

Snack Empire Holdings Limited

快餐帝國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1843

2024/2025 INTERIM REPORT



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Daniel Tay Kok Siong (“Mr. Daniel Tay”)
Mr. Wong Chee Tat (“Mr. Melvyn Wong”)
(*Chief Executive Officer*)

Independent non-executive Directors

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

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

COMPANY SECRETARY

Ms. Tung Wing Yee Winnie

AUTHORISED REPRESENTATIVES

Mr. Melvyn Wong
Ms. Tung Wing Yee Winnie

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

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Singapore 079903

WEBSITE

<http://www.snackemp.com>

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

57th Floor, The Center
99 Queen’s Road Central
Hong Kong

PRINCIPAL BANKER

Oversea-Chinese Banking Corporation Limited
65 Chulia Street
Singapore 049513

INDEPENDENT AUDITOR

Forvis Mazars LLP (F.K.A. Mazars LLP)
Certified Public Accountants
Registered Public Interest Entity Auditor
135 Cecil Street
#10-01 Singapore 069536

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Boardroom Share Registrars (HK) Limited
2103B, 21st Floor
148 Electric Road
North Point, Hong Kong

LEGAL ADVISER AS TO HONG KONG LAW

Robertsons, Solicitors
57th Floor, The Center
99 Queen’s Road Central
Hong Kong

LISTING INFORMATION

Place of listing

The Main Board of The Stock Exchange of
Hong Kong Limited

Stock code

1843

Board lots

4,000 shares



Management Discussion and Analysis

BUSINESS REVIEW

For the six months ended 30 September 2024 (the “Reviewed Period”), the Group has continued to look for suitable locations for expansion. For Shihlin Taiwan Street Snacks brand, the Group has opened 2 new self-operated outlets during the Reviewed Period and there was 1 more outlet opened after the Reviewed Period and up to the date of this report, and there will be another new outlet slated to open in quarter 1 of 2025 in Singapore. For EatPizza brand, 3 self-operated outlets were opened in Singapore during the Reviewed Period and the first self-operated outlet was opened in Malaysia after the Reviewed Period and up to the date of this report. The Group has secured 1 more location in Malaysia for EatPizza brand and it is scheduled to open by the end of 2024. The Group has extended its operating hours at the third outlet in Singapore, to cater for late-night offerings during the weekend.

In addition, the central kitchen in Singapore has passed the necessary inspections required by the regulators and is now operational. The Group will be looking to expand its menu offerings at the outlets, offering additional services (i.e., catering and/or events) and to streamline the processes at the outlets in 2025.

Subsequent to the end of the Reviewed Period, the Group has purchased a warehouse in Malaysia, with the aim of coping with the future expansion of the Malaysia’s subsidiaries business, it is intended that the acquisition of the properties will (i) reduce rental expenses and relocation expenses upon expiry of the existing leases; and (ii) provide additional space for business expansion as the Group adds on new brands in the future. In addition, the properties will enhance the fixed asset base of the Group.

FINANCIAL REVIEW

The following table sets out a breakdown of the total revenue of the Group by sales segments and their relevant percentages to the total revenue for the Reviewed Period together with the relevant comparative figures for the six months ended 30 September 2023 (the “Corresponding Period”):

	Six months ended 30 September			
	2024		2023	
	\$S'000 (unaudited)	% of total revenue	\$S'000 (unaudited)	% of total revenue
Revenue				
Sales of goods				
— Outlet sales	10,213	70.4%	8,054	65.1%
— Franchisees/licensee	3,530	24.3%	3,568	28.8%
Franchise fee	180	1.2%	217	1.8%
Advertising and promotion fees	148	1.0%	101	0.8%
Royalty	443	3.1%	432	3.5%
Total	14,514	100.0%	12,372	100.0%

Management Discussion and Analysis

The total unaudited revenue of the Group has increased from approximately S\$12,372 thousand for the Corresponding Period to approximately S\$14,514 thousand for the Reviewed Period, resulting in an increase in total revenue of approximately 17.3% as compared to the Corresponding Period. The increase of approximately S\$2,142 thousand was due to increase in retail and delivery sales in both Singapore and Malaysia.

