



*Food Innovators Holdings*

## Innovator of Exciting & Delicious Cuisines

「おいしい」がある場所を拓く

### Business Expansion from Singapore

our mission is to connect Japan with the world through food. We strive to be innovators, creating exciting and delicious cuisines globally.

### Food Innovators Holdings

operates real estate  
subleasing and  
restaurant businesses,  
primarily in Asia,  
including Japan,  
Singapore, and Malaysia.



ANNUAL REPORT  
**2025**



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Food Innovators Holdings Limited (the "Company") was listed on Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 16 October 2024. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

The annual report has not been examined or approved by SGX-ST. The SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.



# Corporate Profile



Incorporated in the Republic of Singapore on 14 November 2019, Food Innovators Holdings Limited (“**FIH**”, or together with its subsidiaries, the “**Group**”) is a multi-market operator in the food and beverage (“**F&B**”) industry with operations across Japan, Singapore, and Malaysia. The Group’s business comprises two principal segments: the Restaurant Leasing and Subleasing Business (“**RLSB**”) and the Food Retail Business (“**FRB**”).

The RLSB business is primarily conducted in Japan, where FIH leases restaurant premises from landlords and subleases them to restaurant tenants. With an extensive network of landlords and F&B operators, the Group enjoys priority access to newly listed properties. This positions FIH as a reliable intermediary between landlords and tenants, ensuring better alignment between property specifications and tenant profiles. By the end of FY2025, the RLSB portfolio comprised 223 subleased restaurant properties.

The FRB segment is mainly operated in Japan, Singapore, and Malaysia. Leveraging its experience and insights into Japan’s F&B sector, the Group owns and operates restaurants either directly or through strategic collaborations. Its establishments feature curated menus that showcase authentic Japanese cuisine and Japanese-inspired European offerings. In addition to restaurant operations, the Group also provides F&B Consulting and Operations Management Services which include (a) Advisory and Consulting Services where we assist restaurant business operators in, but not limited to, remodelling their business model and developing their food menu and interior design of the restaurants and (b) Restaurant Operations Management Services where restaurant business owners will engage TMT (defined below) to manage the daily operations of their restaurants (“**TMT Operated Restaurants**”). By the end of FY2025, FIH has a total of 26 restaurants in the portfolio.

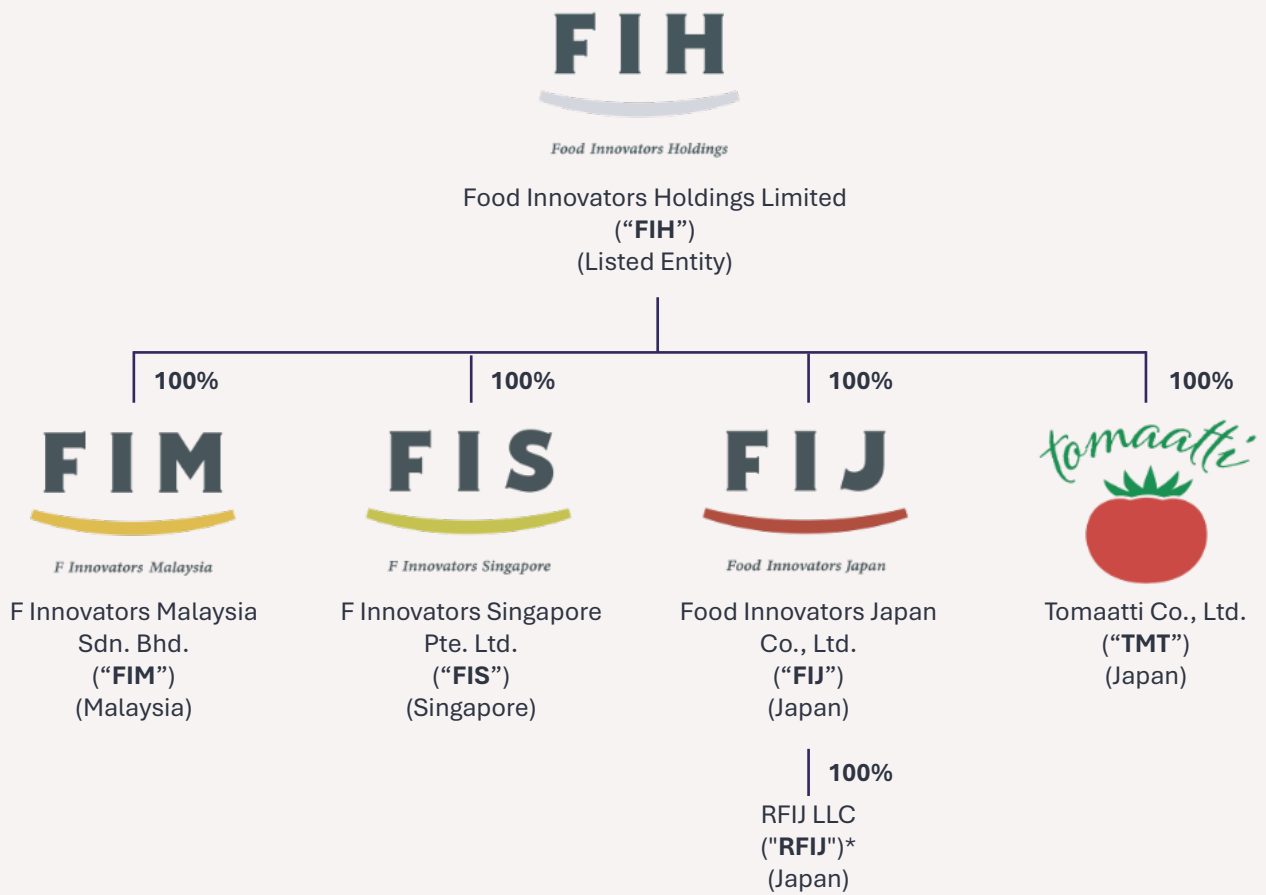
As part of its international expansion strategy, the Group continues to explore opportunities to grow beyond Japan through collaboration with local partners and restaurant operators. In Malaysia, for example, FIH is expanding its regional market share by scaling the KANBE brand across multiple Japanese dining concepts, including KANBE Ramen, KANBE Yakiniku, and KANBE Sushi.

The Group is also actively developing anime-themed dining concepts as a strategic growth avenue. Drawing on its expertise in creating immersive, concept-driven restaurant experiences, FIH is exploring opportunities to introduce new anime-themed dining experience in both Japan and selected overseas markets.

FIH was successfully listed on the Catalist board of the Singapore Exchange on 16 October 2025, marking the beginning of a new chapter in its corporate journey. The public listing has enhanced the Group’s visibility among stakeholders and expanded its access to the capital markets. With a clear growth roadmap, FIH is well-positioned to accelerate regional expansion and deliver long-term value to shareholders.

# Group Structure

FIH operates as a holding company, overseeing the entire group, with subsidiaries managing operations in each country.

