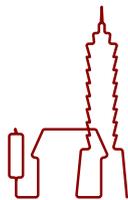


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Snack Empire Holdings Limited

快餐帝國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1843)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL HIGHLIGHTS FOR THE YEAR

- Revenue was approximately S\$21,451 thousand (Year 2020: S\$24,262 thousand)
- Gross profit was approximately S\$13,149 thousand (Year 2020: S\$15,373 thousand)
- Profit for the year attributable to equity holders of the Company was approximately S\$1,038 thousand (Year 2020: S\$3,557 thousand)
- Basic and diluted earnings per share was approximately S\$0.1 cent per share (Year 2020: S\$0.5 cent per share)

ANNUAL RESULTS

The Board hereby announces the consolidated annual results of the Group for the Year together with the comparative information for Year 2020.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Year ended 31 March	
		2021 S\$'000	2020 S\$'000
Revenue	4	21,451	24,262
Cost of sales	5	<u>(8,302)</u>	<u>(8,889)</u>
Gross profit		13,149	15,373
Other income	6	1,671	233
Other (losses)/gains	7	(548)	901
Selling and distribution expenses	5	(5,385)	(4,663)
Administrative expenses	5	(7,020)	(7,040)
Finance cost — net		<u>(60)</u>	<u>(44)</u>
Profit before income tax		1,807	4,760
Income tax expense	8	<u>(769)</u>	<u>(1,203)</u>
Profit for the year attributable to equity holders of the Company		<u>1,038</u>	<u>3,557</u>
Other comprehensive (loss)/income			
<i>Item that will be reclassified subsequently to profit or loss</i>			
Currency translation differences arising from translation of foreign operations		<u>(37)</u>	<u>5</u>
		<u>(37)</u>	<u>5</u>
Total comprehensive income for the year attributable to equity holders of the Company		<u>1,001</u>	<u>3,562</u>
Earnings per share for profit attributable to equity holders of the Company			
Basic and diluted (<i>S\$ cents</i>)	9	<u>0.1</u>	<u>0.5</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 March	
		2021	2020
	<i>Note</i>	S\$'000	<i>S\$'000</i>
ASSETS			
Non-current asset			
Property, plant and equipment	<i>10</i>	<u>5,768</u>	<u>5,538</u>
Current assets			
Inventories		1,261	1,245
Trade and other receivables and prepayments	<i>12</i>	1,803	4,589
Cash and cash equivalents	<i>13</i>	<u>25,388</u>	<u>21,554</u>
		<u>28,452</u>	<u>27,388</u>
Total assets		<u>34,220</u>	<u>32,926</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		1,392	1,392
Share premium		17,092	17,092
Reserves		<u>7,583</u>	<u>6,582</u>
Equity attributable to equity holders of the Company		<u>26,067</u>	<u>25,066</u>
LIABILITIES			
Current liabilities			
Trade and other payables	<i>14</i>	2,225	1,673
Borrowings	<i>15</i>	130	81
Provisions		112	98
Deferred revenue		622	465
Lease liabilities		1,063	1,013
Current income tax liabilities		<u>163</u>	<u>555</u>
		<u>4,315</u>	<u>3,885</u>

		As at 31 March	
		2021	2020
	<i>Note</i>	S\$'000	<i>S\$'000</i>
Non-current liabilities			
Deferred revenue		842	1,027
Deferred tax liabilities		16	16
Lease liabilities		771	569
Borrowings	<i>15</i>	<u>2,209</u>	<u>2,363</u>
		<u>3,838</u>	<u>3,975</u>
Total liabilities		<u>8,153</u>	<u>7,860</u>
Total equity and liabilities		<u>34,220</u>	<u>32,926</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

1.1 General information

Snack Empire Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under Companies Law Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and is listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are disclosed in Note 1.2 to the consolidated financial statements.

The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Group is located at 10 Anson Road #21-02, International Plaza, Singapore 079903.

The immediate holding company and ultimate holding company of the Company is Brilliant Stride Limited, which is incorporated in the British Virgin Islands.

The consolidated financial statements are presented in thousands of units of Singapore Dollar (“S\$’000”) unless otherwise stated. The consolidated financial statements have been approved for issue by the Board on 30 June 2021.

1.2 Group structure

Details of the subsidiaries of the Company at the end of the reporting period are set out below:

Name	Principal activities	Country of business/ incorporation	Date of incorporation	Issued and paid up capital	Effective interest held by the Group as at 31 March		Effective interest held by the Group as at the date of this announcement
					2021 %	2020 %	
Directly held by the Company							
Clever Steed Limited ³	Investment holding	British Virgin Islands	22 November 2017	US\$1	100	100	100
Indirectly held by the Company							
The STSS Company Pte. Ltd. ¹	Retail of food and beverage and franchising	Singapore	4 June 2003	S\$1,200,000	100	100	100
XXL Concepts Pte. Ltd. (F.K.A Shihlin Taiwan Street Snacks (HM) Pte. Ltd.) ¹	Retail of food and beverage	Singapore	11 January 2005	S\$100,000	100	100	100
Umami Concepts Pte. Ltd. ¹	Wholesale and retail of food and beverage	Singapore	18 October 2005	S\$100,100	100	100	100
STSS Resources Pte. Ltd. ¹	Wholesale of food and beverage	Singapore	1 December 2005	S\$1	100	100	100
Shihlin Taiwan Street Snacks (313) Pte. Ltd. ¹	Retail of food and beverage	Singapore	1 December 2005	S\$1	100	100	100
STSS Integrated Pte. Ltd. ¹	Wholesale of food and beverage	Singapore	7 November 2007	S\$1	100	100	100
Shihlin Taiwan Street Snacks (JP) Pte. Ltd. ¹	Retail of food and beverage	Singapore	15 December 2011	S\$1	100	100	100
Shihlin Taiwan Street Snacks (TM) Pte. Ltd. ¹	Retail of food and beverage	Singapore	26 June 2012	S\$1	100	100	100
Shihlin Taiwan Street Snacks (HF) Pte. Ltd. ¹	Retail of food and beverage	Singapore	1 April 2013	S\$1	100	100	100
Shihlin Taiwan Street Snacks (NP) Pte. Ltd. ¹	Retail of food and beverage	Singapore	22 June 2015	S\$1	100	100	100
STSS Resources Sdn. Bhd. ²	Wholesale of food and beverage	Malaysia	13 July 2012	RM1,000,000	100	100	100
STSS IP Pte. Ltd. ¹	Licensing of intellectual properties	Singapore	25 February 2018	S\$1	100	100	100
STSS Concepts Sdn. Bhd. ²	Retail of food and beverage	Malaysia	20 June 2008	RM1,000,000	100	100	100