The increase in revenue was mainly due to:

- Addition of EatPizza brand, which contributed approximately S\$826 thousand
- Increase in retail and delivery sales for Shihlin Taiwan Street Snacks brand in Singapore and Malaysia amounted to a total of approximately S\$1,333 thousand

The increase in revenue for Shihlin Taiwan Street Snacks brand in Singapore was due to the opening of additional self-operated outlets. For Malaysia, the outlets opened during the Corresponding Period have become fully operational during the entire Reviewed Period and the menu offerings on the Grab (a food takeaway and delivery platform) was expanded to include a la carte items.

Revenue from franchise fees, royalty and advertising and promotion fees remained relatively constant for the Reviewed Period as compared to the Corresponding Period and contributed to approximately 1.2%, 3.1% and 1.0%, respectively, of the Group's total revenue.

GROSS PROFIT

Gross profit is calculated based on total sales less total cost of sales. Cost of sales relates to the cost of food ingredients, beverages and packagings consumed by the Group's self-operated outlet(s) and restaurant(s) in Singapore and Malaysia for their retail sales, and the cost of food ingredients, beverages and packagings sold to the Group's franchisees in Singapore, Malaysia, Indonesia, United States and Egypt.

For the Reviewed Period, the increase in the cost of goods sold was in line with the increase in revenue, while gross profit margin stayed relatively constant at approximately 61%–63% as compared to the Corresponding Period.



Management Discussion and Analysis

SELLING, DISTRIBUTION AND ADMINISTRATIVE EXPENSES

Selling and distribution expenses mainly consist of freight and delivery charges, advertising expenses, outlet rental and depreciation expenses and outlet staff salaries. Overall selling and distribution expenses increased for the Reviewed Period as compared to the Corresponding Period by approximately S\$1,264 thousand or 39.7% mainly due to:

- Increase in marketing expenses
- Increase in the number of outlets, hence increase in outlet payroll and rental costs

Administrative expenses increased by approximately S\$427 thousand or 10.6%, mainly due to the increase in office staff payroll costs to cater for headquarters expansion.

OUTLOOK

The Group will continue to keep a lookout for potential business opportunities for the purpose of enhancing the Group's overall earnings.

INTERIM DIVIDEND

The board of directors of the Company (the "Directors" and "Board", respectively) has resolved not to declare the payment of any interim dividend for the Reviewed Period (Corresponding Period: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2024, the Group had 265 employees with a total staff cost for the Reviewed Period amounting to approximately S\$5,058 thousand (Corresponding Period: 175 employees and S\$4,361 thousand, respectively). The increases were attributed to increase in headquarter's headcount, addition of new brand and increase in the number of self-operated outlets.

The remuneration of the employees is determined based on their performance, experience and prevailing market situation. Their remuneration package includes salaries, bonus, allowances and retirement benefit schemes. The Company also provides customised training to its staff to enhance their relevant skill and knowledge. The remuneration of the Directors and members of senior management is determined on the basis of each individual's responsibilities, qualification, position, experience, performance, seniority and time devoted to the Group's business. They receive compensation in the form of salaries, bonuses, other allowances and benefits-in-kind, including the Company's contribution to their retirement benefit schemes on their behalf.

Management Discussion and Analysis

SHARE OPTION SCHEME

Pursuant to the written resolution of the then sole Shareholder passed on 23 September 2019, the Company adopted a share option scheme (the “Share Option Scheme”) conditional upon the listing (the “Listing”) of its ordinary shares (the “Shares”) on Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange” and the “Main Board”, respectively) on 23 October 2019 (the “Listing Date”). The Share Option Scheme became effective on the Listing Date. As no share option has been granted by the Company under the Share Option Scheme since the Listing Date, there was no share option outstanding as at 30 September 2024 and no option was exercised or cancelled or lapsed during the Reviewed Period.

The principal terms of the Share Option Scheme are set out as follows:

(a) Purpose of the Share Option Scheme

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

(b) Eligible Persons

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

(c) Maximum number of Shares

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



Management Discussion and Analysis

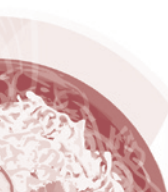
(d) Maximum entitlement of each Eligible Person