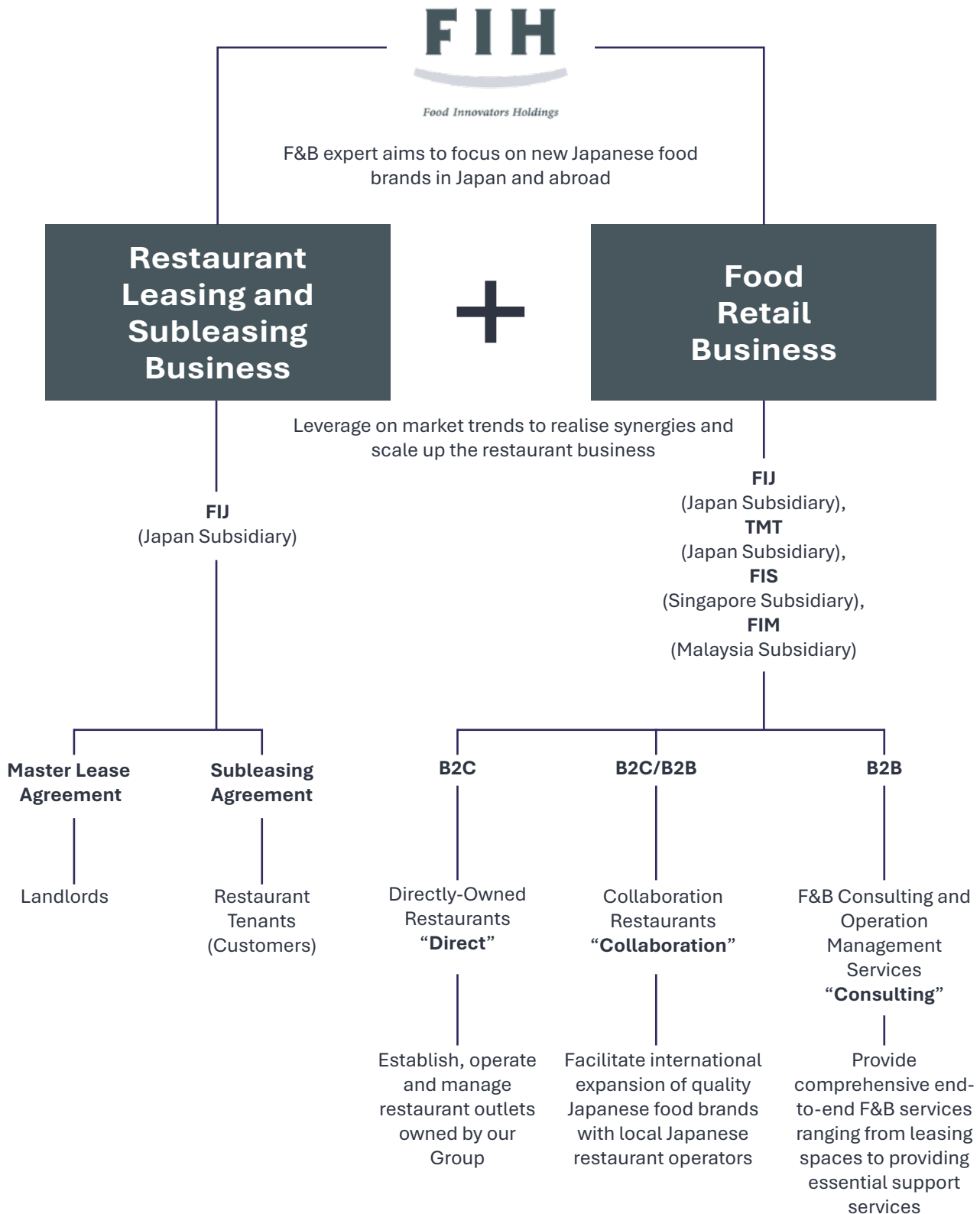


\* During FY2025, the Group established a subsidiary named RFIJ under FIJ. RFIJ was established for the purposes of holding certain property-related assets.



# Business Model

Two synergistic business segments collaboratively drive sustainable growth.



# List Of Restaurants

## Japan



**Yakiniku Hatsumi (Direct)**  
- Newly opened in FY2026  
TMT's first directly owned Yakiniku restaurant, offering curated wagyu, seasonal vegetables, and Japanese whiskies in a refined "casual luxury" setting.

都議会横丁



**Togikai Yokochō (Direct)**  
- Newly opened in FY2026  
A multi-concept restaurant offering Edo-style soba, Western-Japanese cuisine, and premium seafood izakaya under one roof in Tokyo's iconic Metropolitan Assembly Building.



**MOOMIN Café Floral Valley (Direct)**  
- Newly opened in FY2026  
"Floral Valley" is the second directly owned Moomin Café, offering storybook-style interiors, seasonal dining, and exclusive merchandise in a floral-themed, Instagrammable setting.



京都  
すえはし



**Unagi Maehara (Direct)**  
A Japanese kaiseki restaurant with a specialty in eel dishes prepared by highly experienced craftsmen.



**Moomin Café Karuizawa (Direct)**  
A Moomin-themed café serving Scandinavian cuisine and Moomin-inspired desserts and beverages.

LAGOM



**LAGOM (Direct)**  
A buffet-style restaurant featuring a fresh salad bar, freshly baked bread, and desserts.



**Nordics (Direct)**  
A Nordic-style café serving Scandinavian Street food, including hot dogs and fresh vegetable drinks.







**Trattoria NIWA (Direct)**

A Japanese-European fusion restaurant featuring seasonal dishes made with farm-sourced vegetables.



**Pasta House NIWA (Consulting)**

An all-day dining restaurant offering local seasonal dishes in both breakfast buffets and a la carte menus.



**Yakiniku Yazawa (Direct)**

An affordable and high-quality Japanese barbecue restaurant serving chilled premium meats.



THE CARNE  
— t o k y o —

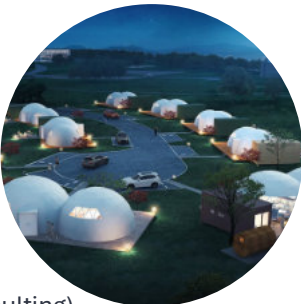
**the CARNE Tokyo (Consulting)**

A restaurant specialising in stone-oven cooked Wagyu beef, paired with fresh vegetables and an extensive wine selection.



**CUCINA Haruno (Consulting)**

An Italian restaurant featuring seasonal ingredients, handmade pasta, premium domestic caviar and a selection of fine wines.



**Glampook Futtsu Bristol Hill (Consulting)**

An upscale glamping destination with luxurious accommodations and private saunas, featuring gourmet Italian dinners served at the FARM AKIRA restaurant.



**The OLIVEA (Consulting)**

An all-day dining restaurant at Santorini Hotel & Villas Miyakojima, serving a variety of cuisines with stunning ocean views.



**Aegean Sea (Consulting)**

A Western-Japanese fusion restaurant with a view of Irabu Bridge and the beautiful Miyako blue sea, using local ingredients from Miyako and Irabu Islands.

# List Of Restaurants

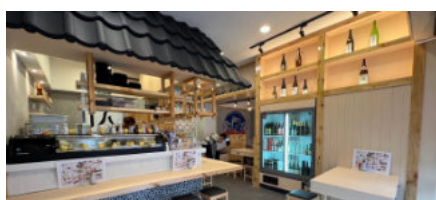
## Singapore



**Tendon Kohaku** (Collaboration)  
A tempura specialty restaurant, featuring tempura rice bowls made with special flour batter and sauces.



**Man Man** (Collaboration)  
An eel specialty restaurant featuring live charcoal grilling.



**Kadohachi** (Converted to Collaboration since 1 March 2025)  
An authentic sushi izakaya, featuring Tamatebako sushi boxes and sake pairings.



**Yatagarasu** (Collaboration)  
A yakitori-focused restaurant featuring affordable chicken cuts.



**The Hitsuji Club** (Collaboration)  
A Hokkaido-style yakiniku featuring grilled Australian lamb.



**Sandaime Mikoto** (Collaboration)  
A Japanese-style izakaya with an evolving daily menu featuring various exquisite dishes.



**Yomo** (Collaboration)  
A Japanese restaurant featuring seasonal dishes such as kamado-cooked clay pot rice.



**The Ushi Club** (Collaboration)  
A yakiniku restaurant featuring fresh meats paired with a special garlic sauce.





## Malaysia



**Bakery Cafe Hachi (Direct)**  
A bakery serving over 30 varieties of traditional Japanese bread.



**Kanbe Ramen (Collaboration)**  
A Japanese restaurant specialising in Hakata-style ramen and Tsukemen.



**Kanbe Yakiniku (Collaboration)**  
A premium grilled meats and seafood restaurant, serving Australian Wagyu and A5 Japanese Wagyu.



**Kanbe Sushi (Collaboration)**  
A sushi izakaya offering a variety of sushi and Japanese dishes.





# Key Milestones

## 2011

**Mar** - Incorporation of FIJ in Japan. FIJ started the restaurant leasing and subleasing business in Japan



## 2014

**Dec** - Opened first directly-owned restaurant in Japan



## 2012

**Mar** - Incorporation of FIS in Singapore

**Dec** - Opened first ramen restaurant in Singapore



## 2017

**Aug** - Incorporation of FIM in Malaysia

**Dec** - Opened first bakery in Malaysia





## 2019

**Nov** - Incorporation of Food Innovators Holdings Pte. Ltd.



## 2022

**Dec** - FIJ entered into two licensing agreements for the operation of “Moomin Café” and the sales and commercialisation of Moomin products in Japan. These agreements were transferred to TMT in September 2023.



## 2021

**Feb** - FIM launched ramen business in Malaysia

**Dec** - FIM set up central kitchen facility in Malaysia



## 2024

**Jun** - Opened first sushi izakaya restaurant in Malaysia

**Oct** - Listed on the Catalist Board of Singapore Exchange on 16 October 2024



“ Our successful listing not only demonstrates the capital market’s recognition of our business potential but also strengthens our financial position to support regional expansion.

