> RM	31 March <u>2023</u> RM
Lease liabilities	<u>9,597,766</u>	<u>(7,380,997)</u>	<u>(721,324)</u>	<u>(112,306)</u>	<u>8,812,489</u>	<u>10,195,628</u>
	1 April <u>2023</u> RM	<u>Cash flows</u> RM	Early <u>termination</u> RM	Rent <u>concessions</u> RM	Purchase of right-of-use <u>assets</u> RM	31 March <u>2024</u> RM
Lease liabilities	<u>10,195,628</u>	<u>(9,520,922)</u>	<u>(80,769)</u>	<u>(13,820)</u>	<u>17,123,434</u>	<u>17,703,551</u>
			1 April <u>2024</u> RM	<u>Cash flows</u> RM	Purchase of right-of-use <u>assets</u> RM	31 March <u>2025</u> RM
Lease liabilities			<u>17,703,551</u>	<u>(11,840,233)</u>	<u>14,761,220</u>	<u>20,624,538</u>

The accompanying notes form an integral part of the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**EMPIRE PREMIUM FOOD BERHAD**

(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS - 31 MARCH 2023, 31 MARCH 2024, 31 MARCH 2025**1. GENERAL INFORMATION****1.1 Introduction**

This report has been prepared solely to comply with the Prospectus Guidelines - Equity issued by the Securities Commission Malaysia and Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad for inclusion in the prospectus of Empire Premium in connection with the initial public offering and the listing of and quotation for the entire enlarged issued share capital of the Empire Premium on the Main Market of Bursa Malaysia Securities Berhad ("Listing") and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

1.2 Background

The Company was incorporated on 25 September 2023 as a private limited liability company, incorporated and domiciled in Malaysia. Subsequently, the Company has converted to a public limited liability company on 18 September 2025 and assumed its present name of Empire Premium Food Berhad. The registered office of the Company is located at Third Floor, No 77, 79 & 81, Jalan SS 21/60, Damansara Utama, 47400 Petaling Jaya, Selangor. The principal place of business of the Company is located at No. 5, 5th Floor, Block B, IOI Boulevard, Jalan Kenari 5, Bandar Puchong Jaya, 47170 Puchong, Selangor.

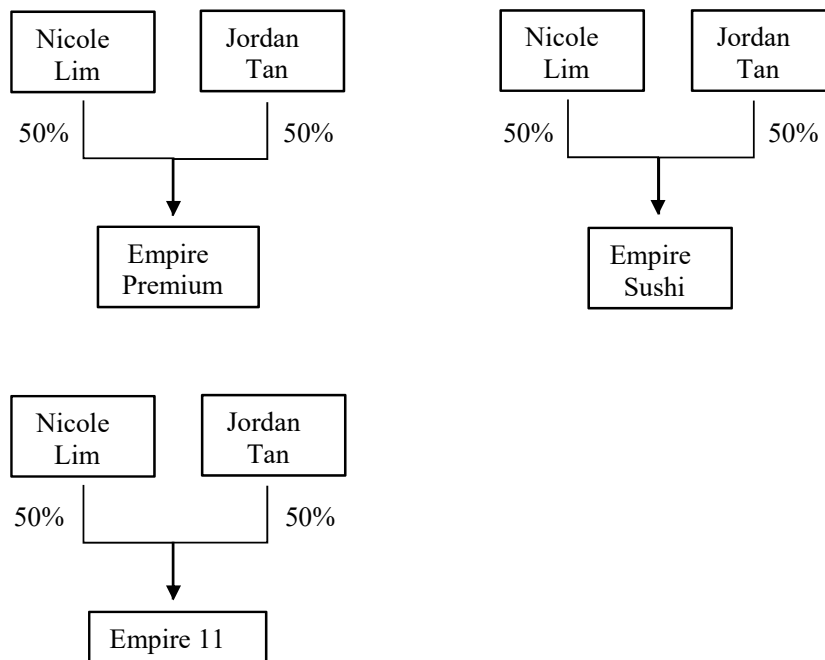
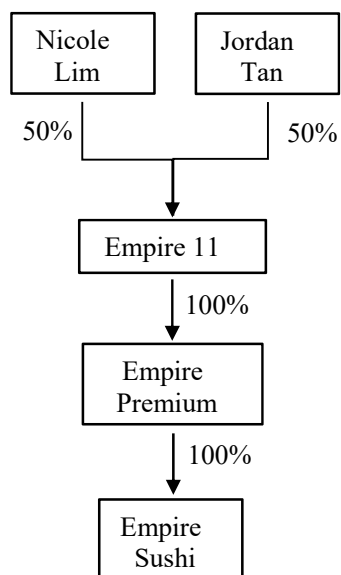
1.3 Principal Activities

The Company is principally engaged in investment holding.

Details of the combining entity of Empire Premium are as follows:-

Name of company	Effective ownership	Principal activities	Date of incorporation	Country of incorporation
Empire Sushi Sdn. Bhd. ("Empire Sushi")	100%	Operation of multi-format sushi chain	21 January 2020	Malaysia

There was no significant change in the nature of the principal activities of the Empire Premium and its combining entity.

13. ACCOUNTANTS' REPORT (Cont'd)**1. GENERAL INFORMATION (CONT'D)****1.4 Group Structure**Before the acquisitionsAfter the acquisitions

The Empire Premium Group will be formed pursuant to the completion of acquisition of its combining entity, Empire Sushi, by Empire Premium prior to the Listing.

Empire Premium will acquire the issued share capital of its combining entity comprising 1,000,002 ordinary shares ("Acquisition").

13. ACCOUNTANTS' REPORT (Cont'd)**1. GENERAL INFORMATION (CONT'D)****1.4 Group Structure (cont'd)**

The aggregate purchase consideration for the above Acquisition is RM29,988,000 to be satisfied by the issuance of 881,999,998 new ordinary shares at an issue price of RM0.0340 per share.