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

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

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

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



Management Discussion and Analysis

- (f) Minimum period for which a share option must be held before it can be exercised**
- There is no minimum period in which a share option must be held before the exercise of any share option save as otherwise imposed by the Board in the relevant offer of share options.
- (g) Period for and consideration payable on acceptance of an option**
- An offer of grant of a share option may be accepted by an Eligible Person within the date as specified in the offer letter issued by the Company, being a date not later than 21 days inclusive of the date upon which it is made. The amount payable by the grantee of a share option to the Company on acceptance of the offer for the grant of a share option is HK\$1.00.
- (h) Basis of determining the exercise price**
- The subscription price of a Share in respect of any particular share option granted under the Share Option Scheme shall be such price as determined by the Board, and shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of offer to grant a share option (the "Offer Date"), which must be a trading day, on which the Board passes a resolution approving the making of an offer of grant of a share option to an Eligible Person; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the Offer Date; and (iii) the nominal value of a Share on the Offer Date.
- (i) Remaining life**
- Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date of adoption of the Share Option Scheme, after which period no further share option shall be granted.



Management Discussion and Analysis

USE OF PROCEEDS FROM THE SHARE OFFER

The Company issued 200,000,000 Shares at HK\$0.65 per Share pursuant to the Share Offer (as defined in the Company's prospectus dated 30 September 2019 (the "Prospectus")). The net proceeds from the Share Offer were approximately S\$13.0 million or equivalent to HK\$74.8 million (after deducting underwriting fees and related listing expenses). Having considered the impact brought about by the COVID-19 Pandemic, the Board has resolved to change the use of the unutilised net proceeds as set out in the announcements of the Company dated 27 November 2020 and 6 March 2023 (collectively, the "Change of UOP Announcements"). For details of the change in use of net proceeds, please refer to the Change of UOP Announcements. The use of the net proceeds from the Listing up to 30 September 2024 was approximately as follows:

	Revised percentage of net proceeds	Revised allocation of net proceeds (S\$'000)	Amount utilised as at 1 April 2024 (S\$'000)	Amount utilised during the Reviewed Period (S\$'000)	Amount remaining as at 30 September 2024 (S\$'000)	Estimated timeline of full utilisation of unutilised net proceeds
New Self-operated Outlets in Singapore	9.8%	1,280	(992)	(288)	—	—
New Self-operated Outlets in West Malaysia	9.4%	1,228	(977)	(13)	238	March 2025
Expansion of Non-self-operated Outlets and Restaurants network	5.5%	720	(238)	(27)	455	March 2026
Refurbishment of Self-operated Outlets and Restaurants	5.8%	752	(316)	(10)	426	March 2026
Strengthening manpower	8.2%	1,060	(1,014)	(46)	—	—
Marketing and promotional initiatives	5.4%	700	(556)	(78)	66	March 2026
Upgrade IT infrastructure, data management and franchise management system	8.2%	1,060	(231)	(101)	728	March 2027
General working capital	47.7%	6,200	(6,200)	—	—	—
Total	100.0%	13,000	(10,524)	(563)	1,913	

The proceeds were used according to the intentions and were in line with the expected timeframe, both as disclosed in the Prospectus and the Change of UOP Announcements in regard to the changes in use of proceeds.

Management Discussion and Analysis

FUTURE PLANS AND MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Prospectus and this report, the Group did not have other plans for material investments and capital assets as at 30 September 2024.

SIGNIFICANT INVESTMENTS HELD

During the Reviewed Period, there was no significant investment held by the Group.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reviewed Period.

CAPITAL COMMITMENTS

As at 30 September 2024, the Group did not have any significant capital commitment.

CHARGES ON THE GROUP'S ASSETS

As at 30 September 2024, the Group did not have any other banking charges except secured bank borrowings of approximately S\$1,885 thousand denominated in Singapore dollars and secured by properties of the Group with carrying values of approximately S\$2,948 thousand.

FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial information of the Group for the Reviewed Period (the "Condensed Consolidated Interim Financial Information") does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's audited consolidated financial statements for the year ended 31 March 2024 ("FY2023/2024") as disclosed in the FY2023/2024 annual report of the Company.

There have been no changes in the risk management policies of the Group during the Reviewed Period. During the Reviewed Period, the Group did not engage in any derivatives activities and did not commit to any financial instruments to hedge its exposure to foreign currency risk.



Management Discussion and Analysis

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total shareholders' equity of the Group as at 30 September 2024 was approximately S\$25.0 million (31 March 2024: S\$24.3 million). As at 30 September 2024, the Group had current assets of approximately S\$25.4 million (31 March 2024: S\$25.8 million) and current liabilities of approximately S\$5.3 million (31 March 2024: S\$5.4 million). The current ratio (calculated by dividing current assets by current liabilities) was approximately 4.8 times as at 30 September 2024 as compared to approximately 4.8 times as at 31 March 2024.