”



古川 一輝  
Furukawa Kazuteru  
Executive Chairman



久保田 恭章  
Kubota Yasuaki  
Executive Director and  
Chief Executive Officer

## Chairman And CEO Statement

Dear Shareholders,

On behalf of our Board of Directors, it is my pleasure to present Food Innovators Holdings Limited’s (“**FIH**”, together with its subsidiaries, the “**Group**”) annual report for the financial year ended 28 February 2025 (“**FY2025**”).

FY2025 was a pivotal year for FIH. In October 2024, the Group successfully listed on the Catalist Board of Singapore Exchange Limited (“**SGX**”), with a view to utilising Singapore as a central hub to expand our presence across Asia. This milestone not only demonstrates the capital market’s recognition of our business potential but also strengthens our financial position to support regional expansion.



Notably, the Group achieved a 44.9% year-on-year (“yoy”) increase in revenue contribution from the Malaysian market, growing it to be our second largest addressable market. These strong results stand as a testament to our ability to curate and scale quality Japanese cuisine across Asia. Meanwhile, our restaurant leasing and subleasing business (“**RLSB**”) maintained an average occupancy rate of 99.9% throughout FY2025, delivering stable and recurring income for the Group.

### STEADY GROWTH ACROSS CORE OPERATIONS

In FY2025, the Group’s RLSB segment, which performs as a reliable intermediary that facilitates contracting process between landlords and tenants while earning a margin spread, continues its steady growth momentum. The subleased property portfolio expanded to 223 units, up from 203 in the previous year. Notably, the average occupancy rate reached 99.9%, underscoring the Group’s strong capabilities in selecting optimal locations for clients and effectively managing vacancy risks.

The Food Retail Business (“**FRB**”), or restaurant business, remains the Group’s core growth driver. In FY2025, the Group opened three new restaurants, one in Singapore, one in Malaysia, and one in Japan which was under the F&B Consulting & Operation management (“**F&B Consulting**”). During the same period, two restaurants in Singapore were closed, and one F&B Consulting contract in Japan was cancelled. As a result, the total number of outlets remained at 26 by the end of the financial year.

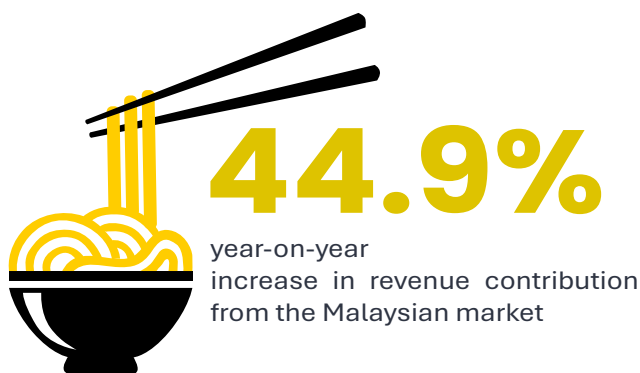
The restaurant expansion trajectory continued this year. In April 2025, we opened our first directly owned high-end Yakiniku restaurant, Yakiniku Hatsumi, in Tokyo. Yakiniku’s global popularity, scalability, and high-margin profile compliment the Group’s existing restaurant portfolio, positioning the Group for future multi-location and overseas expansion. In May 2025, we successfully launched our second Moomin Café, Floral Valley, in Omotesando, Tokyo. Going forward, we aim to further expand our food retail business in Japan as part of our broader growth strategy in the market.

Furthermore, our expansion in Southeast Asia continues to gain traction. In April 2025, we opened another Kanbe Ramen outlet in Johor Bahru, Malaysia, a key milestone in scaling our chain model within the country.

### FINANCIAL REVIEW

In FY2025, the Group recorded total revenue of S\$43.1 million, a slight decline of 1.5% yoy. This was mainly due to the strategic deferral of subleased property sales to FY2026, whereas such transactions had contributed to revenue in FY2024. Additionally, there were no revenue contributions from Kurimen Co., Ltd. (“**Kurimen**”) and Food Innovators Taiwan Co., Ltd. (“**FIT**”), both of which were divested in the previous financial year.

“For Restaurant Leasing and Subleasing Business, the Group has strong capabilities in selecting optimal locations for clients and effectively managing vacancy risk.”



## Food Innovators Holdings Limited

The Group registered a net loss of S\$4.1 million for the year, mainly attributable to professional fees and related expenses incurred during the Group's IPO.

### LOOKING AHEAD

Despite the complex global macroeconomic environment, the Group remains optimistic about the long-term outlook for the F&B industry in our key markets, where underlying demand continues to demonstrate resilience and strong growth potential.

In Japan, the growth momentum of the F&B market is projected to continue in 2025, with inbound tourist volume expected to surpass 40 million<sup>1</sup>, up from 36.9 million in 2024. It points to continued potential in tourism-related spending. Over the longer term, the market is expected to grow at a compound annual growth rate ("CAGR") of 12.7% from 2025 to 2033, reaching USD 752.4<sup>2</sup> billion. This robust trajectory supports the ongoing expansion of our restaurant business. At the same time, rising demand for high-quality retail spaces compounded with the tightening supply is driving up rental rates, which bodes well for the growth in our RLSB segment.

Meanwhile, growth prospects for Singapore and Malaysia markets remain promising. Singapore's F&B sector is forecasted to grow by 4.7% yoy to reach S\$22.2 billion in 2025<sup>3</sup>, while Malaysia's market is expected to grow at a CAGR of 13.3% to reach USD 27.5 billion by 2030<sup>4</sup>.

In view of favourable market dynamics, the Group will continue to position Southeast Asia as a key region to expand its restaurant portfolio through collaboration with local partners and Japanese restaurant operators. Backed by our partners strong and long-term operational track record in Japan and the Group's in-depth understanding of the regional market, we are confident in introducing more quality Japanese brands tailored to local preferences. We believe these efforts will enable the Group to scale its restaurant business across Asia, positively contributing to our top-line growth.

We aim to expand themed cafés in Japan and internationally, offering unique and immersive dining experiences that reflect evolving consumer tastes.

### SUSTAINABILITY

At FIH, we believe that our responsibility extends beyond business. We are committed to making a meaningful impact on the communities we serve and the environment in which we operate. In line with this commitment, we continue to integrate environmental and social considerations into our business practices.

On the environmental front, the Group actively maximises the use of existing restaurant spaces and equipment to reduce waste and emissions from our operations as part of our long-term sustainability efforts.

In the area of social contribution, we work with producers in Japan and overseas to provide children with opportunities to learn about crop cultivation and cooking, nurturing early awareness of food supply chain and sustainability. We have been supporting children's health in developing countries for over a decade through annual donations to the certified non-profit organisation, Japan Committee, Vaccines for the World's Children. Attached is a certificate of appreciation we received from the organisation.



<sup>1</sup>DMFA: Tourism in Japan – latest trends and 2025 predictions

<sup>2</sup>Imarc: Japan Foodservice Market Report by Foodservice Type

<sup>3</sup>DBS: F&B and Retail REITs: 2025 Outlook

<sup>4</sup>Mordor Intelligence: Malaysia Foodservice Market SIZE & SHARE ANALYSIS - GROWTH TRENDS & FORECASTS UP TO 2030



Japan Committee, Vaccines for the World's Children



# 感謝状

株式会社 Food Innovators Japan 様

あなたは世界の子どもにワクチンを  
日本委員会の趣旨に賛同し開発途上  
国の子どもの命と健康を守るための  
活動に多大なご支援を下さいました  
ここに深く感謝の意を表します

二〇二五年 四月 二一日

特定非営利活動法人  
世界の子どもにワクチンを日本委員会

理事長

剣持睦子



(English Translation:

To: Food Innovators Japan Co., Ltd.

We would like to express our deepest gratitude for your generous support of our activities, which align with the mission of the Japan Committee to protect the lives and health of children around the world by providing vaccines.

April 2, 2025

Japan Committee for "Vaccines for the World's Children"

Chairman: Kenmochi Mutsuko)

## ACKNOWLEDGEMENT

On behalf of the Board, I would like to extend my sincere gratitude to all our stakeholders, including our shareholders, business partners, customers, and employees, for your continued trust and support throughout FY2025.