The Empire Premium Group is regarded as a continuing entity resulting from the Acquisition since the management of the entity which took major part in the Acquisition which were controlled by all Directors and substantially under same major shareholders before and immediately after the Acquisition. Consequently, immediately after the Acquisition, there was a continuation of the control over entity's financial and operating policy decisions and risks and benefits to the ultimate shareholders that existed prior to the Acquisition. The Acquisition has been accounted for as an acquisition under common control in a manner similar to pooling of interests. Accordingly, the combined financial statements for the financial years/period ended ("FYE" or "FPE") 31 March 2023, 31 March 2024 and 31 March 2025 have been prepared comprise the financial statements of the combining entity which was under common control of the ultimate shareholders that existed prior to the Acquisition during the relevant periods or since their respective dates of incorporation.

1.5 Auditors

The combined financial statements of Empire Premium Group for the financial year/period ended ("FYE" or "FPE") 31 March 2023, 31 March 2024 and 31 March 2025 reflect the financial information of Empire Premium Food Berhad and Empire Sushi Sdn. Bhd..

The relevant financial years of the audited financial statements presented for the purpose of this report and the Auditors of the respective companies within the Group is as follows:-

Company	Relevant Financial Periods/Years	Auditors
Empire Premium Food Berhad	FPE 31 March 2024 (25 September 2023 to 31 March 2024) FYE 31 March 2025	Grant Thornton Malaysia PLT
Empire Sushi Sdn. Bhd.	FYE 31 March 2023 FYE 31 March 2024 FYE 31 March 2025	Grant Thornton Malaysia PLT

The audited financial statements of Empire Premium Group for the Relevant Financial Years/Periods reported above were not subject to any qualification or modification.

2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS**2.1 Statement of Compliance**

The combined financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards ("IFRSs") based on the Guidance Note on 'Combined Financial Statements' issued by the Malaysian Institute of Accountants in relation to the Listing.

The combined financial statements consist of the financial statements of Empire Premium and its combining entity as disclosed in Note 1.4 to this report, which were under common control throughout the reporting years by virtue of common controlling shareholders.

13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.1 Statement of Compliance (cont'd)**

The combined financial statements have been prepared using financial information obtained from the records of the combining entity during the reporting years/periods.

The financial information as presented in the combined financial statements do not correspond to the financial statements of the Group, as the combined financial statements reflect business combinations under common control for the purpose of the Listing. Consequently, the combined financial information from the combined financial statements do not purport to predict the combined financial positions, results of operations and cash flows of the combining entity during the reporting years/periods.

2.2 Basis of Measurement

The combined financial statements of Empire Premium are prepared under the historical cost convention.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial market takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the combined financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

- Level 1 - Quoted (unadjusted) market prices in active markets for the identical assets.
- Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the combined financial statements on a recurring basis, the Group determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.3 Functional and Presentation Currency**

The combined financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 MFRSs**2.4.1 Adoption of New Standards/Amendments/Improvements to MFRSs**

At the beginning of the current financial year, the Group adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 April 2024.

Initial application of the new standards/amendments/improvements to the standards did not have any material financial impact to the combined financial statements of the Group.

2.4.2 Standards Issued but Not Yet Effective

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's combined financial statements are disclosed below. The Group intends to adopt these new and amended standards, if applicable, when they become effective.

Effective for financial period beginning on or after 1 January 2025:-

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability
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Effective for financial period beginning on or after 1 January 2026:-

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments - Disclosure - Amendments to the Classification and Measurement of Financial Instruments
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Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards - Volume 11
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Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instrument - Disclosures - Contracts Referencing Nature-dependent Electricity
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Effective for financial period beginning on or after 1 January 2027:-

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability - Disclosures

Deferred to a date to be determined by the MASB:-

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associate and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.4 MFRSs (cont'd)****2.4.2 Standards Issued but Not Yet Effective (cont'd)**

The initial application of the above amendments are not expected to have material financial impact to the combined financial statements except for:-

MFRS 18 Presentation and Disclosures of Financial Statements

MFRS 18 Presentation and Disclosure in Financial Statements introduces three sets of new requirements to improve companies' reporting of financial performance:-

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management-defined performance measures
- More useful grouping of information in the financial statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

2.5 Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the combined financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

2.5.1 Key Sources of Estimation Uncertainty

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful Lives of Depreciable Assets

Management estimates the useful lives of the plant and equipment, right-of-use assets and investment property to be within 2 to 50 years and reviews the useful lives of depreciable assets at end each of the reporting year. At the reporting date, management assesses that the useful lives represent the expected utility of the assets to the Group. Actual results, however, may vary due to change in the expected level of usage and technological developments, which resulted in the adjustment to the Group's assets.

13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.5 Significant Accounting Estimates and Judgements (cont'd)****2.5.1 Key Sources of Estimation Uncertainty (cont'd)**Impairment of Non-financial Assets

An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management make assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Inventories

The management reviews inventories to identify damaged, obsolete and slow-moving inventories which require judgement and changes in such estimates could result in revision of valuation of inventories.

Provision for Restoration Costs

The Group has an obligation to dismantle, remove and restore the lease retail shoplot to its original state and condition upon the expiry or termination of the lease agreement. The liabilities for dismantling, removal and restoration costs are recognised at present value of the compounded future expenditure estimated using existing technology, at current prices and discounted using a real discount rate. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision. While the provision is based on the best estimate of future costs and the economic lives of the affected assets, there is uncertainty regarding both the amount and timing of incurring these costs. All the estimates are reviewed on an annual basis or more frequently, where there is indication of a material change.

Provision for Expected Credit Losses ("ECLs") of Trade Receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns such as customer type and rating, and other forms of credit insurance.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the food and beverage sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

13. ACCOUNTANTS' REPORT (Cont'd)**2. BASIS OF PREPARATION OF THE COMBINED FINANCIAL STATEMENTS (CONT'D)****2.5 Significant Accounting Estimates and Judgements (cont'd)****2.5.1 Key Sources of Estimation Uncertainty (cont'd)**Income Taxes/Deferred Tax Liabilities

Significant judgement is involved in determining the Group's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognised tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

Leases - Estimating the Incremental Borrowing Rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.5.2 Significant Management Judgements

The following are significant management judgements made in applying the accounting policies of the Group that have the most significant effect on the combined financial statements.

Determining the Lease Term of Contracts with Renewal and Termination Options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, they consider all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset). The renewal periods for leases of retail shoplots with longer non-cancellable periods are not included as part of the lease term as these are not reasonably certain to be exercised.