The Group generally finances its operations with internally generated cash flow. As at 30 September 2024, the Group had outstanding bank borrowings of approximately S\$1.9 million (31 March 2024: S\$2.0 million). As at 30 September 2024, the Group maintained cash and cash equivalents of approximately S\$21.5 million (31 March 2024: S\$22.1 million). The Group's net cash-to-equity ratio (dividing cash and cash equivalents net of total borrowings by shareholders' equity) was approximately 0.8 as at 30 September 2024 (31 March 2024: 0.8).

As at 30 September 2024, the Group possessed sufficient cash to meet its commitments and working capital requirements, and most of the Group's bank deposit and cash were denominated in Singapore dollars, Malaysian ringgit ("RM") and Hong Kong dollars.

The Shares were initially listed on the Main Board on the Listing Date. There has been no material change in the capital structure of the Company since the Listing Date. The capital of the Company only comprises Shares.

TREASURY POLICIES

The Group had adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Reviewed Period. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

GEARING RATIO

As at 30 September 2024, the gearing ratio of the Group was approximately 23% (31 March 2024: 22%). Gearing ratio is calculated based on the total debt divided by total equity as at the respective period/year end. Total debt is calculated as borrowings and lease liabilities.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As at 30 September 2024, the Group had not entered into any material off-balance sheet commitments or arrangements.



Management Discussion and Analysis

EVENTS AFTER REPORTING PERIOD

On 21 October 2024, the Company has announced (the "Announcement") that STSS Resources Sdn. Bhd. ("STSS"), an indirect wholly-owned subsidiary of the Company, had on 26 August 2024 entered into the letters of offer with Tan York Soon Holdings Sdn. Bhd. ("TYS"), an independent third party (as defined in the Listing Rules), in relation to the purchase by STSS from TYS the warehouses properties (the "Properties") for the consideration of RM9,000,000 (the "Acquisition"). Formal sale and purchase agreement has been executed subsequent to the end of the Reviewed Period, upon fulfillment of the requisite conditions by STSS.

As the relevant percentage ratios in respect of the acquisition of the Properties is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but is exempted from the circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Please refer to the Announcement for further details.

Save for the above, there were no other significant events after the Reviewed Period and up to the date of this report.

CONTINGENT LIABILITY

As at 30 September 2024, the Group did not have any material contingent liabilities.

DISCLOSURE OF INFORMATION

This interim report of the Company for the six months ended 30 September 2024 will be published on the respective websites of both the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.snackemp.com>) and will be dispatched to the Shareholders (if a printed copy is requested) in due course.



Corporate Governance and Other Information

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

As at 30 September 2024, the interests and short positions of each Director and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register as referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 (the "Model Code") to the Listing Rules, were as follows:

(a) Long position in the Shares

Name of Directors	Capacity	Nature of interest	Number of Shares held	Percentage of shareholding (Note 2)
Mr. Daniel Tay (Note 1)	Interest of controlled corporation	Corporate interest	600,000,000	75%
Mr. Melvyn Wong (Note 1)	Interest of controlled corporation	Corporate interest	600,000,000	75%

(b) Long position in the shares of the associated corporation of the Company

Name of Directors	Associated corporation	Capacity	Nature of interest	Number of shares held	Percentage of shareholding
Mr. Daniel Tay	Brilliant Stride Limited ("Brilliant Stride") (Note 1)	Beneficial owner	Personal interest	1	50%
Mr. Melvyn Wong	Brilliant Stride (Note 1)	Beneficial owner	Personal interest	1	50%

Corporate Governance and Other Information

Notes:

- (1) All the issued shares of Brilliant Stride are legally and beneficially owned as to 50% by Mr. Daniel Tay, an executive Director, and 50% by Mr. Melvyn Wong, an executive Director and the chief executive officer of the Company. Accordingly, Mr. Melvyn Wong and Mr. Daniel Tay are deemed to be interested in 600,000,000 Shares held by Brilliant Stride by virtue of the SFO.
- (2) The percentage of shareholding interest in the Company shown in the table above is calculated on the basis of 800,000,000 Shares in issue as at 30 September 2024.