- 1 Up to the date of this announcement, the audited financial statements of these companies for the year ended 31 March 2021 are yet to be issued.
- 2 The statutory financial statements for the financial year ended 31 March 2020 were audited by OKL & Partners PLT, Malaysia. Up to the date of this announcement, the audited financial statements of these companies for the year ended 31 March 2021 are yet to be issued.
- 3 No audited financial statements have been prepared for this entity as it is not required to issue audited financial statements under the statutory requirements of its place of incorporation.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (the “IASB”), which collective term includes all applicable individual IFRS, International Accounting Standards (“IASs”) and Interpretations issued by the IASB and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The consolidated financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

2.1.1 New standards, interpretations and amendments to standards which are not yet effective.

The following are new standards, interpretations and amendments to standards that have been issued but not yet effective as at 31 March 2021.

		Effective for annual periods beginning on or after
IFRS 17	Insurance Contracts	1-Jan-23
Amendments to IFRS 3	Reference to the Conceptual Framework	1-Jan-22
Amendments to IFRS 4	Extension of the Temporary Exemption from applying IFRS 9	1-Jan-23
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform — Phase 2	1-Jan-21
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date to be determined
Amendments to IFRS 16	Covid-19-related Rent Concessions	1-Jun-20
Amendments to IFRS 16	Covid-19-related Rent Concessions beyond 30 June 2021	1-Apr-21
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	1-Jan-23
Amendments to IAS 8	Definition of Accounting Estimates	1-Jan-23
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1-Jan-23
Amendments to IAS 16	Property, Plant and Equipment — Proceeds before Intended Use	1-Jan-22
Amendments to IAS 37	Onerous Contracts — Cost of Fulfilling a Contract	1-Jan-22
Amendments to IFRSs	Annual Improvements to IFRSs 2018–2020	1-Jan-22

Other than the amendment to IFRS 16 — Leases (“IFRS 16”), the Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. The Group anticipates that the application of all other new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Amendment to IFRS 16, Covid-19-Related Rent Concessions

The amendment provides a practical expedient that allows a lessee to by-pass the need to evaluate whether certain qualifying rent concessions occurring as a direct consequence of the COVID-19 pandemic (“COVID-19-related rent concessions”) are lease modifications and, instead, account for those rent concessions as if they were not lease modifications.

The Group has elected to early adopt the amendments and applies the practical expedient to all qualifying COVID-19-related rent concessions granted to the Group during the year. Consequently, rent concessions received have been accounted for as rental rebates recognised as other income in profit or loss. There is no impact on the opening balance of equity at 1 April 2020.

2.1.2 New standards adopted

On 1 April 2020, the Group has adopted the following new or amended IFRS and Interpretations of IFRS (“IFRIC”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS and IFRIC.

Amendments to IFRS 3	Definition of a Business
Amendments to IAS 1 and IAS 8	Definition of Material
Amendments to IAS 39, IFRS 7 and IFRS 9	Interest Rate Benchmark Reform — Phase 1

The adoption of these new or amended IFRS and IFRIC did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

3 SEGMENT INFORMATION

The executive directors of the Company who are the Chief Operating Decision Maker (“CODM”) monitor the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. The executive directors of the Company consider all businesses to be included in a single operating segment. Information reported to the executive directors of the Company, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group’s resources are integrated.

Revenue

The Group is principally engaged in the provision of food catering services through a chain of Taiwan-style Outlets and Restaurants. The following is an analysis of revenue and non-current assets by geographical areas. Revenue is attributed to countries by locations of customers.

	Year ended 31 March	
	2021 S\$’000	2020 S\$’000
<i>Revenue</i>		
Singapore	11,002	8,633
Malaysia	8,727	11,215
Indonesia	1,346	3,977
United States	225	402
Others	151	35
	<u>21,451</u>	<u>24,262</u>

	As at 31 March	
	2021	2020
	S\$'000	S\$'000
<i>Non-current assets</i>		
Property, plant and equipment		
Singapore	5,171	4,644
Malaysia	597	894
	<u>5,768</u>	<u>5,538</u>

Other than revenue and non-current assets analysis, no operating results and other discrete financial information are regularly presented for CODM decision in making assessment of performance and allocation of resources. Accordingly, other than entity-wide information, no analysis of single operating segment is presented.

Revenue of S\$1,346,000 (2020: S\$3,977,000) during the year are derived from a single external customer. These revenues are attributable to the geographical area of Indonesia.