13. ACCOUNTANTS' REPORT (Cont'd)

3. PLANT AND EQUIPMENT

Cost	Computers and software RM	Furniture and fittings and office equipment RM	Kitchen equipment and renovation RM	Motor vehicles RM	Total RM
At 1 April 2022	503,762	1,345,329	14,565,611	819,130	17,233,832
Additions	124,518	118,335	5,145,840	-	5,388,693
Disposal	-	-	(16,236)	-	(16,236)
Written off	-	(24,066)	(468,808)	-	(492,874)
At 31 March 2023	628,280	1,439,598	19,226,407	819,130	22,113,415
Additions	131,395	434,671	8,414,925	1,722,374	10,703,365
Disposal	-	-	-	(108,752)	(108,752)
Written off	-	-	(94,283)	-	(94,283)
Transfer from right-of-use assets	-	-	-	414,642	414,642
At 31 March 2024	759,675	1,874,269	27,547,049	2,847,394	33,028,387
Additions	143,591	193,296	7,506,498	-	7,843,385
Written off	(629)	-	(8,803)	-	(9,432)
At 31 March 2025	902,637	2,067,565	35,044,744	2,847,394	40,862,340

13. ACCOUNTANTS' REPORT (Cont'd)**3. PLANT AND EQUIPMENT (CONT'D)**

	Computers and software RM	Furniture and fittings and office equipment RM	Kitchen equipment and renovation RM	Motor vehicles RM	Total RM
Accumulated depreciation					
At 1 April 2022	148,120	339,436	1,840,548	20,420	2,348,524
Charge for the financial year	105,756	226,228	1,828,002	81,913	2,241,899
Disposal	-	-	(3,860)	-	(3,860)
Written off	-	(11,045)	(118,599)	-	(129,644)
At 31 March 2023	253,876	554,619	3,546,091	102,333	4,456,919
Charge for the financial year	117,158	243,834	2,434,445	215,833	3,011,270
Disposal	-	-	-	(34,438)	(34,438)
Written off	-	-	(13,291)	-	(13,291)
Transfer from right-of-use assets	-	-	-	93,294	93,294
At 31 March 2024	371,034	798,453	5,967,245	377,022	7,513,754
Charge for the financial year	148,559	273,951	3,211,374	284,739	3,918,623
Written off	(629)	-	(2,775)	-	(3,404)
At 31 March 2025	518,964	1,072,404	9,175,844	661,761	11,428,973
Net carrying amount					
At 31 March 2023	374,404	884,979	15,680,316	716,797	17,656,496
At 31 March 2024	388,641	1,075,816	21,579,804	2,470,372	25,514,633
At 31 March 2025	383,673	995,161	25,868,900	2,185,633	29,433,367

13. ACCOUNTANTS' REPORT (Cont'd)**3. PLANT AND EQUIPMENT (CONT'D)**

All plant and equipment is subsequently stated at cost less accumulated depreciation and less any impairment losses. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful lives. All plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Computers and software	20% - 50%
Furniture and fittings and office equipment	10% - 50%
Kitchen equipment and renovation	10% - 20%
Motor vehicles	10%

4. RIGHT-OF-USE ASSETS

	<u>Retail shoplots</u> RM	<u>Hostels</u> RM	<u>Motor vehicle</u> RM	<u>Total</u> RM
Cost				
At 1 April 2022	16,204,368	158,692	414,642	16,777,702
Additions	9,021,377	87,376	-	9,108,753
Early termination of lease contracts	(1,052,493)	-	-	(1,052,493)
Expiration of lease contracts	(4,371,636)	(158,692)	-	(4,530,328)
At 31 March 2023	19,801,616	87,376	414,642	20,303,634
Additions	17,483,014	54,217	-	17,537,231
Transfer to plant and equipment	-	-	(414,642)	(414,642)
Early termination of lease contracts	(251,038)	-	-	(251,038)
Expiration of lease contracts	(7,949,810)	-	-	(7,949,810)
At 31 March 2024	29,083,782	141,593	-	29,225,375
Additions	15,116,646	31,879	-	15,148,525
Expiration of lease contracts	(8,927,689)	(107,429)	-	(9,035,118)
At 31 March 2025	35,272,739	66,043	-	35,338,782

13. ACCOUNTANTS' REPORT (Cont'd)**4. RIGHT-OF-USE ASSET (CONT'D)**

	<u>Retail shoplots</u> RM	<u>Hostels</u> RM	<u>Motor vehicle</u> RM	<u>Total</u> RM
Accumulated depreciation				
At 1 April 2022	6,936,990	93,417	51,830	7,082,237
Charge for the financial year	7,621,544	72,748	41,464	7,735,756
Early termination of lease contracts	(324,195)	-	-	(324,195)
Expiration of lease contracts	(4,371,636)	(158,692)	-	(4,530,328)
At 31 March 2023	9,862,703	7,473	93,294	9,963,470
Charge for the financial year	9,815,310	65,112	-	9,880,422
Transfer to plant and equipment	-	-	(93,294)	(93,294)
Early termination of lease contracts	(177,818)	-	-	(177,818)
Expiration of lease contracts	(7,949,810)	-	-	(7,949,810)
At 31 March 2024	11,550,385	72,585	-	11,622,970
Charge for the financial year	12,197,091	69,861	-	12,266,952
Expiration of lease contracts	(8,927,689)	(107,429)	-	(9,035,118)
At 31 March 2025	14,819,787	35,017	-	14,854,804
Net carrying amount				
At 31 March 2023	9,938,913	79,903	321,348	10,340,164
At 31 March 2024	17,533,397	69,008	-	17,602,405
At 31 March 2025	20,452,952	31,026	-	20,483,978

The above motor vehicle is under finance lease arrangement.

Provision for restoration costs has been included in retail shoplots and hostels based on the estimated costs to restore the leased retail shoplots and hostels at the end of their respective lease term.