I would especially like to thank our management team and staffs for their unwavering commitment and hard work in preparing for our successful listing on the Catalist Board of the SGX. This milestone would not have been possible without your dedication and teamwork.

As we enter our next phase of growth, we remain focused on executing our strategy with discipline, integrity, and a long-term view, and we look forward to building a stronger, more resilient FIH together with you.

**Furukawa Kazuteru**

Executive Chairman

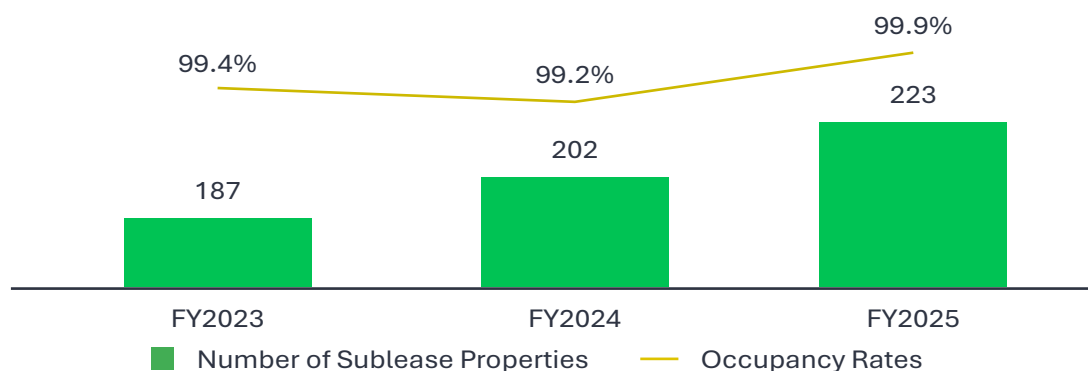
**Kubota Yasuaki**

Executive Director and Chief Executive Officer

# Operational And Financial Review

## Restaurant Leasing and Subleasing Developments At A Glance

In FY2025, the number of subleased properties increased to 223 from 202 in FY2024. The average occupancy rate remained consistently high at 99.9%, reflecting the Group's strong risk management capabilities in mitigating vacancy risks.



FY2024 subleased portfolio excluded 14 properties, which were sold to third parties by the end of FY2024

## Food Retail Business Performance At A Glance

### Three restaurant operation models to drive growth

No.	Operation Model	Description	Revenue Model	Market	Note
1	Directly owned (including TMT directly owned restaurants)	Establish, operate and manage restaurant outlets owned by our Group	100% of profits retained by the Group	Japan, Singapore, Malaysia	B2C
2	Collaboration	Facilitate the international expansion of quality Japanese food brands	Profit-sharing	Singapore, Malaysia	B2C/B2B
3	F&B Consulting and Operation Management Services	Provide comprehensive end-to-end F&B services, ranging from leasing spaces to providing essential supporting services	Recurring management fees	Japan	B2B

### Restaurant Portfolio Overview

In FY2025, we opened a total of 3 restaurant outlets, including 1 in Singapore, 1 in Malaysia, and 1 in Japan under consulting. During the year, 2 outlets in Singapore were closed, and 1 consulting contract in Japan was concluded.



Operation Model	Description	FY2024	FY2025
Japan	Directly Owned	6	6
	F&B Consulting & Operations Management	6	6
Singapore	Directly Owned	1	1
	Collaboration	9	8
Malaysia	Directly Owned	1	1
	Collaboration	3	4
<b>Total</b>		<b>26</b>	<b>26</b>

### Signature Restaurant Brand Highlights

*KANBE Brand – Scaling across Malaysia through a chain-store strategy*



- In June 2024, the Group launched KANBE Sushi in Kuala Lumpur, Malaysia.
- In April 2025, the Group opened the third KANBE Ramen in Johor Bahru.

Year-to-date, the Group operates a total of five restaurants under the KANBE brand across Malaysia, featuring a diverse range of Japanese cuisines including ramen, yakiniku, and sushi.

*Anime-themed Restaurants – Anime-themed innovative experiential dining offerings remain a key growth driver for FIH*



- In May 2025, the Group opened its second Moomin Café, Floral Valley, in Omotesando, Tokyo, building on the success of the first outlet.

## Food Innovators Holdings Limited

The Group is now exploring opportunities to introduce new anime-themed restaurants both in Japan and Overseas.

### Financial Review

In FY2025, the Group recorded revenue of S\$43.1 million, down 1.5% yoy. This was mainly due to the strategic deferral of subleased property sales to FY2026, whereas such transactions had contributed to revenue in FY2024. Additionally, there were no revenue contributions from Kurimen and FIT, both of which were divested in FY2024. In addition, revenue generated in Japan was affected by the depreciation of Japanese Yen against Singapore Dollar in FY2025.

Excluding the property sales in FY2024, revenue from the Restaurant Leasing and Subleasing Business increased organically by 2.9% yoy.

Within the Food Retail Business segment, revenue generated in Japan declined by 13.7% yoy due to the absence of Kurimen's contributions post-divestment. In contrast, revenue from Singapore and Malaysia grew by 2.2% yoy and 44.9% yoy respectively, driven by new store openings and improved same-store sales.

In line with the revenue decrease, Gross profit declined by 21.8% to S\$6.1 million, while gross profit margin narrowed by 3.7 percentage points to 14.2%.

Other income fell by 80.9% yoy to S\$0.6 million, primarily due to the absence of divestment gains from Kurimen in FY2024.

Other expenses decreased significantly by 92.6%, mainly due to the absence of impairment charges related to the Sanji trademark and goodwill from Food Innovators Singapore Co., Ltd. recorded in FY2024.

In addition, the Group recorded a one-off IPO professional expense of S\$2.9 million in FY2025.

As a result, the Group concluded FY2025 with a net loss of S\$4.1 million.

The Group's net asset value grew by S\$0.3 million from S\$2.4 million at the end of FY2024 to S\$2.7 million at the end of FY2025. The increase was mainly attributable to capital injection of S\$3.8 million and share-based compensation of S\$0.6 million, which was partially offset by the net loss of S\$4.1 million reported in FY2025.

Total current liabilities increased slightly to S\$24.2 million in FY2025 from S\$24.1 million in FY2024, mainly attributable to an increase of lease liabilities of S\$0.9 million due to a business expansion of the Group RLSB segment.

The non-current liabilities rose S\$1.4 million to S\$36.4 million, primarily due to an increase in borrowings of S\$0.9 million by FIJ to meet cash needs for business expansion, and an increase in trade and other payables by S\$0.5 million.

Net cash from operating activities in FY2025 was S\$17.9 million, compared to S\$16.8 million in FY2024. The decline was mainly due to the Group's operating performance. In addition, the Group incurred significant IPO-related expenditures during the reporting period.

The Group's net cash used in investing activities in FY2025 amounted to S\$1.7 million, mainly due to the purchase of property, plant, and equipment totaling S\$2.1 million for the opening of new restaurants.

The Group's net cash used in financing activities in FY2025 was S\$15.0 million, primarily due to the repayment of lease obligations amounting to S\$16.7 million. This was partially offset by net proceeds from borrowings of S\$3.6 million and share issuance proceeds of S\$3.8 million arising from the Group's IPO exercise in FY2025.

Accordingly, the Group's cash and cash equivalents increased by S\$1.3 million, from S\$1.2 million as at the end of FY2024 to S\$2.5 million as at the end of FY2025.





## Board of Directors



古川 一輝

Furukawa Kazuteru

Executive Chairman

Furukawa Kazuteru ("**Furukawa**") was appointed to our Board on 14 November 2019 and has served as a key executive member of our Group since 2006. He is an important advisor to our Group on financial and taxation matters and shareholder relations. He has also held a directorship in TMT, one of our subsidiaries, since January 2024.

Furukawa has over 17 years of experience in the F&B industry, with a particular focus on restaurant consulting and management, accumulated during his time as a director of Foodys Co., Ltd., G Communication Co., Ltd., and OEC Co., Ltd. Prior to joining our Group, he served as a director of Genesis Co., Ltd. (2000 - 2003) and as its auditor (2003 - 2006). He also served as the representative director of F-Holdings, a provider of tax and accounting support services (2016 - 2020).

Furukawa is currently a representative director of Grow Consulting Co., Ltd., a Japan-based consultancy and tax advisory firm, responsible for key executive decisions since April 2014, though he is not involved in daily operations. He has been a Certified Public Tax Accountant in Japan since 1999 and, though required to set up his own office, he is no longer involved in daily operations and only certifies tax documents as needed.