4 REVENUE

- (a) The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major revenue streams:

	Year ended 31 March	
	2021	2020
	S\$'000	S\$'000
Sales of goods		
— Outlet sales	14,477	12,332
— Franchisees/licensees	5,740	9,035
Franchise fee	465	684
Advertising and promotion fees	211	311
Royalty	558	1,900
	<u>21,451</u>	<u>24,262</u>

	Year ended 31 March	
	2021	2020
	S\$'000	S\$'000
At a point in time	20,217	21,367
Over time	1,234	2,895
	<u>21,451</u>	<u>24,262</u>

(b) Deferred revenue:

(i) Revenue recognised in relation to deferred revenue:

	Year ended 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Revenue recognised in current year that was included in the deferred revenue balance at the beginning of the year	447	696

(ii) Unsatisfied performance obligation:

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 March	1,464	1,492

Management expects that 42% (2020: 31%) of the transaction price allocated to the unsatisfied performance obligations as of 31 March 2021 are to be recognised as revenue during the next reporting period. The remaining 58% (2020: 69%) are expected to be recognised by 31 March 2022, 2023 and 2024 for each of the unsatisfied performance obligations as of 31 March 2021. The amounts disclosed above do not include variable consideration which are subject to significant risk of reversal.

5 EXPENSES BY NATURE

	Year ended 31 March	
	2021	2020
	S\$'000	S\$'000
Cost of inventories	8,302	8,889
Employee benefit costs	4,247	4,184
Rental expenses (<i>Note 11(d)</i>)	198	262
Advertising, promotion and marketing expenses	736	321
Logistics and transportation expenses	536	508
Directors' remuneration	2,184	585
Utilities expenses	305	256
Sundry expenses	365	275
Professional fees	1,170	948
Travelling expense	36	48
Withholding tax expense	110	16
Depreciation (<i>Note 10</i>)	1,885	1,725
Printing expenses	108	18
Insurance expenses	26	23
Auditor's remuneration		
— audit services	212	217
— other services	—	12
Listing expenses	—	2,061
Write-off of property, plant and equipment	31	—
Others	256	244
	<u> </u>	<u> </u>
Total cost of sales, administrative, selling and distribution expenses	<u>20,707</u>	<u>20,592</u>

6 OTHER INCOME

	Year ended 31 March	
	2021	2020
	S\$'000	S\$'000
Rental rebates ¹	319	—
Government grants ²	1,128	23
Operating fee income	53	98
Others	171	112
	<u> </u>	<u> </u>
	<u>1,671</u>	<u>233</u>

1 Rental rebates are mainly given by landlords to subsidise the rental payments incurred by the Group during the COVID-19 Pandemic.

2 Government grants mainly consists of Job Support Scheme (“JSS”) provided by the Government of Singapore to Singapore employers for subsidising the employment cost incurred during the COVID-19 Pandemic. Grant income from JSS is recognised in the current reporting period in a systematic basis.

7 OTHER (LOSSES)/GAINS

	Year ended 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Foreign currency exchange difference, net	<u>(548)</u>	<u>901</u>

8 INCOME TAX EXPENSE

Tax has been provided at the applicable tax rate on the estimated assessable profit during the financial year.

The amount of income tax expense charged to the consolidated statement of profit or loss represents:

	Year ended 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Current income tax	769	1,202
Deferred income tax	<u>—</u>	<u>1</u>
Income tax expense	<u>769</u>	<u>1,203</u>

Taxation has been provided at the appropriate rates in the countries in which the Group operates. The Group is not subject to any taxation in the Cayman Islands and the British Virgin Islands. Singapore Corporate income tax has been provided at 17% (2020: 17%) of the estimated profit during the financial year. The applicable income tax rate for the Group's entities in Malaysia was 24% (2020: 19% to 24%) during the financial year.

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

	Year ended 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Profit before tax	<u>1,807</u>	<u>4,760</u>
Tax calculated at rate of 17%	307	809
Tax effects of:		
— Different tax rates in different jurisdictions	42	71
— Expenses not deductible for tax purposes	500	479
— Statutory income exemption	<u>(80)</u>	<u>(156)</u>
Income tax expense	<u>769</u>	<u>1,203</u>

9 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 March	
	2021	2020
Net profit attributable to equity holders of the Company (<i>S\$'000</i>)	1,038	3,557
Weighted average number of ordinary shares outstanding for basic earnings per share (<i>'000</i>)	<u>800,000</u>	<u>687,978</u>
Basic earnings per share (<i>S\$ cents per share</i>)	<u>0.1</u>	<u>0.5</u>

Diluted earnings per share is the same as the basic earnings per share as there were no potential dilutive ordinary shares outstanding for the years ended 31 March 2021 and 2020.

10 PROPERTY, PLANT AND EQUIPMENT

	Leased retail spaces S\$'000	Properties held for own use S\$'000	Renovation works S\$'000	Furniture and fittings S\$'000	Office equipment S\$'000	Kitchen equipment S\$'000	Computers S\$'000	Total S\$'000
Cost								
As at 1 April 2019	—	3,343	549	37	150	48	127	4,254
Adoption of IFRS 16	3,897	—	—	—	—	—	—	3,897
Additions	1,199	—	258	16	11	18	8	1,510
Write-off	—	—	(10)	—	(2)	(6)	—	(18)
As at 31 March 2020	5,096	3,343	797	53	159	60	135	9,643
Accumulated depreciation								
As at 1 April 2019	—	(28)	(185)	(6)	(99)	(14)	(102)	(434)
Adoption of IFRS 16	(1,964)	—	—	—	—	—	—	(1,964)
Depreciation for the year	(1,472)	(67)	(141)	(9)	(17)	(12)	(7)	(1,725)
Write-off	—	—	10	—	2	6	—	18
As at 31 March 2020	(3,436)	(95)	(316)	(15)	(114)	(20)	(109)	(4,105)
Net book value								
As at 31 March 2020	1,660	3,248	481	38	45	40	26	5,538
Cost								
As at 1 April 2020	5,096	3,343	797	53	159	60	135	9,643
Additions	1,859	—	178	10	33	47	24	2,151
Write-off	(3,056)	—	—	(37)	(5)	—	—	(3,098)
Currency translation difference	—	—	(8)	(1)	(1)	—	(1)	(11)
As at 31 March 2021	3,899	3,343	967	25	186	107	158	8,685
Accumulated depreciation								
As at 1 April 2020	(3,436)	(95)	(316)	(15)	(114)	(20)	(109)	(4,105)
Depreciation for the year	(1,597)	(67)	(164)	(8)	(19)	(21)	(9)	(1,885)
Write-off	3,056	—	—	11	—	—	—	3,067
Currency translation difference	—	—	4	—	1	—	1	6
As at 31 March 2021	(1,977)	(162)	(476)	(12)	(132)	(41)	(117)	(2,917)
Net book value								
As at 31 March 2021	1,922	3,181	491	13	54	66	41	5,768

Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 11(a).