Save as disclosed above, as at 30 September 2024, none of the Directors and the chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO to (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register as referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 30 September 2024, so far as was known to the Directors, the following corporation and persons (other than a Director or the chief executive of the Company) had interests or short positions in the Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept under section 336 of the SFO were as follows:

Long positions in Shares

Name of Shareholders	Capacity	Nature of interest	Number of Shares held	Percentage of shareholding (Note 4)
Brilliant Stride (Note 1)	Beneficial owner	Personal interest	600,000,000	75%
Ms. Chong Yi May Cheryl ("Ms. Chong") (Note 2)	Interest of spouse	Family interest	600,000,000	75%
Ms. Lim Michelle ("Ms. Lim") (Note 3)	Interest of spouse	Family interest	600,000,000	75%



Corporate Governance and Other Information

Notes:

- (1) The issued shares of Brilliant Stride are legally and beneficially owned as to 50% by Mr. Daniel Tay and 50% by Mr. Melvyn Wong. Accordingly, Mr. Melvyn Wong and Mr. Daniel Tay are deemed to be interested in 600,000,000 Shares held by Brilliant Stride by virtue of the SFO.
- (2) Ms. Chong, the spouse of Mr. Melvyn Wong, is deemed under the SFO to be interested in the Shares in which Mr. Melvyn Wong has an interest or a deemed interest.
- (3) Ms. Lim, the spouse of Mr. Daniel Tay, is deemed under the SFO to be interested in the Shares in which Mr. Daniel Tay has an interest or a deemed interest.
- (4) The percentage of shareholding interest in the Company shown in the table above is calculated on the basis of 800,000,000 Shares in issue as at 30 September 2024.

Save as disclosed above, as at 30 September 2024, no other corporation which or person (other than a Director or the chief executive of the Company) who had any interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were recorded in the register required to be kept under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

As at 30 September 2024, the Company did not hold any treasury shares.

CHANGE IN INFORMATION OF DIRECTOR

Pursuant to Rule 13.51B(1) of the Listing Rules, there was no change in the information of the Directors since the date of the Company's FY2023/2024 annual report and up to the date of this interim report.

COMPLIANCE OF CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance. The Board believes that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding and maximizing shareholders' interests. The Company has adopted the code provisions as stated in the section headed "Part 2 — Principles of good corporate governance, code provisions and recommended best practices" of the Corporate Governance Code set out in Appendix C1 to the Listing Rules (the "CG Code"). The Board is committed to complying with such code provisions to the extent that the Directors consider them applicable and practical to the Company.

The Directors are of the opinion that the Company has complied with the CG Code during the Reviewed Period.

Corporate Governance and Other Information

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as its own code of conduct to regulate all dealings by Directors and relevant employees of securities in the Company. The Company has made specific enquiries with all Directors and they have confirmed that they had complied with the Model Code during the Reviewed Period.

AUDIT COMMITTEE

The Company established an audit committee (the “Audit Committee”) with written terms of reference in compliance with the Listing Rules. The Audit Committee consists of three members, all of them are independent non-executive Directors, being Mr. Fok Chee Khuen, Mr. Jong Voon Hoo and Ms. Tancy Tan. The Audit Committee is chaired by Mr. Fok Chee Khuen. The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the Group’s financial reporting system, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board. It also acts as an important link between the Board and the Company’s independent auditors (the “Independent Auditors”) in matters within the scope of the group audit.

The unaudited interim results of the Group for the Reviewed Period and this report have not been reviewed by the Independent Auditors, but have been reviewed by the Audit Committee. The Audit Committee has also discussed and reviewed with the management of the Group (the “Management”) the accounting principles and practices adopted by the Group and its financial reporting matters. The Audit Committee is of the view that such results have been prepared in compliance with the applicable accounting standards, the requirements under the Listing Rules and other legal requirements, and that adequate disclosures have been made.

ACKNOWLEDGEMENTS

The Board would like to express their appreciation to the Group’s Shareholders, business partners, customers as well as to the Management and staff for their continuous efforts throughout the Reviewed Period.