13. ACCOUNTANTS' REPORT (Cont'd)**4. RIGHT-OF-USE ASSET (CONT'D)**

The right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:-

Retail shoplots	33% - 50%
Hostels	50%
Motor Vehicle	10%

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

5. INVESTMENT PROPERTY

	Freehold land and <u>building</u> RM
Cost	
At 1 April 2023	-
Addition	<u>3,559,533</u>
At 31 March 2024/31 March 2025	<u>3,559,533</u>
Accumulated depreciation	
At 1 April 2023	-
Charge for the financial year	<u>29,663</u>
At 31 March 2024	29,663
Charge for the financial year	<u>71,191</u>
At 31 March 2025	<u>100,854</u>
Net carrying amount	
At 31 March 2024	<u>3,529,870</u>
At 31 March 2025	<u>3,458,679</u>

Investment property is initially measured at cost. The cost of investment property includes expenditure that is directly attributable to the acquisition of the assets. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of freehold land and building is provided for on a straight-line basis to write off the cost over its estimated useful life at 2% per annum.

13. ACCOUNTANTS' REPORT (Cont'd)**5. INVESTMENT PROPERTY (CONT'D)****Income and expenses recognised in profit or loss**

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Income generating investment property	<u>-</u>	<u>66,632</u>	<u>217,507</u>

The operating lease payments to be received are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Within 1 year	-	210,307	185,918
More than 1 year but less than 5 years	<u>-</u>	<u>171,518</u>	<u>-</u>
	<u>-</u>	<u>381,825</u>	<u>185,918</u>

Fair value information

The fair value of investment property of the Company is as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Freehold land and building	<u>-</u>	<u>4,740,426</u>	<u>5,530,497</u>

The fair value of investment property of the Group was based on information available through internet research and Directors' best estimate by reference to indicative market price of similar properties in the vicinity.

6. INVENTORIES

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Raw materials and packaging	<u>1,027,083</u>	<u>1,531,828</u>	<u>2,424,742</u>
Recognised in profit or loss:-			
Inventories recognised as cost of sales	<u>51,736,721</u>	<u>65,617,513</u>	<u>81,778,956</u>

Inventories comprising raw materials and packaging are stated at the lower of cost and net realisable value.

Cost of inventories is determined by using first-in-first-out method.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost is necessary to make the sale.

13. ACCOUNTANTS' REPORT (Cont'd)**7. TRADE RECEIVABLES**

The normal credit terms granted by the Group to the customers is 7 to 30 days (31.3.2024: 30 days and 31.3.2023: 30 days).

8. OTHER RECEIVABLES

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Non-trade receivables	388,599	942,927	942,093
Deposits	3,498,334	4,694,442	5,483,909
Prepayments	<u>484,244</u>	<u>788,276</u>	<u>543,959</u>
	<u>4,371,177</u>	<u>6,425,645</u>	<u>6,969,961</u>

Included in deposit amounted to RM87,197 (31.3.2024: RM89,197 and 31.3.2023: RM51,775) are rental deposits paid to Directors.

9. CASH AND CASH EQUIVALENTS

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Deposits with a licensed bank	-	10,000,000	20,000,000
Cash and bank balances	<u>25,064,624</u>	<u>31,940,298</u>	<u>37,407,112</u>
	<u>25,064,624</u>	<u>41,940,298</u>	<u>57,407,112</u>

The deposits with a licensed bank of the Group bears interest rate ranging from 2.50% to 4.00% (31.3.2024: 4.00% to 4.15% and 31.3.2023: Nil) per annum and the average maturity period are 180 to 365 days (31.3.2024: 180 days and 31.3.2023: Nil).

10. SHARE CAPITAL

	<u>31.3.2023</u>	Number of shares <u>31.3.2024</u>	<u>31.3.2025</u>
	Unit	Unit	Unit
Issued and fully paid with no par value:-			
<u>Empire Premium</u>			
Brought forward	-	-	2
Incorporation of the Company	<u>-</u>	<u>2</u>	<u>-</u>
Carried forward	<u>-</u>	<u>2</u>	<u>2</u>
<u>Empire Sushi</u>			
Brought forward/Carried forward	<u>1,000,002</u>	<u>1,000,002</u>	<u>1,000,002</u>
Total	<u>1,000,002</u>	<u>1,000,004</u>	<u>1,000,004</u>

13. ACCOUNTANTS' REPORT (Cont'd)**10. SHARE CAPITAL (CONT'D)**

	<u>31.3.2023</u> RM	Amount <u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Issued and fully paid with no par value:-			
<u>Empire Premium</u>			
Brought forward	-	-	2
Incorporation of the Company	-	2	-
Carried forward	-	2	2
<u>Empire Sushi</u>			
Brought forward/Carried forward	1,000,002	1,000,002	1,000,002
Total	1,000,002	1,000,004	1,000,004

The holders of ordinary shares are entitled to receive dividends as and when declared by the Group. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Group's residual assets.

11. LEASE LIABILITIES

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Non-current	3,237,474	8,396,580	9,275,085
Current	6,958,154	9,306,971	11,349,453
	10,195,628	17,703,551	20,624,538

The Group has leased for the retail shoplots, hostels and motor vehicle. Future minimum lease payments as at year end are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Within 1 year	7,251,386	9,956,576	12,113,892
More than 1 year but less than 5 years	3,328,391	8,741,090	9,593,236
Total undiscounted lease liabilities	10,579,777	18,697,666	21,707,128

The expenses relating to payments not included in the measurement of a lease liabilities is as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Variable lease payments	1,506,024	3,343,828	4,414,160
Short-term lease	1,213,608	1,107,709	1,293,148

13. ACCOUNTANTS' REPORT (Cont'd)**11. LEASE LIABILITIES (CONT'D)**

The total cash outflows for leases amounted to RM18,593,324 (31.3.2024: RM14,708,052 and 31.3.2023: RM10,482,029).

The lease liabilities of the Group amounting to RM3,326,253 (31.3.2024: RM4,109,548 and 31.3.2023: RM1,998,120) are personnel guarantee by all the Directors of the Group.

The effective interest rate of lease liability of the Group is charged at rate of 5.08% (31.3.2024: 5.08% and 31.3.2023: 3.39%) per annum.