Bank borrowings as at financial year end with carrying amount of S\$2,339,000 (2020: S\$2,444,000) are secured on the properties held for own use by the Group.

11 THE GROUP AS A LESSEE

Nature of the Group's leasing activities

Leased retail spaces

The Group leases retail spaces for the purpose of sales of food and beverages to retail customers.

(a) Carrying amounts

Right-of-use assets classified within Property, plant and equipment

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Leased retail spaces	<u>1,922</u>	<u>1,660</u>

(b) Depreciation charge during the year

	Year ended 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Leased retail spaces	<u>1,597</u>	<u>1,472</u>

(c) Interest expense

	Year ended 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Interest expense on lease liabilities	<u>101</u>	<u>70</u>

(d) Lease expense not capitalised in lease liabilities

	Year ended 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Lease expense — short-term leases	114	190
Lease expense — low-value leases	1	1
Variable lease payments which do not depends on an index or rate	<u>83</u>	<u>71</u>
Total (<i>Note 5</i>)	<u>198</u>	<u>262</u>

(e) Total cash outflow for all the leases during the financial year 2021 was S\$1,906,000 (2020: S\$1,809,000).

- (f) Addition of right-of-use assets during the financial year 2021 was S\$1,859,000 (2020: S\$1,199,000).
- (g) Future cash outflow which are not capitalised in lease liabilities
- i. Variable lease payments

The leases for retail spaces contain variable lease payments that are based on a percentage of sales generated by the stores ranging from 0.5% to 2.0%, on top of fixed payments. The Group negotiates variable lease payments for a variety of reasons, including minimising the fixed costs base for newly established stores. Such variable lease payments are recognised to profit or loss when incurred and amounted to S\$83,000 (2020: S\$71,000) (Note 11(d)).

- ii. Extension options

The leases for certain retail spaces and equipment contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension option. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

12 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 March	
	2021	2020
	S\$'000	S\$'000
Trade receivables:		
— Third parties	<u>173</u>	<u>389</u>
Deposits with external parties ¹	814	771
Prepayments	349	1,280
Other receivables ²	<u>467</u>	<u>2,149</u>
	<u>1,630</u>	<u>4,200</u>
Total trade and other receivables and prepayments included in current assets	<u>1,803</u>	<u>4,589</u>

- Deposits with external parties comprise mainly security deposits placed with landlords of leased properties.
- Other receivables balance as at 31 March 2020 mainly relates to balances placed with a securities firm licensed with the Securities and Futures Commission of Hong Kong.

Trade receivables

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Trade receivables	173	389
Less: allowance for impairment of trade receivables	—	—
	<u>173</u>	<u>389</u>

The carrying amounts of trade receivables approximate their fair values.

Trade receivables do not bear any interest rate.

All trade receivables are subject to credit risk exposure. However, the Group does not identify specific concentrations of credit risk with regards to trade receivables, as the amounts recognised represent a large number of receivables from various franchisees.

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

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Current to 30 days	13	153
31 to 60 days	63	122
61 to 90 days	27	84
Over 90 days	70	30
	<u>173</u>	<u>389</u>

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

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
HKD	217	2,918
SGD	1,057	1,260
MYR	528	317
USD	1	94
	<u>1,803</u>	<u>4,589</u>

13 CASH AND CASH EQUIVALENTS

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Cash at banks	25,362	21,541
Cash on hand	26	13
	<u>25,388</u>	<u>21,554</u>

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

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
HKD	8,688	11,472
SGD	14,513	7,908
MYR	2,172	1,863
USD	15	311
	<u>25,388</u>	<u>21,554</u>

14 TRADE AND OTHER PAYABLES

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Trade payables		
— Third parties	468	333
Total trade payables	468	333
Other payables and accruals		
— Third parties		
— Goods and services tax payables	129	37
— Accruals	1,089	840
— Deposits received	273	328
— Others	266	135
Total other payables and accruals	1,757	1,340
Total trade and other payables included in current liabilities	<u>2,225</u>	<u>1,673</u>

The carrying amounts of the Group's trade payables are denominated in SGD, USD and MYR. The carrying amounts of trade payables approximate their fair values.

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

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
0 to 30 days	392	236
31 to 60 days	17	88
Over 60 days	59	9
	<u>468</u>	<u>333</u>
	<u><u>468</u></u>	<u><u>333</u></u>

15 BORROWINGS

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
<i>Current</i>		
Bank borrowings	130	81
<i>Non-current</i>		
Bank borrowings	2,209	2,363
	<u>2,339</u>	<u>2,444</u>
	<u><u>2,339</u></u>	<u><u>2,444</u></u>

The weighted average effective interest rates of the borrowings for the financial year ended 31 March 2021 is 1.9% (2020: 1.6%). All borrowings are denominated in SGD.

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

At the date of the consolidated statement of financial position, the fair value of non-current borrowings is approximately S\$2,034,000 (2020: S\$2,502,000) and is computed based on cash flow discounted at market borrowing rates of an equivalent instrument at end of reporting period.

The Group's bank borrowings are repayable as follows:

	As at 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Within 1 year	130	81
Between 1 and 2 years	130	78
Between 2 and 5 years	389	248
Over 5 years	1,690	2,037
	<u>2,339</u>	<u>2,444</u>
	<u><u>2,339</u></u>	<u><u>2,444</u></u>

At the date of the consolidated statement of financial position, the Group's total available banking facilities amounted to approximately S\$2,339,000 (2020: S\$2,444,000) of which S\$2,339,000 (2020: S\$2,444,000) have been utilised.