By order of the Board

Mr. Fok Chee Khuen

Chairman and Independent Non-Executive Director

Singapore, 29 November 2024

Condensed Consolidated Statement of Comprehensive Income

	Notes	Six months ended 30 September	
		2024 S\$'000 (unaudited)	2023 S\$'000 (unaudited)
Revenue	6	14,514	12,372
Cost of sales		(5,301)	(4,770)
Gross profit		9,213	7,602
Other income	7	139	132
Other (losses)/gains — net		(78)	48
Selling and distribution expenses		(4,444)	(3,180)
Administrative expenses		(4,446)	(4,019)
Finance income — net	8	40	60
Profit before income tax		424	643
Income tax expense	9	(217)	(198)
Profit for the period attributable to equity holders of the Company	10	207	445
Other comprehensive income/(losses)			
<i>Item that will be reclassified subsequently to profit or loss</i>			
Currency translation difference arising from translation of foreign operations		452	(122)
		452	(122)
Total comprehensive income for the period attributable to equity holders of the Company		659	323
Earnings per share for the profit attributable to equity holders of the Company	11		
Basic and diluted (Singapore cents)		0.08	0.04

Condensed Consolidated Statement of Financial Position

		As at 30 September 2024 S\$'000 (unaudited)	As at 31 March 2024 S\$'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	6, 12	8,962	8,000
Intangible assets		132	149
		9,094	8,149
Current assets			
Inventories	13	1,412	1,301
Trade and other receivables and prepayments	14	2,334	2,138
Tax refundable		163	199
Cash and cash equivalents	15	21,486	22,134
		25,395	25,772
Total assets		34,489	33,921
EQUITY AND LIABILITIES			
Equity			
Share capital		1,392	1,392
Share premium		10,911	10,911
Reserves		12,699	12,040
Equity attributable to equity holders of the Company		25,002	24,343



Condensed Consolidated Statement of Financial Position (Continued)

		As at 30 September 2024 S\$'000 (unaudited)	As at 31 March 2024 S\$'000 (audited)
LIABILITIES			
Non-current liabilities			
Deferred revenue		620	748
Deferred tax liabilities		17	17
Lease liabilities		1,775	1,619
Borrowings	17	1,755	1,820
		4,167	4,204
Current liabilities			
Trade and other payables	16	2,519	2,851
Borrowings	17	130	130
Provisions		272	246
Deferred revenue		244	225
Lease liabilities		2,090	1,877
Current income tax and liabilities		65	45
		5,320	5,374
Total liabilities		9,487	9,578
Total equity and liabilities		34,489	33,921

Condensed Consolidated Statement of Changes in Equity

Group	Attributable to equity holders of the Company					Total attributable to equity holders of the Company
	Share capital	Share premium	Capital reserve	Foreign currency translation reserve	Retained profits	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 1 April 2023 (audited)	1,392	11,047	261	(423)	12,217	24,494
Profit for the period	—	—	—	—	445	445
Other comprehensive loss for the period	—	—	—	(122)	—	(122)
Total comprehensive (loss)/ income for the period	—	—	—	(122)	445	323
Dividends declared in respect of this period	—	(136)	—	—	—	(136)
Increase in share capital	—	—	42	—	—	42
Total transactions with equity holders, recognised directly in equity	—	(136)	42	—	—	(94)
As at 30 September 2023 (unaudited)	1,392	10,911	303	(545)	12,662	24,723



Condensed Consolidated Statement of Changes in Equity (Continued)

Group	Attributable to equity holders of the Company					Total attributable to equity holders of the Company
	Share capital	Share premium	Capital reserve	Foreign currency	Retained profits	
				translation reserve		
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
As at 1 April 2024 (audited)	1,392	10,911	261	(618)	12,397	24,343
Profit for the period	—	—	—	—	207	207
Other comprehensive income for the period	—	—	—	452	—	452
Total comprehensive income for the period	—	—	—	452	207	659
As at 30 September 2024 (unaudited)	1,392	10,911	261	(166)	12,604	25,002

Condensed Consolidated Statement of Cash Flows

	Six months ended	
	30 September	
	2024	2023
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Cash flow from operating activities		
Profit before income tax	424	643
Adjustments for:		
— Depreciation of property, plant and equipment	1,319	1,043
— Amortisation of franchise fees	17	—
— Interest income	(182)	(171)
— Interest paid	142	111
Operating profit before working capital changes	1,720	1,626
Changes in working capital		
— Inventories	(111)	331
— Trade and other receivables and prepayments	(196)	(192)
— Trade and other payables including provisions	(306)	(99)
— Deferred revenue	(109)	197
Cash generated from operations	998	1,863
Income tax paid	(156)	(108)
Net cash generated from operating activities	842	1,755
Cash flow from investing activities		
Purchase of property, plant and equipment	(801)	(330)
Interest received	182	171
Net cash used in investing activities	(619)	(159)