He graduated from OHARA Bookkeeping School, Tax Accountant Section in 1993.

# Board of Directors



久保田 恭章  
Kubota Yasuaki

Executive Director and  
Chief Executive Officer

As the CEO, Kubota Yasuaki ("**Kubota**") charts the direction of our Group's future growth by managing our overall strategy, business planning and execution. He was appointed to our Board on 31 July 2020, after acting as our Group's consultant for sales and overall management (Sep - Oct 2019) and through his business, Godo Kaisha Kubota, a limited liability company (2019 - 2020).

Kubota has extensive experience in the property subleasing industry, the F&B industry, and the field of real estate brokerage. He served director of various Japan-based restaurant subleasing business, including Future Create Co., Ltd., Tenpo Ryutsuu NET, Inc., and Foodys Co., Ltd., a company he founded in 2004. Furthermore, Kubota was also responsible for the overall management of various businesses where he served as a representative director. His experience in these restaurant operations, management and/or consulting businesses comprises G Communication Co., Ltd. (2009 - 2013), Kinmedal Foods Co., Ltd (2013 - present), Wanhexuan Co., Ltd (2013 - 2020), Saida Shokudou Co., Ltd (2014 - 2020) and Tenpo Fund Co., Ltd. (2016 - 2020).

In his early career, Kubota also worked in the sales departments of various real estate agencies, including Chuo Jyutaku Co., Ltd. (Apr - Dec 1999), Kyoumatsu Jyuuchi Co., Ltd. (Jan - Jun 2000), and Box'r Co., Ltd. (2003 - 2004). Kubota Yasuaki graduated from Meikai University with a Bachelor of Arts in Real Estate Sciences in 1999.





志田 幸宏  
Shida Yukihiro

Lead Independent Director

Shida Yukihiro ("**Shida**") was appointed to the Board on 14 November 2019. As an executive director and head of Japan desk of Providentia Wealth Advisory Ltd, Shida has provided advisory services on trust arrangements and portfolio investment matters since August 2021.

Shida has extensive experience in wealth advisory and portfolio investments. He held senior roles in this field at several financial institutions, including serving as Senior Vice President at CBP Quilvest Wealth Advisory Ltd (2012 - 2021), CBP Quilvest Trust Ltd (2011 - 2012), and Societe Generale Bank & Trust, Singapore (2006 - 2011). He was also Director at SG Private Banking (Japan) Ltd (2005 - 2006), and Vice President at Citigroup Private Bank, Citibank N.A. (2003 - 2005).

He also served as an Independent Director of Xyec Holdings Co., Ltd., which was formerly listed on the Catalist board. Shida graduated from Rikkyo University with a Bachelor of Science in 1989.



齋藤 和也  
Saito Kazuya

Independent Director

Saito Kazuya ("**Saito**") was appointed to the Board on 29 June 2024 and is currently a representative director of Bulltime Co. Ltd, providing consulting services to Japanese venture companies to optimise accounting and financial operations and internal controls.

Saito has an extensive background in business management and accounting. He is also a part-time corporate auditor for Spacee Co., Ltd since March 2019 and White Cross Co., Ltd since February 2019, leading business management and accounting audits. He was also a senior staff member in the financial reporting and advisory department for PwC Arata LLC (2009 - 2015) and a manager at SELTECH Co., Ltd, a Japanese computer software company (2015 - 2017).

Saito graduated from Nihon University with a Bachelor of Law in 2009 and is a Chartered Public Accountant.



Faye Chong Wen Qi

Independent Director

Faye Chong Wen Qi ("**Faye**") was appointed to the Board on 29 August 2024. She has a rich background in business consultancy, corporate advisory, and investment banking. As the founder and chief executive officer of New Provenance Pte. Ltd., Faye has been managing business consultancy and corporate advisory services since January 2024.

Previously, Faye served as a director of corporate finance at Provenance Capital Pte. Ltd. (2016 - 2023). She also held several investment banking positions, including senior manager of the corporate finance team at HL Bank (2015 - 2016), vice president roles at Tata Capital Corporate Finance Pte. Ltd. (2011 - 2015) and Kim Eng Corporate Finance Pte. Ltd. (2008 - 2011), and an associate at BNP Paribas (2007 - 2008).

Faye graduated from Nanyang Technological University of Singapore with a Bachelor of Business in 2001 and has been an associate member of the Singapore Institute of Directors since September 2023.

# Key Management



鐵羅 正夫  
Tetsura Masao

Chief Financial Officer

As the CFO, Tetsura Masao ("**Tetsura**") oversees our Group's finance, accounting, and administrative functions, including the implementation of internal controls and the review of financial results and reporting. He joined our Group in January 2012 as a manager, responsible for all back-office operations such as accounting, tax, finance, and general affairs. He also served as General Manager of the administrative division at F-Holdings Co., Ltd. (2016 - 2020), supporting the back-office functions of various clients, including our Group.

Earlier in his career, Tetsura worked as a lecturer at O-hara Publishing Co. (2005 - 2008), where he taught bookkeeping and conducted research on corporate finance developments. He later served as an advisor to Grow Consulting Co., Ltd. (2008 - 2009) and as Manager of the Corporate Planning Department at Foodys, where he handled monthly and annual accounts and managed external audits.

He graduated from Tokyo Keizai University with a Bachelor of Arts in Business Administration in 2002. He also passed the Business Management Certification Test by the Tokyo Chamber of Commerce and Industry in 2015, and the Certified Public Tax Accountant Examination in 2006 and 2009.



三宅 大輔  
Miyake Daisuke

Chief Food Retail Officer

As our Restaurant Business Manager, Miyake Daisuke ("**Miyake**") oversees our Group's restaurant management and business operations. He has held various positions within our subsidiaries, including Managing Director of our Group's Singapore and Malaysia subsidiaries, since October 2015 and August 2017 respectively. He also served as a Director of FIT (2019 - 2024).

Miyake has extensive experience in the Japanese restaurant and property subleasing industries. Prior to joining our Group in April 2011, he was General Manager at Tenpo Ryutsu NET, Inc. (2004 - 2009), where he managed contracts for subleasing projects and receivables. He then served as Director of Sales at Foodys Co., Ltd. (2010 - 2011), responsible for sales related to outsourced restaurant operations and the leasing of kitchen equipment.

Earlier in his career, he worked in real estate sales at several brokerage firms in Japan, including Chuo Jyutaku, Mym Co., Ltd., and Box'r Co., Ltd. (1998 - 2004).

Miyake graduated from Nihon University with a Bachelor of Economics in 1998.





**渡邊 明**  
Watanabe Akira

Chief Culinary Officer

Watanabe Akira ("**Watanabe**") is currently the owner-chef of TRATTORIA Niwa by FARM AKIRA and the President and CEO of TMT. He also holds various titles, including "Vegetable Sommelier Ambassador", "Vegetable Flower Artist Professor", and is widely known as the "Evangelist of the Field". Other titles also include "Officier" of the Ordre Des Coteaux De Champagne, and a tourism special ambassador for Kochi Prefecture.

In 1992, Watanabe joined Global Dining Inc., where he became the first Head Chef of TABLEAUX and was later promoted to Executive Chef in 1997. In 2001, he became the representative director and executive chef of Art Food International Co., Ltd. He went on to establish Eat Walk LLC in 2003, which opened a number of well-known restaurants in Tokyo. In 2012, he became the representative director of AKIRA Fusion Cuisine Co., Ltd., a consulting company that later merged into FIJ in 2020.

In 2021, he opened TRATTORIA Niwa by FARM AKIRA in Tokyo and, in 2023, he founded TMT, where he currently serves as President and CEO.

Known as the "Evangelist of the Field", Watanabe continues to energise and inspire both customers and producers through his food, consistently captivating VIPs and food enthusiasts from around the world.



**磯本 専**  
Isomoto Atsushi

Chief Restaurant Leasing  
and Subleasing Officer

Isomoto Atsushi ("**Isomoto**") is our Chief Restaurant Leasing and Subleasing Officer and joined our Group in 2012. He oversees our property subleasing business, including formulating business strategies, managing income and expenditure, credit management, and legal affairs.

He began his career in the finance and real estate sectors, working at Aplus Co., Ltd. (1997 - 1999) and Yokohama Rehouse Co., Ltd. (2000 - 2001). He later served as Franchise Development Manager at Tascosystem Co., Ltd. (2001 - 2006), where he was responsible for developing its franchise business.