16 DIVIDENDS

Dividends during the financial year ended 31 March 2020 represented dividends declared by the companies now comprising the Group to the then owners of the companies for the year ended 31 March 2020, after eliminating intra-group dividends.

	Year ended 31 March	
	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Dividend	<u>—</u>	<u>1,000</u>

No dividend is declared and paid by the Company since its incorporation.

17 DEVELOPMENT OF COVID-19 OUTBREAK AND ITS CORRESPONDING IMPACT TO THE GROUP

As a result of the outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”), a series of precautionary and control measures have been and continue to be implemented across various countries since early 2020. The key revenue drivers of the Group, Singapore and Malaysia, were similarly placed under COVID-19 control measures. The Group anticipates an ongoing impact to its business operations and financial results after March 2021. The extent of the impact depends on the duration of the control measures for the COVID-19 outbreak and the recovery of the global economy. To mitigate the impact brought by the COVID-19 outbreak, the Group has explored opportunities on food delivery platforms and will continue to explore further opportunities to expand its business. As of the reporting date, the management is still in process of assessing the overall financial impact and will continuously monitor the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Group.

18 SUBSEQUENT EVENTS

There are no significant subsequent events after the year ended 31 March 2021.

MESSAGE TO SHAREHOLDERS

Dear Shareholders,

2021 continues to be a volatile year due to the outbreak of the COVID-19 Pandemic. It has spread rapidly across the world, decimating various industries and resulting in major economic disruptions in nearly all countries. The food and beverage industry which the Group operates in, and its related supporting industries were similarly not spared as governments of various nations enter into varying degrees of lockdown and put measures in place to impede the spread of the COVID-19 Pandemic.

While two of the Group's main markets, namely Malaysia and Indonesia, have secured COVID-19 vaccines to gradually vaccinate its population, leading to optimism that the respective governments may eventually ease social restrictions, the Group continues to adopt a cautiously optimistic stance. This is because the COVID-19 Pandemic continues to persist despite efforts to rush out vaccines and even today, we still see resurgence in COVID-19 infection rates in some countries. However, the Group stands ready to ride on any post COVID-19 Pandemic recovery phase.

RESPONSE TO THE COVID-19 PANDEMIC

Since the onset of the COVID-19 Pandemic, the Group has responded nimbly to the evolving market conditions, business uncertainties and changing regulations. With health and safety as our utmost priority, the Group has taken reasonable precautionary measures to safeguard the health of our team members, business partners and customers.

The Group has further taken steps to conserve its cash balance by continuing its expansion plans at a slower pace, working with suppliers and landlords to reduce costs, and to seek relevant government support grants where possible.

OUTLOOK

Looking forward, the Group plans to continue to (i) open new Self-operated Outlets and Restaurants in Singapore and West Malaysia; (ii) expand our Non-self-operated Outlets and Restaurants network; (iii) refurbish our existing Self-operated Outlets and Restaurants in Singapore and West Malaysia; (iv) recruit additional talents to support our expansion plans; (v) increase brand awareness through targeted sales and marketing campaigns; and (vi) develop the Group's information technology system. The Group will also keep a lookout for potential business opportunities that may broaden the Group's source of income and enhance value to the Shareholders.

ACKNOWLEDGEMENTS

The Group's advancement is only made possible by the trust and support of its stakeholders. On behalf of the Board, I extend my sincere thanks and appreciation to them. Special mention must also be given to my fellow Directors for their unwavering commitment and guidance, which are critical in such exceptional times, and to our talented team members for bringing the Group forward, at all times and especially now. The Group will continue to work hard to drive Shareholder value and to bring smiles to its millions of customers around the world.

Mr. Daniel Tay
Chairman and Executive Director

Singapore, 30 June 2021

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a food and beverage group headquartered in Singapore, offering authentic Taiwanese Snacks and Beverages under our Shihlin Taiwan Street Snacks® brand through a network of 227 Shihlin Outlets and Restaurants in Singapore, Malaysia, Indonesia, United States, Egypt and Cambodia. As at 31 March 2021, we had a total of 227 Shihlin Outlets and Restaurants comprising (i) 17 Self-operated Outlets in Singapore; (ii) 20 Self-operated Restaurants in West Malaysia; (iii) 3 Non-self-operated Outlets and Restaurants in Singapore; (iv) 59 Non-self-operated Outlets and Restaurants in West Malaysia; (v) 120 Non-self-operated Outlets and Restaurants in Indonesia; (vi) 5 Non-self-operated Restaurants in United States; (vii) 1 Non-self-operated Restaurant in Egypt; and (viii) 2 Non-self-operated Restaurants in Cambodia. During the Year, governments of various nations cycled through varying degrees of lockdown to impede the spread of the COVID-19 infection while balancing its economic activities which indirectly impacted the operations of our franchisees resulting in our overall Shihlin Outlets and Restaurants to fall by 21 Outlets and Restaurants as compared to the Year 2020.

During the Year, the Group has taken efforts to boost sales with a view to minimise the impact of the COVID-19 Pandemic, to prevent sales from Self-operated Outlet(s) and Restaurant(s), operated by the Group in Singapore and Malaysia and the overall profitability of the Group from taking a more severe hit from the lockdown happening across various countries in which the Group operates or trades. These actions implemented by the Group includes, but are not limited to: (i) actively promoting online sales through food delivery vendors, including operating the Group's own delivery website; (ii) developing new food item(s), for example by launching a bubble tea drink series to fill the temporary void left behind by other vendors during the COVID-19 Pandemic in Singapore; (iii) having close communications with landlords for rental rebates and discounts; and (iv) having communications with governments for potential grants. The Group strives to continue in its effort to maximise sales and minimise the negative impact of the COVID-19 Pandemic.