12. PROVISION FOR RESTORATION COSTS

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Non-current	363,466	508,768	715,612
Current	<u>208,477</u>	<u>283,581</u>	<u>262,512</u>
	<u>571,943</u>	<u>792,349</u>	<u>978,124</u>

Provision for restoration costs comprise estimated costs of dismantled, removal or restoration of leased retail shoplots upon the expiry of tenancy agreement. The reconciliation of the provision for restoration costs is as follows:-

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Brought forward	474,142	571,943	792,349
Recognised in profit or loss	23,220	32,864	43,536
Recognised in right-of-use assets	296,264	413,797	387,305
Reversal	<u>(221,683)</u>	<u>(226,255)</u>	<u>(245,066)</u>
Carried forward	<u>571,943</u>	<u>792,349</u>	<u>978,124</u>

13. DEFERRED TAX LIABILITIES

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Brought forward	1,165,000	1,765,900	1,894,600
Recognised in profit or loss	<u>600,900</u>	<u>128,700</u>	<u>55,200</u>
Carried forward	<u>1,765,900</u>	<u>1,894,600</u>	<u>1,949,800</u>

13. ACCOUNTANTS' REPORT (Cont'd)**13. DEFERRED TAX LIABILITIES (CONT'D)**

The components and movement of deferred tax assets/(liabilities) are as follows:-

	<u>Plant and equipment</u> RM	<u>Right-of-use assets</u> RM	<u>Contract liabilities</u> RM	<u>Total</u> RM
At 1 April 2022	1,179,000	(13,000)	(1,000)	1,165,000
Recognised in profit or loss	<u>593,200</u>	<u>7,700</u>	<u>-</u>	<u>600,900</u>
At 31 March 2023	1,772,200	(5,300)	(1,000)	1,765,900
Recognised in profit or loss	<u>139,700</u>	<u>(10,900)</u>	<u>(100)</u>	<u>128,700</u>
At 31 March 2024	1,911,900	(16,200)	(1,100)	1,894,600
Recognised in profit or loss	<u>52,900</u>	<u>4,800</u>	<u>(2,500)</u>	<u>55,200</u>
At 31 March 2025	<u>1,964,800</u>	<u>(11,400)</u>	<u>(3,600)</u>	<u>1,949,800</u>

14. TRADE PAYABLES

The normal credit terms granted by the suppliers to the Group ranging from 15 to 45 days (31.3.2024: 15 to 45 days and 31.3.2023: 15 to 45 days).

15. OTHER PAYABLES

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Non-trade payables	413,795	870,679	842,181
Accruals	7,514,491	7,070,791	8,867,697
Sales and services tax payable	1,354,470	1,988,808	2,321,536
Deposit refundable	<u>-</u>	<u>90,835</u>	<u>94,435</u>
	<u>9,282,756</u>	<u>10,021,113</u>	<u>12,125,849</u>

16. CONTRACT LIABILITIES

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Deferred income	<u>4,345</u>	<u>4,687</u>	<u>15,235</u>

Deferred income relates to voucher provided to customers which is yet to expire or redeem by the customer as at the reporting date. The Group applies the practical expedient in MFRS 15 on not disclosing the aggregate amount of the revenue expected to be recognised in the future as the performance obligation is part of a contract that has an original expected duration of less than one year.

13. ACCOUNTANTS' REPORT (Cont'd)**16. CONTRACT LIABILITIES (CONT'D)**

Movement of deferred income as at the end of each reporting date are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Brought forward	2,184	4,345	4,687
Arising during the financial year	71,151	16,915	47,880
Revenue recognised during the financial year	(13,916)	(11,883)	(17,309)
Reversal during the financial year	<u>(55,074)</u>	<u>(4,690)</u>	<u>(20,023)</u>
Carried forward	<u>4,345</u>	<u>4,687</u>	<u>15,235</u>

17. REVENUE

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Revenue from contract with customers			
<u>Products transferred at a point in time:-</u>			
Sales of food and beverage	<u>137,094,890</u>	<u>184,800,988</u>	<u>235,599,999</u>

Performance obligation

Information about the Group's performance obligation, are summarised below:-

Sale of food and beverages

Revenue relating to sale of food and beverages is recognised at a point in time when the food and beverages are served/delivered and accepted by the customers.

18. FINANCE INCOME

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Interest income:			
- banks	55,883	145,582	527,931
- deposits with a licensed bank	<u>-</u>	<u>124,841</u>	<u>593,168</u>
	<u>55,883</u>	<u>270,423</u>	<u>1,121,099</u>

19. FINANCE COST

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Interest expense:			
- lease liabilities	<u>493,706</u>	<u>749,413</u>	<u>1,045,783</u>

13. ACCOUNTANTS' REPORT (Cont'd)**20. PROFIT BEFORE TAX**

Profit before tax has been determined after charging/(crediting), amongst others, the following items:-

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Auditors' remuneration	105,000	106,000	131,000
Depreciation of plant and equipment	2,241,899	3,011,270	3,918,623
Depreciation of right-of-use assets	7,735,756	9,880,422	12,266,952
Depreciation of investment property	-	29,663	71,191
Loss/(Gain) on disposal of plant and equipment	10,876	(75,686)	-
Loss/(Gain) on early termination of right-of-use assets	6,974	(7,549)	-
Plant and equipment written off	363,230	80,992	6,028
Rent concessions	(112,306)	(13,820)	-
Rental income	-	(66,632)	(217,507)
Reversal of provision for restoration costs	(221,683)	(226,255)	(245,066)

21. TAX EXPENSE

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Income tax			
- current financial year	5,081,800	8,909,800	12,959,300
- (over)/under provision in prior financial year	(60,264)	(57,487)	209,409
	<u>5,021,536</u>	<u>8,852,313</u>	<u>13,168,709</u>
Deferred tax			
- current financial year	(18,300)	118,800	49,300
- under recognised in prior financial year	619,200	9,900	5,900
	<u>600,900</u>	<u>128,700</u>	<u>55,200</u>
	<u>5,622,436</u>	<u>8,981,013</u>	<u>13,223,909</u>

Malaysian income tax is calculated at the statutory tax rate 24% (31.3.2024: 24% and 31.3.2023: 24%) of the estimated taxable profit for the financial year.