He was Sales Manager at Foodys Co., Ltd., (2006 - 2009) and was subsequently promoted to Director in charge of outsourcing and leasing operations (2009 - 2011). He also served as Representative Director of F Operation Co., Ltd. (2010 - 2011), and was responsible for overall management at Gaishyoku Data Bank Co., Ltd. (2011 - 2019), a restaurant consulting services company.

Isomoto graduated from Chuo University with a Bachelor of Commerce in 1997.

## Awards And Accolades



Our former restaurant, “Ramen Bar Suzuki”, was awarded “Champion for Ramen Revolution 2018” for its dan dan ramen at Ramen Revolution, an annual local ramen festival organized by WAttention Singapore and Mangosteen Club.



Our Italian restaurant “TRATTORIA Niwa by FARM AKIRA” won the Gold Award for Best Gourmet at the 5th Asia Golden Star Award<sup>11</sup> and received a Silver Certificate as a Health Promoting Company from the Federation of Health Insurance Societies Tokyo.

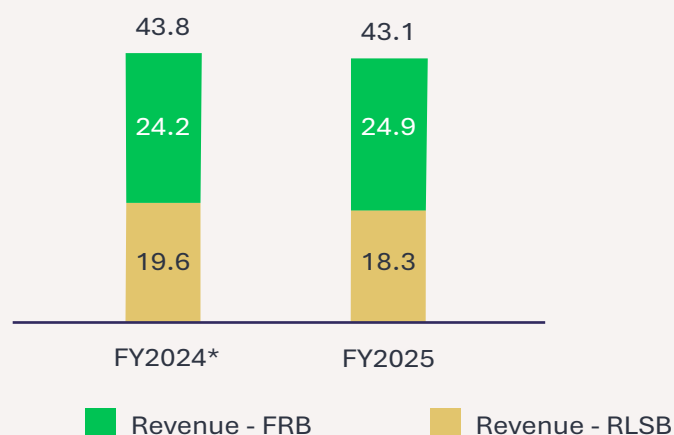




# Financial Highlight

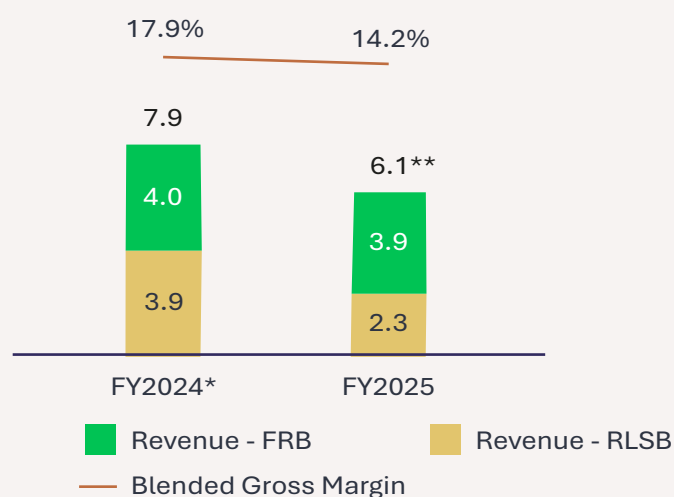
## Revenue By Segment

Unit: S\$ mln



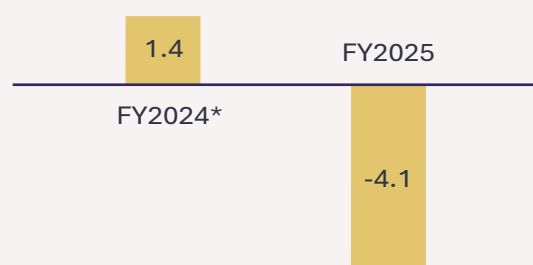
## Gross Profit By Segment

Unit: S\$ mln



## Profit / (Loss) For The Year

Unit: S\$ mln



FRB = Food Retail Business; RLSB = Restaurants Leasing and Subleasing Business

\*FY2024 results included gains from the sale of subleased properties, as well as revenue from Food Innovators Taiwan Co., Ltd. and Kurimen, Co., Ltd., which were divested in FY2024.

\*\* Total figures may have some discrepancies due to rounding.

# Corporate Information

## Board of Directors

Furukawa Kazuteru (Executive Chairman)  
Kubota Yasuaki (Executive Director and CEO)  
Shida Yukihiro (Lead Independent Director)  
Saito Kazuya (Independent Director)  
Faye Chong Wen Qi (Independent Director)

## Audit Committee

Saito Kazuya (Chairman)  
Shida Yukihiro  
Faye Chong Wen Qi

## Nominating Committee

Faye Chong Wen Qi (Chairman)  
Saito Kazuya  
Shida Yukihiro  
Kubota Yasuaki  
Furukawa Kazuteru

## Remuneration Committee

Shida Yukihiro (Chairman)  
Saito Kazuya  
Faye Chong Wen Qi

## Joint Company Secretaries

Tan Zhi Wei, ACS, ACG  
Chai Li-Lin, Charlene, FCA (Singapore)

## Registered Office

6 Eu Tong Sen Street  
#09-17 The Central  
Singapore 059817  
Telephone: +65 6221 0512  
Facsimile numbers: +65 6491 5512

## Principal Place of Business

Dai-3 Aiwa Building 5F  
5-18-11 Nishi-Ikebukuro  
Toshima-ku, Tokyo, 171-0021 Japan

## Share Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.  
1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632

## Sponsor

PrimePartners Corporate Finance Pte. Ltd.  
16 Collyer Quay  
#10-00 Collyer Quay Centre  
Singapore 049318

## Auditors and Reporting Accountants

Forvis Mazars LLP  
135 Cecil Street  
#10-01  
Singapore 069536

Partner-in-charge: Ooi Chee Keong  
(Appointed since the financial year ended 29 February 2024)  
(A member of the Institute of Singapore Chartered Accountants)

## Principal Banker

MUFG Bank, Ltd.  
2 Chome-7-1 Marunouchi  
Chiyoda City  
Tokyo 100-0005, Japan

## Internal Auditors

BDO Advisory Pte. Ltd.  
600 North Bridge Road  
#23-01 Parkview Square  
Singapore 188778



# Corporate Governance Report

## INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Food Innovators Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) are committed to uphold good corporate governance. This commitment and continuous support of the Code of Corporate Governance 2018 (last amended on 11 January 2023) (the “**Code**”) can be seen from the Directors’ and management’s effort to observe high standards of transparency, accountability and integrity in managing the Group’s business in order to create value for its stakeholders and safeguard the Group’s assets.

For the financial year ended 28 February 2025 (“**FY2025**”), the Company has generally complied with the principles and recommendations of the Code, the accompanying Practice Guidance and other applicable laws, rules and regulations, including the Listing Manual – Section B: Rules of the Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the Companies Act 1967 of Singapore (“**Companies Act**”) since its listing on the Catalist Board of the SGX-ST on 16 October 2024. The Board is pleased to report compliance of the Group with the Code and where it has deviated from the Provisions set out in the Code, appropriate explanations are provided in the relevant sections. The Company will continue to enhance its corporate practices appropriate to the conduct and growth of its business and to review such practices from time to time.

## BOARD MATTERS

### The Board’s Conduct of Affairs

**Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.**

**Directors’ duties and responsibilities:** The Company is headed by an effective Board, comprising individuals with diversified backgrounds and who collectively brings with them, extensive business and financial experience, to lead and manage the Group. The Board is responsible for the overall management and success of the Group to protect shareholders’ interests and enhance long-term shareholders’ value.

Apart from its statutory responsibilities, the principal functions of the Board are, *inter alia*, to:

- provide entrepreneurial leadership and guidance, set strategic objectives and directions, and ensure that the necessary financial, operational and human resources are in place for the Group to meet its objectives;
- establish a framework of prudent and effective controls which enables risk to be assessed and managed, including safeguarding of shareholders’ interests and the Company’s assets;
- review performance of management, the Company’s financial performance, risk management processes and systems, human resource requirements and corporate governance practices;
- reviews and approves key operational and business initiatives, major funding proposals and other corporate actions, significant investment and divestment proposals;
- identify the key stakeholder groups and recognise that their perceptions affect the Company’s reputation;

# Corporate Governance Report

- set the Group's values and standards (including ethical standards), and ensure that obligations to the shareholders and other stakeholders are understood and met; and
- consider sustainability issues, including environmental and social factors, as part of the Group's strategic formulation.