FINANCIAL REVIEW

Revenue

The Group's revenue was mainly generated from (i) Outlet and Restaurant sales; (ii) sales of food ingredients to franchisees; (iii) franchise fees; (iv) royalty income; and (v) advertising and promotion fees. The table below sets forth the Group's revenue breakdown by nature for the years ended 31 March 2021 and 2020.

	Year ended 31 March	
	2021	2020
	S\$'000	S\$'000
Sale of goods		
— Outlet and Restaurant sales	14,477	12,332
— Franchisees	5,740	9,035
Franchise fees	465	684
Advertising and promotion fees	211	311
Royalty	558	1,900
	<u>21,451</u>	<u>24,262</u>

The total revenue of the Group fell from approximately S\$24.3 million for the Year 2020 to approximately S\$21.5 million for the Year, resulting in a decrease in total revenue of approximately 12% as compared with the Year 2020, which was mainly due to the decrease in sales of goods to franchisees/licensees and the decrease in royalty income received. The effect of the decrease was partially offset by an increase in sales of goods from the Group's Self-operated Outlets and Restaurants. Overall revenue income from Indonesia fell by approximately S\$2.6 million or 66% while overall income from Malaysia fell by approximately S\$2.5 million or 22% mainly due to their respective governments that cycled through varying degrees of lockdown to curb the spread of the COVID-19 infection in both Indonesia and Malaysia.

Despite the challenging economic conditions brought by the COVID-19 Pandemic, the Group managed to increase its total sales of goods from its Singapore Self-operated Outlets, largely due to the predominantly take away nature of its Singapore Self-operated Outlets which sits well with the shift in the consumer behavior towards take outs instead of dining in.

Revenue from franchise fees and advertising and promotion fees remained relatively constant for the Year as compared to the Year 2020 and approximates 1.0% to 2.0% of the total revenue respectively.

Revenue from royalty is charged at a fixed predetermined percentage of the revenue of Non-self-Operated Outlets and Restaurants. The decrease in royalty income was generally in line with the decrease in sales to the Group's franchisees and licensee. As the

franchisees and licensee did not procure all their food ingredients from the Group other than those mandatory ingredients that were generally less perishable, the percentage decrease in royalty income was higher than the percentage decrease in sales of goods to the Group's franchisees and licensee mainly due to the varying portion of food ingredients used. Apart from the indirect impact of COVID-19 Pandemic, overall royalty income received from our Indonesia Master Licensee has also fallen because additional chargeable licensor support is no longer required after our Indonesia Master Licensee achieved operational excellence.

As compared to the Year 2020, the decrease in the Group's net profit was mainly attributable to the overall decrease in the Group's revenue for the Year and in particular royalty and franchise income which does not have any associated cost.

Cost of inventories sold

Cost of inventories sold relates to the cost of food ingredients, beverages and packagings consumed in the Group's Self-operated Outlets and Self-operated Restaurants in Singapore and Malaysia for our retail sales, and the cost of food ingredients, beverages and packagings sold to our franchisees and licensee in Singapore, Malaysia, Indonesia, United States, Egypt and Cambodia.

The decrease in cost of goods sold during the Year is in line with the decrease in revenue with gross profit margin staying relatively constant at 61–63%.

Gross profit

The Group's gross profit (which is equivalent to revenue subtracting the cost of inventories sold) for the Year was approximately S\$13.1 million, representing a decrease of approximately 14% from approximately S\$15.4 million for the Year 2020. The decrease in gross profit was attributable to the decrease in sales due to the impact from the COVID-19 Pandemic.

Human resources and remuneration policy

As at 31 March 2021, the Group employed 198 employees. The Group's staff costs increased by approximately S\$1.6 million from approximately S\$4.8 million for the Year 2020 to approximately S\$6.4 million for the Year, so as to support the Group's expansion plans, to cope with the increasing business needs and the increasing number of employees for the Year. In addition, challenged by long-term labour shortages and high turnover in the catering industry, the Group has also raised salaries and paid out bonuses during the Year according to the performance of the employees and the industry's level to attract and retain talents. The Group understands the importance of recruiting the right personnel and retaining experienced staff in the highly competitive labour market in order to maintain its operations and uphold its well-established standard of high quality services across all of its Self-operated Outlets and Restaurants.

Remuneration packages are generally determined by reference to market norms, individual qualifications, relevant experience and performance. The Group periodically reviews the remuneration of its employees and will make increments to the base salary of its staff consistent with the Group's historical practices.

In addition, the Company adopted the Share Option Scheme as incentives or rewards to eligible persons for their contributions or potential contributions to the Group. No share option has been granted under the Share Option Scheme since the Listing Date.

Rental and related expenses

Property rentals and related expenses increased by approximately S\$90 thousand after adjusting for the right-of-use asset's interest and depreciation, or approximately 5.0%, from approximately S\$1.81 million for the Year 2020 to approximately S\$1.90 million for the Year. The increase was primarily attributable to the addition of the Group's Self-operating Outlet(s) and Restaurant(s) during the Year. In order to ensure a better control of the property rentals and related expenses, the Group negotiated rental agreements with lease terms of an average of two to three years, with a fixed and variable component.

Liquidity, financial resources and capital structure

The Group financed its business with internally generated cash flows and the proceeds received from the Listing on the Listing Date. There has been no change in the Company's capital structure since the Listing Date. The capital structure of the Group comprises of issued share capital and reserves.

As at 31 March 2021, the Group had cash and cash equivalents amounting to approximately S\$25.4 million, representing an increase of approximately S\$3.8 million from approximately S\$21.6 million as at 31 March 2020. Most of the Group's bank deposits and cash were denominated in Hong Kong dollars and Singapore dollars. As at 31 March 2021, the Group's total current assets and current liabilities were approximately S\$28.5 million (31 March 2020: approximately S\$27.4 million) and approximately S\$4.3 million (31 March 2020: approximately S\$3.9 million), respectively, while the current ratio calculated by dividing the total current assets over the total current liabilities was approximately 6.6 times (31 March 2020: approximately 7.0 times).