13. ACCOUNTANTS' REPORT (Cont'd)**21. TAX EXPENSE (CONT'D)**

A reconciliation of tax expense applicable to profit before tax at the statutory income tax rate to tax expense at the effective tax rate of the Group is as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Profit before tax	<u>20,208,850</u>	<u>35,210,170</u>	<u>51,143,888</u>
Tax at statutory tax rate of 24%	4,850,124	8,450,440	12,274,533
Tax effects in respect of:-			
Expenses not deductible for tax purposes	272,711	657,566	792,883
Income not subject to tax	(59,335)	(79,406)	(58,816)
(Over)/Under provision of income tax in prior financial year	(60,264)	(57,487)	209,409
Under recognised of deferred tax liabilities in prior financial year	<u>619,200</u>	<u>9,900</u>	<u>5,900</u>
	<u>5,622,436</u>	<u>8,981,013</u>	<u>13,223,909</u>

22. EARNINGS PER ORDINARY SHARE**Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Profit attributable to owners of the Group (RM)	<u>14,586,414</u>	<u>26,229,157</u>	<u>37,919,979</u>
Weighted average number of ordinary shares (unit)	<u>1,000,002</u>	<u>1,000,004</u>	<u>1,000,004</u>
Basic earnings per ordinary shares (RM)	<u>14.59</u>	<u>26.23</u>	<u>37.92</u>

Diluted earnings per ordinary share

Diluted earnings per ordinary share was equivalents to the basic earnings per ordinary shares as there were no potentially dilutive equity instruments in issue.

13. ACCOUNTANTS' REPORT (Cont'd)**23. DIVIDENDS**

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
In respect of the financial year ended 31 March 2025:-			
First interim single tier dividend of RM22 per ordinary share, declared on 1 May 2024 and paid on 16 December 2024	-	-	22,000,000

A single tier final dividend of RM15 per ordinary share amounting to RM15,000,000 in respect of the financial year ended 31 March 2025 has been declared on 30 July 2025 and paid on 8 August 2025. The financial statements for the current financial year do not reflect this dividend as it was declared subsequent to the financial year end. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2026.

24. EMPLOYEE BENEFITS EXPENSE

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Staffs' remuneration			
Salaries and other emoluments	33,230,176	43,451,420	54,167,334
Defined contribution plans	1,535,200	2,795,085	4,301,167
Social security contribution	422,316	556,009	649,858
	<u>35,187,692</u>	<u>46,802,514</u>	<u>59,118,359</u>
Directors' remuneration			
Salaries and other emoluments	4,511,528	4,093,578	3,657,570
Defined contribution plans	819,288	737,148	697,230
Social security contribution	2,122	2,510	2,552
	<u>5,332,938</u>	<u>4,833,236</u>	<u>4,357,352</u>
	<u>40,520,630</u>	<u>51,635,750</u>	<u>63,475,711</u>

The estimate monetary value of benefits-in-kind received by the Directors other than cash from the Group amounted to RM123,517 (31.3.2024: RM87,517 and 31.3.2023: RM66,100).

25. CAPITAL COMMITMENTS

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Authorised but not contracted for			
- Plant and equipment	-	216,646	191,275

13. ACCOUNTANTS' REPORT (Cont'd)**26. RELATED PARTY DISCLOSURES****Related party transactions**

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Rental paid to Directors	<u>287,903</u>	<u>296,616</u>	<u>439,632</u>
Operating expenses paid on behalf of a company in which Directors have interest	<u>-</u>	<u>1,000</u>	<u>-</u>

Compensation with key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. Key management includes certain Directors and certain members of senior management of the Group.

The remuneration of key management personnel during the financial year was as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Salaries and other emoluments	5,159,764	4,989,042	4,703,260
Defined contribution plans	836,568	796,096	821,955
Social security contribution	<u>4,026</u>	<u>4,590</u>	<u>4,842</u>
	<u>6,000,358</u>	<u>5,789,728</u>	<u>5,530,057</u>

The estimate monetary value of benefits-in-kind received by the Directors other than cash from the Group amounted to RM123,517 (31.3.2024: RM87,517 and 31.3.2023: RM66,100).

27. FINANCIAL INSTRUMENTS**27.1 Categories of Financial Instruments**

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost.

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Financial assets			
Trade receivables	127,899	163,472	171,180
Other receivables	3,886,933	5,637,369	6,426,002
Cash and cash equivalents	<u>25,064,624</u>	<u>41,940,298</u>	<u>57,407,112</u>
	<u>29,079,456</u>	<u>47,741,139</u>	<u>64,004,294</u>

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.1 Categories of Financial Instruments (cont'd)**

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost (cont'd).

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Financial liabilities			
Trade payables	6,478,608	8,447,116	10,241,259
Other payables	<u>7,928,286</u>	<u>8,032,305</u>	<u>9,804,313</u>
	<u>14,406,894</u>	<u>16,479,421</u>	<u>20,045,572</u>

27.2 Financial Risk Management

The Group is mainly exposed to credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group has formal risk management policies and guidelines, as approved by the Board of Directors, which set out its overall business strategies, its tolerance for risks and its general risk management philosophy. Such policies are monitored and undertaken by the management.

The following sections explain key risks faced by the Group and its management.

27.2.1 Credit Risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial instrument is broadly diversified along geographical lines and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group does not offer credit terms without the approval of the management.

Following are the areas where the Group are exposed to credit risk.

Trade receivables

The Group applies the simplified approach under MFRS 9 to measure ECLs, which uses a lifetime ECLs allowance for all trade receivables. The Group evaluates the ECLs on a case-by-case basis.

In monitoring customer credit risk, customers are grouped according to their characteristics, including whether are an individual or a legal entity, whether they are wholesale, retail or end-user customers, their geographical location, industry, trading history with the Group, number of days past due and corresponding historical credit losses experienced.

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.1 Credit Risk (cont'd)**Trade receivables (cont'd)

The Group also considers differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected life of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year. No significant changes to estimation techniques or assumptions were made during the reporting year.

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables.

	Gross carrying <u>amount</u> RM	Loss <u>allowances</u> RM	Net <u>balances</u> RM
31.3.2023			
Current (Not past due)	70,584	-	70,584
1-30 days past due	57,315	-	57,315
	<u>127,899</u>	<u>-</u>	<u>127,899</u>
31.3.2024			
Current (Not past due)	82,374	-	82,374
1-30 days past due	81,098	-	81,098
	<u>163,472</u>	<u>-</u>	<u>163,472</u>
31.3.2025			
Current (Not past due)	96,795	-	96,795
1-30 days past due	74,385	-	74,385
	<u>171,180</u>	<u>-</u>	<u>171,180</u>

Trade receivables that are neither past due nor impaired are credit worthy debtors with good payment records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial years.