**Fiduciaries:** All Directors exercise due diligence and independent judgment in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the best interest of the Group. The Directors have the appropriate core competencies and diversity of experience that enable them to contribute effectively. They are able to objectively raise issues and seek clarification as and when necessary from the Board and the management on matters relating to their area of responsibilities and actively help the management in the development of strategic proposals and oversee the effective implementation by the management to achieve the objectives set. The Board puts in place a code of conduct and ethics, set appropriate tone for the Company in respect of ethics, values and desired organisational culture and ensures proper accountability within the Company.

**Conflict of interest:** Every Director of the Company is required to disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction within the Group as soon as practicable after the relevant facts have come to his or her knowledge. On an annual basis, each Director is also required to submit details of his or her associates for the purpose of monitoring interested person transactions. When there is conflict or potential conflict of interest, the concerned Directors shall, abstain from voting, and recuse themselves from discussion or decision-making involving the issue of conflict and related matters.

**Induction, training and development:** The Company will conduct comprehensive and tailored induction orientation programmes for incoming Directors on joining the Board to familiarise them with the Group's business and governance practices. The Company will also arrange for any new Director with no prior experience of serving as a Director in a listed company to attend appropriate courses, conferences or seminars, including programmes or courses organised by the Singapore Institute of Directors within one year of appointment in accordance to Rule 406(3)(a) of the Catalist Rules or other training institutions in areas such as accounting, legal and industry-specific knowledge.

Newly appointed Directors are provided with orientation and are fully briefed on the Group's business activities, strategic direction and performance objectives to familiarise with the Group's operations and the roles and responsibilities of a Director of a listed company in Singapore. There are also training opportunities in areas such as accounting, legal and industry-specific knowledge as appropriate. New incoming Directors will receive a formal letter explaining their statutory duties and responsibilities as a Director.

The Directors are provided with information relating to corporate conduct and governance including continuing disclosure requirements as required by the Catalist Rules, disclosure of interests in securities, restrictions on disclosure of confidential or price sensitive information, etc. The Board has received updates on changes in Catalist Rules, regulatory requirements, corporate governance guidelines and best practices on a regular basis.

All Directors are also encouraged to receive regular training such as professional development on new laws, regulations and changing commercial risks from time to time which are relevant to the Group, so as to enable them to contribute effectively to the Board or Board Committees. The training courses related to the aforesaid will be arranged and funded by the Company.



# Corporate Governance Report

As disclosed in the Company's offer document dated 9 October 2024 (the "**Offer Document**"), Directors on the Board who have no prior experience as Directors of public listed companies in Singapore are required to attend mandatory training to familiarise themselves with the roles and responsibilities of a Director of a company listed on the SGX-ST. In accordance with Practice Note 4D of the Catalist Rules, all the Directors have undertaken to attend the relevant prescribed mandatory training under Schedule 1 of Practice Note 4D of the Catalist Rules within one year from the date of admission to the Catalist Board. Mr Shida Yukihiro, Mr Saito Kazuya and Ms Faye Chong Wen Qi have attended the mandatory training in accordance with Rule 406(3)(a) of the Catalist Rules of the SGX-ST. Mr Furukawa Kazuteru and Mr Kubota Yasuaki will be attending training on the roles and responsibilities of a Director of a listed issuer as prescribed by the Exchange in July 2025.

Directors are briefed during Board and Board Committee meetings or at specially convened sessions on changes to regulations and accounting standards, as well as industry related matters. All Directors are updated on changes to the financial, legal and regulatory requirements or framework and the business environment through reading relevant literature and attending appropriate seminars and courses conducted by professional bodies such as the SGX-ST and Singapore Institute of Directors to familiarise with various businesses, operations and processes of the Group as well as to allow them to assimilate into their roles of being a Director of a public listed company in Singapore.

Directors are also provided with ongoing updates and/or briefings from time to time by the management of the Company, external and internal auditors, and the Company Secretaries in areas such as Directors' duties and responsibilities, corporate governance practices and risk management matters. During the Audit Committee meetings, the external auditors will brief the Directors on the changes in accounting standards that are applicable to the Company or the Group annually.

**Matters reserved for the Board:** The Board has identified the following areas for which the Board has direct responsibility for decision making (which are embodied in its internal guidelines) within the Group:

- Approval of the Group's major investments/divestment and funding decisions
- Approval of the Group's interim and full-year financial result announcements for release to the SGX-ST
- Approval of any major borrowings or corporate guarantees in relation to borrowings
- Entering into any foreign exchange hedging transactions
- Incorporation or dissolution of any subsidiary
- Issuance of shares or declaration of dividends and other returns to shareholders
- Approval of the annual report and audited financial statements
- Approval of corporate strategies
- Approval of material acquisitions and disposal of assets
- Approval of transactions involving interested person
- Approval of announcements or press releases concerning the Group for release to the SGX-ST

# Corporate Governance Report

While matters relating in particular to the Company's objectives, strategies and policies require the Board's direction and approval, management is responsible for the day-to-day operation and administration of the Company in accordance with the objectives, strategies and policies set by the Board.

Matters requiring the Board's approval are discussed and deliberated with participation from each member of the Board and all major decisions are made collectively without any individual or small group of individuals influencing or dominating the process.

**Board Committees:** To ensure that specific issues are subject to consideration and review before the Board makes its decision, the Board has established the Board Committees to assist the Board in carrying out more effectively its oversight function. The Board Committees consist of Audit Committee ("AC"), Nominating Committee ("NC") and Remuneration Committee ("RC") (collectively the "Board Committees").

As at the date of this report, the composition of the Board and Board Committees are as follows:

Directors	Audit Committee	Nominating Committee	Remuneration Committee
Mr Furukawa Kazuteru (Executive Chairman)	–	Member	–
Mr Kubota Yasuaki (Executive Director and Chief Executive Officer)	–	Member	–
Mr Shida Yukihiro (Non-Executive and Lead Independent Director)	Member	Member	Chairman
Mr Saito Kazuya (Non-Executive and Independent Director)	Chairman	Member	Member
Ms Faye Chong Wen Qi (Non-Executive and Independent Director)	Member	Chairman	Member

Profiles of the Directors are set out in the "Board of Directors" section of Annual Report 2025.

The Board Committees function within clearly defined terms of references including operating procedures, compositions, authorities and duties, which are reviewed by the Board on a regular basis to enhance the effectiveness of the Board Committees. The Chairman of each of the Board Committee reports to the Board the outcome of the respective Board Committees meetings. The roles and responsibilities of the Board Committees are provided for in the latter sections of this Corporate Governance Report.

**Board and Board Committees Meetings:** The Board meets on a half yearly basis and as and when necessary to address any specific significant matters that may arise. Pursuant to Regulation 98 of the Constitution of the Company, the Directors of the Company may participate in any meeting of the Board or any Board Committees, which may be held by means of telephonic, electronic or other communication facilities, allowing all persons participating in the meeting to communicate with each other simultaneously and instantaneously.



# Corporate Governance Report

Following the listing of the Company on the Catalist Board of the SGX-ST on 16 October 2024 and as at the date of this Corporate Governance Report, the number of the Board and Board Committees meetings held and the attendance of each board member is disclosed as follows:

Type of meetings	Board	Audit Committee	Nominating Committee	Remuneration Committee
<b>No. of meetings</b>	3	1	1	1
<b>Attendance</b>				
Mr Furukawa Kazuteru	2	–	–	–
Mr Kubota Yasuaki	3	1*	1	1*
Mr Shida Yukihiro	3	1	1	1
Mr Saito Kazuya	3	1	1	1
Ms Faye Chong Wen Qi	3	1	1	1

**Note:**

\* Attendance by invitation of the relevant committees

**Multiple board representations:** Despite the Directors having multiple board representations, the NC has reviewed the directorships of the Directors and is satisfied that the Directors are able to and have adequately carried out their duties as Directors of the Company after taking into consideration the number of board representations and other principal commitments of the Directors. The NC and the Board will review and determine the maximum number of listed company board representations as and when they deem appropriate.

**Board information:** The management provides the Board with complete, adequate and timely information prior to meetings and on on-going basis to enable the Directors to make timely decisions, effectively discharge its duties and make a balanced and informed assessment of the performance, position and prospects of the Company.