As at 31 March 2021, the Group recorded interest-bearing bank borrowings of approximately S\$2.3 million (31 March 2020: S\$2.4 million). The interest-bearing bank borrowings were secured and denominated in Singapore dollars and bore interest at 1.9% (31 March 2020: 1.6%). During the Year, no financial instruments were used for hedging purposes.

As at 31 March 2021, the Group's gearing ratio, calculated based on the sum of interest-bearing bank borrowings and lease liabilities divided by the equity attributable to owners of the Company, was approximately 16% (31 March 2020: approximately 16%).

Material acquisitions and disposals

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Year and the Year 2020.

Use of proceeds from the Share Offer

The Company issued 200,000,000 Shares at HK\$0.65 per Share pursuant to the Share Offer. The net proceeds from the Share Offer were approximately S\$13.0 million or equivalent to HK\$74.8 million (after deducting underwriting fees and related listing expenses). Having considered the impact brought about by the COVID-19 Pandemic, the Board has resolved to change the use of the unutilised net proceeds as set out in the announcement of the Company dated 27 November 2020. For details of the change in use of net proceeds, please refer to the announcement. The use of the net proceeds from the Listing up to 31 March 2021 was as follows:

Use of net proceeds	Percentage of net proceeds	Revised net proceeds (S\$'000)	Amount utilised (S\$'000)	Amount remaining (S\$'000)	Expected timeline of full utilisation of the revised net proceeds
New Self-operated Outlets in Singapore	22.3%	2,900	(318)	2,582	March 2024
New Self-operated Outlets in West Malaysia	16.5%	2,150	(366)	1,784	March 2024
Expansion of Non-self-operated Outlets and Restaurants network	13.3%	1,730	(36)	1,694	March 2024
Refurbishment of Self-operated Outlets and Restaurants	11.2%	1,460	(78)	1,382	March 2023
Strengthening manpower	8.2%	1,060	(161)	899	March 2024
Marketing and promotional initiatives	5.4%	700	(156)	544	March 2024
Upgrade our IT infrastructure, data management and franchise management system	8.2%	1,060	—	1,060	March 2023
General working capital	14.9%	1,940	(1,940)	—	
	<u>100.0%</u>	<u>13,000</u>	<u>(3,055)</u>	<u>9,945</u>	

The proceeds were used according to the intentions and were generally in line with the expected timeframe, both as disclosed in the Prospectus and the announcement of the Company dated 27 November 2020 in regard to the change in use of proceeds.

Foreign currency exposure

A significant portion of the Group's foreign currency cash is denominated in Hong Kong dollars. Future exchange rates of the Hong Kong dollar could vary significantly from the current or historical exchange rates as a result of economic developments and political changes, both domestically and internationally, and the demand and supply of the Hong Kong dollar. The appreciation or devaluation of the Hong Kong dollar against the Singapore dollar may have an impact on the Group's results. The Group will continue to closely monitor its exposure to foreign currency movements.

Contingent liabilities

As at 31 March 2020 and 2021, the Group does not have any material contingent liabilities.

Charge on the Group's assets

As at 31 March 2021, the Group did not have any other banking charges except secured bank borrowings of approximately S\$2.3 million (31 March 2020: S\$2.4 million) secured by properties held for own use by the Group with carrying values of approximately S\$3.2 million (31 March 2020: S\$3.2 million).

Training and continuing development

During the Year, comprehensive training programs and development initiatives pertaining to operational and occupational safety as well as customer services were provided to relevant employees in order to enhance the quality of services expected from customer-facing staff. The Company's lawyer provides updates from time to time on Directors' duties and responsibilities under statutory and regulatory requirements as well as updates to the amendments on the Listing Rules to the senior management who are the Directors.

Significant investments held by the Group

The Group did not have any significant investments as at 31 March 2020 and 2021.

Future plans for material investments or capital assets

Apart for the use of proceeds from the Share Offer, the Group did not have any plan for material investment and capital asset as at 31 March 2020 and 2021.

ESG performance

The Group continually reviews its ESG efforts, corporate governance and risk management practices with an aim to create and deliver sustainable value to all its key stakeholders. The Group is constantly exploring more efficient opportunities to reduce the consumption of resources in order to reduce its impact on the environment.

For more information regarding the Group's ESG performance for the Year, please refer to the Group's forthcoming ESG report, which can be viewed or downloaded from the websites of the Company and the Stock Exchange no later than three months after the publication of the 2021 Annual Report.

Outlook

The Group remains cautious on the impact of the COVID-19 Pandemic and other market uncertainties. Its business and revenue will be adversely affected if the COVID-19 Pandemic continues, or if the governments of the countries in which the Group operates continue to impose lockdown, movement control order, or other similar measures.

The Group plans to continue its expansion into various overseas markets and strengthen its marketing efforts to attract customers from a diverse customer base in order to consolidate the Group's brand position and increase its market share across the globe, and will closely monitor the macroeconomic environment and continue to seize various growth opportunities to boost its brand reputation and maximise returns for the Shareholders.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving and maintaining a high standard of corporate governance that properly protects and promotes the interest of its Shareholders and devotes considerable effort to identifying and formalising good corporate governance practices. The Company has adopted and adhered to the principles in the CG Code. The corporate governance principles of the Company place strong emphasis on an effective board with a high level of integrity, proper internal controls, as well as a high degree of transparency and accountability, which not only maximize the corporate value for the Shareholders but also protect the long-term sustainability of the Group as a whole.

During the Year, the Company has complied with all the code provisions of the CG Code.