None of the Group's financial assets are secured by collateral or other credit enhancements.

Credit risk concentration profile

All the trade receivables are concentrated within Malaysia.

The Group determines concentration of credit risk by comparing the amount due from each individual customer against the total trade receivables.

At the reporting date, 99% (31.3.2024: 100% and 31.3.2023: 99%) of the Group's trade receivables were due from 1 (31.3.2024: 1 and 31.3.2023: 1) customer.

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.1 Credit Risk (cont'd)**Other receivables

The Group's exposure to credit risk arises primarily from sundry receivables and deposits.

The maximum exposure to credit risk of sundry receivables and deposits is represented by their carrying amounts in the statements of financial position. The Group provides unsecured advances to the sundry receivables and monitor their results regularly.

As at the reporting date, there is no indication that the advances and deposits are not recoverable.

Cash and cash equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings and have no history of default.

27.2.2 Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due as a result of shortage of funds.

In managing its exposure to liquidity risk arises principally from its various payables, the Group maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they fall due.

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows:-

		Contractual cash flows			
		Current	Non-current		
		On demand/	Not later	1 to 5	More than
		than	than	years	5 years
		1 year	1 year	years	years
		RM	RM	RM	RM
Carrying amount	Total				
RM	RM	RM	RM	RM	RM
31.3.2023					
Non-derivative financial liabilities					
Trade payables	6,478,608	6,478,608	6,478,608	-	-
Other payables	7,928,286	7,928,286	7,928,286	-	-
Lease liabilities	10,195,628	10,579,777	7,251,386	3,328,391	-
	24,602,522	24,986,671	21,658,280	3,328,391	-

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.2 Liquidity Risk (cont'd)**

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows (cont'd):-

	Carrying amount RM	Total RM	Contractual cash flows		
			Current On demand/ Not later than 1 year RM	Non-current 1 to 5 years RM	More than 5 years RM
31.3.2024					
Non-derivative financial liabilities					
Trade payables	8,447,116	8,447,116	8,447,116	-	-
Other payables	8,032,305	8,032,305	8,032,305	-	-
Lease liabilities	17,703,551	18,697,666	9,956,576	8,741,090	-
	<u>34,182,972</u>	<u>35,177,087</u>	<u>26,435,997</u>	<u>8,741,090</u>	<u>-</u>
31.3.2025					
Non-derivative financial liabilities					
Trade payables	10,241,259	10,241,259	10,241,259	-	-
Other payables	9,804,313	9,804,313	9,804,313	-	-
Lease liabilities	20,624,538	21,707,128	12,113,892	9,593,236	-
	<u>40,670,110</u>	<u>41,752,700</u>	<u>32,159,464</u>	<u>9,593,236</u>	<u>-</u>

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities at the reporting date.

27.2.3 Interest Rate Risk

Interest rate risk is caused by changes in market interest rate resulting in fluctuation in fair value or future cash flow of financial instruments of the Group. The Group's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation.

The Group's lease liabilities is at fixed interest rates. The exposure to interest rates for the Group's short-term placement is considered immaterial.

The carrying amount of the Group's financial instruments that are exposed to interest rate risk are as follows:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Fixed rate instrument			
<u>Finance asset</u>			
Deposit with a licensed bank	-	10,000,000	20,000,000
<u>Finance liability</u>			
Lease liabilities	<u>(10,195,628)</u>	<u>(17,703,551)</u>	<u>(20,624,538)</u>
	<u>(10,195,628)</u>	<u>(7,703,551)</u>	<u>(624,538)</u>

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.3 Interest Rate Risk (cont'd)**Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss and does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

27.2.4 Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposure arising from purchases that are denominated in a currency other than the functional currency of the Group which is RM. The foreign currency in which these transactions is denominated is mainly United States Dollar ("USD").

Foreign currency denominated financial liabilities which expose the Group to currency risk are disclosed below. The amounts shown are those reported to key management translated into RM at the closing rate:-

	<u>USD</u> RM
<u>31.3.2023</u>	
Financial liability	
Other payable	<u>93,001</u>
<u>31.3.2024</u>	
Financial liability	
Other payable	<u>23,473</u>
<u>31.3.2025</u>	
Financial liability	
Other payable	<u>5,040</u>

Foreign currency sensitivity analysis

The following illustrates the sensitivity of profit in regards to the Group's financial assets and financial liabilities and the RM/USD exchange rate with and all other things are being equal.

It assumes a +/- 2% (31.3.2024: +/- 2% and 31.3.2023: +/- 2%) change of the RM/USD exchange rate respectively. The percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's foreign currency denominated financial instruments held at each reporting date.

13. ACCOUNTANTS' REPORT (Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****27.2 Financial Risk Management (cont'd)****27.2.4 Foreign Currency Risk (cont'd)**

If the RM had strengthened against the USD by 2% (31.3.2024: 2% and 31.3.2023: 2%) then this would have had the following impact:-

	<u>Effect on profit/equity for the year</u>		
	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
RM/USD			
- Strengthened 2% (31.3.2024: 2% and 31.3.2023: 2%)	1,860	469	101
- Weakened 2% (31.3.2024: 2% and 31.3.2023: 2%)	<u>(1,860)</u>	<u>(469)</u>	<u>(101)</u>

If RM had weakened against the USD by 2% (31.3.2024: 2% and 31.3.2023: 2%) then the impact to profit for the year/equity would be opposite effect.

Exposure to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's exposure to currency risk.

27.3 Fair Value of Financial Instruments

The carrying amounts of financial assets and liabilities of the Group at the reporting date approximate their fair values due to their short-term nature and insignificant impact of discounting.

27.4 Fair Value Hierarchy

No fair value hierarchy has been disclosed as the Group does not have financial instruments measured at fair value.

28. SEGMENTAL INFORMATION

The Group is principally engaged in business as Japanese restaurant, refreshment and tea room, cafes and snack bars and other related activities.

Business Segment

For management purposes, the Group is organised into two major business units based on their services which comprises the following:-

- (a) Segment I - Grab-and-go outlets (include owned and operated Empire Sushi outlets and 1 consignment outlet)
- (b) Segment II - Quick dine-in outlet

Transfer prices between operating segments are on negotiated basis.