Condensed Consolidated Statement of Cash Flows (Continued)

	Six months ended	
	30 September	
	2024	2023
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Cash flow from financing activities		
Issuance of new shares	—	42
Principal elements of lease payment	(1,147)	(879)
Interest paid	(142)	(111)
Dividend paid to shareholders	—	(136)
Repayment of borrowings	(65)	(65)
	(1,354)	(1,149)
Net cash used in financing activities	(1,354)	(1,149)
Net (decrease)/increase in cash and cash equivalents	(1,131)	447
Cash and cash equivalents		
Beginning of reporting period	22,134	23,493
Net effect of exchange rate changes in consolidating subsidiaries	483	(144)
	21,486	23,796
End of Reviewed Period	21,486	23,796

Notes to the Condensed Consolidated Financial Statements

1 GENERAL INFORMATION

Snack Empire Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) are principally engaged in wholesale and retail of food and beverages.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Shares were initially listed on the Main Board of the Stock Exchange on the Listing Date.

The Condensed Consolidated Interim Financial Information has not been audited by the Independent Auditors but have been reviewed by the Audit Committee.

2 BASIS OF PREPARATION

The Condensed Consolidated Interim Financial Information has been prepared in accordance with International Accounting Standard (the “IAS”) 34 Interim Financial Reporting issued by the International Accounting Standards Board (the “IASB”) as well as with the applicable disclosure requirements of Appendix D2 to the Listing Rules. The condensed consolidated interim financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The Condensed Consolidated Interim Financial Information is presented in Singapore dollars (“S\$”) which is also the functional currency of the Company.

The Condensed Consolidated Interim Financial Information should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 March 2024, which have been prepared in accordance with International Financial Reporting Standards issued by the IASB, as set out in the FY2023/2024 annual report of the Company.

3 PRINCIPAL ACCOUNTING POLICIES

The accounting policies and methods of computation used in the Condensed Consolidated Interim Financial Information are the same as those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 March 2024.



Notes to the Condensed Consolidated Financial Statements

4 ESTIMATES

The preparation of the Condensed Consolidated Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Condensed Consolidated Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements of the Group for the year ended 31 March 2024 as disclosed in the FY2023/2024 annual report.

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Condensed Consolidated Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2024.

There have been no significant changes in the risk management policies during the Reviewed Period.

5.2 Fair value estimation

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



Notes to the Condensed Consolidated Financial Statements

6 SEGMENT INFORMATION

The Group's executive Directors, who are the Chief Operating Decision-Makers ("CODMs") monitor the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. The Group's CODMs consider all businesses to be included in a single operating segment. Information reported to the Group's CODMs, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated.

The following is an analysis of revenue and non-current assets by geographical areas. Revenue is attributed to countries by locations of customers.

	Revenue from external customers	
	Six months ended	
	30 September	
	2024	2023
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Revenue		
Singapore	6,418	5,079
Malaysia	6,373	5,506
Indonesia	1,392	1,500
USA	320	264
Others	11	23
	14,514	12,372

Notes to the Condensed Consolidated Financial Statements

6 SEGMENT INFORMATION (Continued)

Non-current assets

	30 September 2024 S\$'000 (unaudited)	31 March 2024 S\$'000 (audited)
Property, plant and equipment		
Singapore	7,773	6,732
Malaysia	1,189	1,268
	8,962	8,000
Intangible assets		
Singapore	132	149
	132	149

Notes to the Condensed Consolidated Financial Statements

7 OTHER INCOME

	Six months ended	
	30 September	
	2024	2023
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Government grants	7	—
Operating fee income	21	24
Others	111	108
	139	132

8 FINANCE INCOME — NET

	Six months ended	
	30 September	
	2024	2023
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Interest income	182	171
Interest expense	(142)	(111)
	40	60



Notes to the Condensed Consolidated Financial Statements

9 INCOME TAX EXPENSE

	Six months ended	
	30 September	
	2024	2023
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Current tax		
Singapore profits tax	49	42
Malaysia profits tax	168	156
	217	198

Taxation has been provided at the appropriate rates in the countries in which the Group operates. The Company is not subject to any taxation in the Cayman Islands and the British Virgin Islands. Singapore corporate income tax has been provided at 17% on the estimated profit before corporate tax exemption, whilst under the Income Tax Act, 1967, the applicable income tax rates for the Group entities in Malaysia approximates 24%.