The Board periodically reviews and continues to abide by the Company's corporate governance policies to ensure compliance with the code provisions of the CG Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct governing the Directors' securities transactions in the Shares.

Following the specific enquiries made to them by the Company, all Directors confirmed that they had complied with the Model Code for the Year.

DIVIDENDS

The Board has resolved not to recommend the payment of any final dividend for the Year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed its Shares, nor has the Company or any of its subsidiaries purchased or sold any of such Shares during the Year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association, although there are no restrictions against such rights under the laws in the Cayman Islands.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this announcement, the Company has maintained a sufficient public float for the issued Shares (i.e. at least 25% of the issued Shares being held by the public) as required under the Listing Rules.

SUBSEQUENT EVENTS

There are no significant subsequent events after the financial year ended 31 March 2021.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Tuesday, 24 August 2021 to Friday, 27 August 2021 (both days inclusive), during which period no transfer of Shares will be registered, for ascertaining Shareholders' entitlement to attend and vote at the 2021 AGM which will be held on Friday, 27 August 2021. In order to qualify for attending and voting at the 2021 AGM, non-registered Shareholders must lodge all duly completed transfer forms accompanied by the relevant share certificates with the Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited for registration no later than 4:30 p.m. on Monday, 23 August 2021. The address of the Boardroom Share Registrars (HK) Limited is 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong.

AUDIT COMMITTEE

The primary duties of the Audit Committee are to make recommendations to the Board on the appointment, re-appointment and removal of the external auditor, review the Company's financial information and significant financial reporting judgment in respect of financial reporting and oversee the financial reporting system, risk management and internal control procedures of the Company. The current members of the Audit

Committee are Mr. Lim Wee Pin, Mr. Jong Voon Hoo and Mr. Koh Boon Chiao, all being INEDs. Mr. Lim Wee Pin is the chairman of the Audit Committee. This annual results announcement has been reviewed by the Audit Committee.

REVIEW OF ANNUAL RESULTS

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

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

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.snackemp.com). The 2021 Annual Report containing all the relevant information required by the Listing Rules will be despatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course in the manner required by the Listing Rules.

DEFINITIONS

“2021 AGM”	the annual general meeting of the Company to be held in Singapore on Friday, 27 August 2021
“2021 Annual Report” or “Annual Report”	the annual report of the Company for the Year
“Articles of Association”	the articles of association of the Company
“Audit Committee”	the audit committee of the Board
“Board”	the Board of Directors
“CG Code”	the Corporate Governance Code as set out in Appendix 14 of the Listing Rules
“Company”	Snack Empire Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability
“COVID 19 Pandemic”	the novel coronavirus disease pandemic
“Director(s)”	the director(s) of the Company
“ESG”	the Environmental, social and governance
“Franchisees”	the units Franchisees and Master Franchisees, collectively and “Franchisee” means any one of them
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indonesia Master Licence” or “Master Licence”	the master licence granted by STSS Company, an indirect wholly owned subsidiary of the Company, to the Master Licensee in respect of, among others, the right to use the intellectual property rights of the Company, and to sub-license such rights to use such intellectual property rights, in Indonesia
“Indonesia”	the Republic of Indonesia

“INED(s)”	the independent non-executive Director(s)
“Listing”	the commencement of trading of the Shares on the Main Board
“Listing Date”	23 October 2019, the date on which the Shares were initially traded on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented, or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option markets) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange
“Malaysia”	the Federation of Malaysia, which includes West Malaysia and East Malaysia
“Master Franchisee(s)”	person(s) or entity(ies) granted the franchise right(s) under the Master Franchise(s)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
“Mr. Daniel Tay”	Mr. Daniel Tay Kok Siong, the chairman of the Board, executive Director and a controlling shareholder of the Company (has the meaning ascribed thereto under the Listing Rules)
“Non-self-operated”	operated by third party(ies) independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive officer or substantial shareholders of the Company, its subsidiaries or any of their respective associates and not by the Group
“Outlet(s)”	the take-out outlet(s) comprising a front counter and kitchen with no seating

“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the prospectus of the Company dated 30 September 2019
“Register of Members”	the register of members of the Company
“Restaurant(s)”	the self-service restaurant(s) comprising front counter, kitchen and seating
“RM” or “MYR”	Malaysian Ringgits, the lawful currency of Malaysia
“Self-operated”	operated by the Group
“S\$” or “SGD”	Singapore dollars, the lawful currency of Singapore
“Share(s)”	ordinary share(s) in the share capital of our Company with a nominal or par value of HK\$0.01 each
“Share Offer”	the public offer and the placing as defined in the Prospectus
“Share Option Scheme”	the share option scheme conditionally adopted by the Company on 23 September 2019 as described in the section headed “Statutory and General Information — Share Option Scheme” in Appendix V to the Prospectus
“Shareholder(s)”	the holder(s) of Shares
“Shihlin Outlet(s)”	the Outlet(s) operating under our Shihlin Taiwan Street Snacks® brand
“Shihlin Outlets and Restaurants”	the Shihlin Outlets and the Shihlin Restaurants
“Shihlin Restaurant(s)”	the Restaurant(s) operating under our Shihlin Taiwan Street Snacks® brand
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“United States” or “USA”	the United States of America
“US\$” or “USD”	the United States dollars, the lawful currency of USA
“West Malaysia”	western part of Malaysia which lies on the Malay Peninsular and surrounding islands
“Year”	financial year ended 31 March 2021
“Year 2020”	financial year ended 31 March 2020
“%”	per cent

By order of the Board
Snack Empire Holdings Limited
Daniel Tay
Chairman and Executive Director

Singapore, 30 June 2021

As at the date of this announcement, the Board comprises Mr. Daniel Tay (chairman) and Mr. Wong Chee Tat (chief executive officer) as executive Directors; and Mr. Jong Voon Hoo, Mr. Koh Boon Chiao and Mr. Lim Wee Pin as INEDs.