13. ACCOUNTANTS' REPORT (Cont'd)**28. SEGMENTAL INFORMATION (CONT'D)****Business Segment (cont'd)**

	<u>Note</u>	<u>Segment I</u> RM	<u>Segment II</u> RM	<u>Elimination</u> RM	<u>Total</u> RM
<u>31.3.2023</u>					
Revenue:-					
Total external revenue	(a)	116,206,217	20,888,673	-	137,094,890
Results:-					
Finance income					55,883
Finance cost					(493,706)
Depreciation of plant and equipment					(2,241,899)
Depreciation of right-of-use assets					(7,735,756)
Other non-cash expenses	(b)				(363,230)
Tax expense					(5,622,436)
Segment profit	(c)				<u>15,024,237</u>
Assets:-					
Unallocated segment assets	(d)				58,587,443
Additions to non-current assets	(e)				<u>14,497,446</u>
Liabilities:-					
Unallocated segment liabilities	(f)				<u>16,337,652</u>
<u>31.3.2024</u>					
Revenue:-					
Total external revenue	(a)	161,730,861	23,070,127	-	184,800,988
Results:-					
Finance income					270,423
Finance cost					(749,413)
Depreciation of plant and equipment					(3,011,270)
Depreciation of right-of-use assets					(9,880,422)
Depreciation of investment property					(29,663)
Other non-cash expenses	(b)				(80,992)
Tax expense					(8,981,013)
Segment profit	(c)				<u>26,708,147</u>

13. ACCOUNTANTS' REPORT (Cont'd)**28. SEGMENTAL INFORMATION (CONT'D)****Business Segment (cont'd)**

	<u>Note</u>	<u>Segment I</u> RM	<u>Segment II</u> RM	<u>Elimination</u> RM	<u>Total</u> RM
<u>31.3.2024 (cont'd)</u>					
Assets:-					
Unallocated segment assets	(d)				96,708,151
Additions to non-current assets	(e)				<u>31,800,129</u>
Liabilities:-					
Unallocated segment liabilities	(f)				<u>19,265,265</u>
<u>31.3.2025</u>					
Revenue:-					
Total external revenue	(a)	<u>204,976,710</u>	<u>30,623,289</u>	-	<u>235,599,999</u>
Results:-					
Finance income					1,121,099
Finance cost					(1,045,783)
Depreciation of plant and equipment					(3,918,623)
Depreciation of right-of-use assets					(12,266,952)
Depreciation of investment property					(71,191)
Other non-cash expenses	(b)				(6,028)
Tax expense					(13,223,909)
Segment profit	(c)				<u>37,844,663</u>
Assets:-					
Unallocated segment assets	(d)				120,349,019
Additions to non-current assets	(e)				<u>22,991,910</u>
Liabilities:-					
Unallocated segment liabilities	(f)				<u>23,360,467</u>

13. ACCOUNTANTS' REPORT (Cont'd)**28. SEGMENTAL INFORMATION (CONT'D)****Business Segment (cont'd)**

Notes:-

(a) There is no intersegment revenues being eliminated on consolidation.

(b) Notes to other non-cash expenses consist of the following items:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Plant and equipment written off	<u>(363,230)</u>	<u>(80,992)</u>	<u>(6,028)</u>
	<u>(363,230)</u>	<u>(80,992)</u>	<u>(6,028)</u>

(c) The following items are added to/(deducted from) segment profit to arrive at profit after tax reported in the statements of profit or loss:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Segment profit	15,024,237	26,708,147	37,844,663
Finance income	55,883	270,423	1,121,099
Finance cost	<u>(493,706)</u>	<u>(749,413)</u>	<u>(1,045,783)</u>
Profit after tax	<u>14,586,414</u>	<u>26,229,157</u>	<u>37,919,979</u>

(d) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Segment assets/Total assets	<u>58,587,443</u>	<u>96,708,151</u>	<u>120,349,019</u>

(e) Additions to non-current assets consist of:-

	<u>31.3.2023</u> RM	<u>31.3.2024</u> RM	<u>31.3.2025</u> RM
Plant and equipment	5,388,693	10,703,365	7,843,385
Right-of-use assets	9,108,753	17,537,231	15,148,525
Investment property	<u>-</u>	<u>3,559,533</u>	<u>-</u>
	<u>14,497,446</u>	<u>31,800,129</u>	<u>22,991,910</u>

13. ACCOUNTANTS' REPORT (Cont'd)**28. SEGMENTAL INFORMATION (CONT'D)****Business Segment (cont'd)**

Notes (cont'd):-

- (f) The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:-

	<u>31.3.2023</u>	<u>31.3.2024</u>	<u>31.3.2025</u>
	RM	RM	RM
Segment liabilities	16,337,652	19,265,265	23,360,467
Lease liabilities	10,195,628	17,703,551	20,624,538
Tax payable	456,800	1,784,113	2,433,613
Deferred tax liabilities	<u>1,765,900</u>	<u>1,894,600</u>	<u>1,949,800</u>
Total liabilities	<u>28,755,980</u>	<u>40,647,529</u>	<u>48,368,418</u>

The operations of the Group are carried out in Malaysia.

There is no significant concentration of revenue from any major customers as the Group's revenue is contributed by various customers.

29. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains adequate working capital and financially prudent capital ratios in order to support its current business as well as future expansion so as to maximise shareholder's value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions including the interest rate movements. To maintain and adjust the capital structure, the Group may adjust dividend payment to shareholder, return capital to shareholders, issue new shares or adjust bank borrowings level. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2025, 31 March 2024 and 31 March 2023.

13. ACCOUNTANTS' REPORT (Cont'd)

EMPIRE PREMIUM FOOD BERHAD
(Incorporated in Malaysia)**STATEMENT BY DIRECTORS**

We, the undersigned, being the Directors of the Company, do hereby state that, in our opinion, the accompanying combined financial statements set out on pages 4 to 42 are drawn up in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards so as to give a true and fair view of the statements of financial position of the Group as at 31 March 2023, 31 March 2024 and 31 March 2025, and of their financial performance and their cash flows for the financial years then ended.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors.



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TAN SIN GUAN



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LIM XUI JHI

Kuala Lumpur
22 September 2025