10 PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging:

	Six months ended	
	30 September	
	2024	2023
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Total employee benefit costs and Directors' remuneration		
Wages, salaries and allowances	4,861	4,087
Retirement benefit costs — defined contribution plans	197	274
Depreciation of property, plant and equipment	1,319	1,043

Notes to the Condensed Consolidated Financial Statements

11 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 September 2024 and 2023.

	Six months ended	
	30 September	
	2024	2023
	(unaudited)	(unaudited)
Profit attributable to equity holders of the Company (S\$'000)	659	323
Weighted average number of ordinary shares in issue	800,000,000	800,000,000
Basic and diluted earnings per share (Singapore cents per share)	<u>0.08</u>	<u>0.04</u>

Diluted earnings per share is the same as basic earnings per share as there were no potential dilutive ordinary shares outstanding during the six months ended 30 September 2024 and 2023.

12 MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT

During the Reviewed Period, the Group acquired computers, furniture and fittings, kitchen equipment, office equipment, and renovation works of approximately S\$123 thousand (31 March 2024: S\$213 thousand), S\$4 thousand (31 March 2024: S\$0 thousand), S\$271 thousand (31 March 2024: S\$140 thousand), S\$9 thousand (31 March 2024: S\$2 thousand) and S\$394 thousand (31 March 2024: S\$472 thousand). The right of use asset capitalised under IFRS 16 approximates to S\$7.1 million (31 March 2024: S\$6.1 million).

13 INVENTORIES

Inventories comprise fast moving consumables items. The cost of inventories included in cost of sales amounted to S\$5,301 thousand and S\$4,770 thousand, for the periods ended 30 September 2024 and 2023, respectively.



Notes to the Condensed Consolidated Financial Statements

14 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 September 2024 S\$'000 (unaudited)	As at 31 March 2024 S\$'000 (audited)
Trade receivables	299	299
Other receivables	2,035	1,839
	<hr/>	<hr/>
Trade and other receivables	2,334	2,138

The ageing analysis of trade receivables based on the invoice date at the end of the reporting period is as follows:

Current to 30 days	135	250
31 to 60 days	31	16
61 to 90 days	32	—
Over 90 days	101	33
	<hr/>	<hr/>
	299	299

15 CASH AND CASH EQUIVALENTS

	As at 30 September 2024 S\$'000 (unaudited)	As at 31 March 2024 S\$'000 (audited)
Cash at banks	21,456	22,109
Cash on hand	30	25
	<hr/>	<hr/>
	21,486	22,134

Notes to the Condensed Consolidated Financial Statements

16 TRADE AND OTHER PAYABLES

	As at 30 September 2024 S\$'000 (unaudited)	As at 31 March 2024 S\$'000 (audited)
Trade payables	551	519
Other payables and accruals	1,968	2,332
	2,519	2,851

The ageing analysis of trade payables based on the invoice date at the end of the reporting period is as follows:

Current to 30 days	483	495
31 to 60 days	40	12
Over 60 days	28	12
	551	519



Notes to the Condensed Consolidated Financial Statements

17 BORROWINGS

	As at 30 September 2024 S\$'000 (unaudited)	As at 31 March 2024 S\$'000 (audited)
Current		
Bank borrowings	130	130
Non-current		
Bank borrowings	1,755	1,820
The weighted average effective interest rate of the borrowings per annum is:		
	4.7%	4.8%
The Group's bank borrowings are repayable as follows:		
Within 1 year	130	130
Over 1 year to 2 years	130	130
Over 2 years to 5 years	1,625	1,690
Over 5 years	—	—
	1,885	1,950

As at 30 September 2024, all of the Group's borrowings are secured by properties of the Group with carrying value of approximately S\$2,948 thousand.

Notes to the Condensed Consolidated Financial Statements

18 SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant related party transaction and balances

There are no significant related party transactions during the Reviewed Period (30 September 2023: Nil) and there are no significant related party balances as at 30 September 2024 (31 March 2024: Nil), other than key management compensation shown below:

Key management compensation

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

	Six months ended	
	30 September	
	2024	2023
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Salaries and other short-term employee benefits	1,150	1,263