The Directors have separate and independent access to the management personnel of the Group at all times. Request for information is dealt promptly by the management. Presentation is made to the Directors at the board meeting on budgets, forecasts and variances. In respect of budgets, any material variance between the projections and actual results would be disclosed and explained during the meeting. In addition, the Board is kept informed of all material events and transactions as and when they occur to enable the Board to function effectively and to fulfil its responsibilities. The information made available to the Directors include interim and full-year financial results, progress reports of the Group's operations, corporate development, regulatory updates, business developments and audit reports. The management also consults board members regularly whenever necessary and appropriate. The meeting materials are provided to the Board in a timely manner prior to the board meetings to enable Directors to consider the issues and to obtain additional information or explanation from the management, if necessary.

The calendar of Board and Board Committees meetings are planned in advance. Draft agenda for meetings of the Board and Board Committees are also circulated in advance to the respective Chairman of the Board and Board Committees, in order for them to suggest items for the agenda and/or review the items in the proposed agenda to be discussed at the Board and Board Committees meetings.

# Corporate Governance Report

**Independent access to the Company Secretaries and other professional advisers:** The Directors have separate and independent access to the Company Secretaries and where required, can obtain additional information to facilitate informed decision-making. The role of the Company Secretaries and their representatives are to administer, attend and prepare minutes of Board and Board Committees' meetings, assist the Chairman in ensuring that board procedures are followed and that the Constitution of the Company, Catalist Rules and other relevant rules and regulations applicable to the Company are complied with. The Company Secretaries and their representatives attend all Board and Board Committees' meetings. The decision in appointment and removal of the Company Secretary is decided by the Board as a whole.

The Board in fulfilling its responsibilities could as a group or as individuals, when deemed fit, direct the Company to appoint independent professional advisers or seek professional advice and the costs will be borne by the Company.

## Board Composition and Guidance

**Principle 2:** *The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.*

**Board independence:** The role of the Independent Directors is important in ensuring that the strategies proposed by the management are constructively challenged, thoroughly considered and examined, for the long-term interests of the shareholders.

As at the date of this Corporate Governance Report, the Board comprises five (5) members, consisting of the Executive Chairman, one (1) Executive Director who is also the Chief Executive Officer of the Company and three (3) Non-Executive and Independent Directors. The independent element on the Board is thus strong and enable the Board to exercise objective and independent judgement on corporate affairs and provide management with diverse and objective perspectives on issues.

The Board considers an "Independent Director" as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders of not less than 5% of the total votes attached to all voting shares (excluding treasury shares) in the Company, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

The independence of each Independent Director is reviewed annually by the NC and the Board in accordance with Provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules. On an annual basis, each Independent Director is required to complete a 'Confirmation of Independence' form to confirm his/her independence. The form was drawn up based on the definitions and guidelines set forth in the Code and the NC Guide issued by Singapore Institute of Directors. The Directors are required to disclose to the Board any such relationship as and when arises and the Board will state the reasons if it determines that a Director is independent notwithstanding the existence of relationships or circumstances which may appear otherwise. Based on the confirmation of independence submitted by the Independent Directors, the NC was of the view that each Independent Director is independent on the following basis:

- The Independent Directors have confirmed that they do not have any relationship with other Directors, the Company, its related corporations, its substantial shareholders or its officers that could interfere or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company, and they are able to exercise objective judgment on corporate affairs independently from the management and its substantial shareholders.



# Corporate Governance Report

- The Independent Directors and their immediate family members are not and have not been employed by the Company or any of its related corporations in the current or any of the past three financial years, and whose remuneration is determined by the RC.
- None of the Independent Directors have served on the Board beyond nine years from the date of his/her appointment.
- None of the Independent Directors and their immediate family members had in the current or immediate past financial year (i) provided or received material services or significant payment to and/or from the Group when aggregated over any financial year in excess of S\$50,000 for services other than compensation for board service; or (ii) was a substantial shareholder, partner, executive officer or a Director of any organisation which provided or received material services or significant payment to and/or from the Group when aggregated over any financial year in excess of S\$200,000 for services rendered.
- None of the Independent Directors are directly associated with a substantial shareholder of the Company in the current or immediate past financial year.

**Independent Directors:** The current composition of the Board complies with Provision 2.2 of the Code as Independent Directors make up a majority of the Board where the Chairman is not independent.

**Non-Executive Directors:** The current board composition complies with Provision 2.3 of the Code where Non-Executive Directors make up a majority of the Board, in terms of character and judgement, objectivity on issues deliberated is assured.

**Board size:** The Board regularly examines its size and after taking into account the scope and nature of the Group's operations, the diversified background and experience of the Directors that provide core competencies in areas such as finance or accounting, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge. The Board is satisfied that it is of an appropriate size to facilitate effective decision-making.

**Board Diversity Policy:** The Company recognises and embraces the importance and benefits of having a diverse Board to enhance the quality of its performance by considering all aspects of diversity, including of skills, business experience and knowledge, gender, age, ethnicity, geographical background, length of service and other distinguishing qualities of the Directors.

The Board has adopted a Board Diversity Policy to assist the NC and the Board in identifying prospective candidates for Directorship that meet the criteria as determined by the NC and that support the diversity's objectives. The Board Diversity Policy promotes the diversity among the Directors in order to improve performance.

In implementing the Board Diversity Policy, the NC will take into account the Company's diversity objectives and the diverse nature of the business environment in which the Company operates whilst maintaining flexibility to address succession planning and to ensure that the Company continues to attract and retain qualified individuals to serve on the Board.

# Corporate Governance Report

The Board consists of Directors with diverse expertise and experience in business management, accounting, financial, and industry knowledge. They are capable of exercising objective and independent judgment on the corporate affairs of the Company. The Company has maintained gender diversity, with 1 out of 5 Directors being female, representing approximately 20% female representation on the Board, ensuring adequate female representation and contribute to a broader range of perspectives in the Board's deliberations. The current Board also comprises members from diverse age groups which enriches its deliberations and contributes to well-rounded, strategic decision-making aligned with the Company's objectives. In concurrence with the NC, the Board is of the view that the current board members have the appropriate structure, diversity and composition to provide effective guidance and make decisions in the best interests of the Group, which is consistent with the intent of Principle 2 of the Code.

Board Diversity Criteria	No. of Members	Proportion of Board as at the date of this report
<b>Independence</b>		
- Executive	2	40%
- Non-Executive and Independent	3	60%
<b>Gender</b>		
- Male	4	80%
- Female	1	20%
<b>Age</b>		
- 30 to 40 years	1	20%
- 40 to 50 years	1	20%
- 50 to 60 years	3	60%
<b>Length of Service</b>		
- Below 9 years	5	100%
<b>Core Competencies</b>		
- Financial	4	80%
- Corporate and business management	1	20%

The NC conducts its annual review of the composition of the Board, which comprises members from different backgrounds whose core competencies, qualifications, skills and experiences, meet with the requirements of the Group at the point in time. Each Director has been appointed on the strength of his/her calibre, experience and stature and is expected to bring a valuable range of experience and expertise to contribute to the development of the Group's strategy and the performance of its business. As the NC has assessed the current board composition to be satisfactory, and comprise Directors who have the appropriate balance and diversity of skills, gender, knowledge of the Company, expertise and experience, to function effectively and make informed decisions overseeing the Group's business, the Company generally does not set any additional concrete timeline for achieving board diversity targets. Instead, the Company takes the approach that maintaining a satisfactory level



# Corporate Governance Report

of diversity as an ongoing process. The targets to achieve greater diversity on the Board are assessed from time to time, based on the composition of the Board and operations of the Group at the relevant time. Additionally, the NC will assess the effectiveness of the Board Diversity Policy and propose appropriate revisions to the Board for consideration and approval. It will also continue its identification and evaluation of suitable candidates to ensure that there is diversity to the Board.

The profile of each Director including their academic and professional qualifications and other appointments is presented on page 17 to page 19 of this Annual Report.

**Meeting of Non-Executive and Independent Directors without the presence of management:** The Non-Executive and Independent Directors, led by the Lead Independent Director, meet amongst themselves without the presence of management to evaluate the performance of the management and discuss the Group's affairs. The feedback and views expressed by the Non-Executive and Independent Directors were communicated to the Board and/or the Chairman, as appropriate.

Following the listing of the Company on the Catalist Board of the SGX-ST on 16 October 2024 and as at the date of this Corporate Governance Report, the Non-Executive and Independent Directors had met once in the absence of management.

To-date, none of the Independent Directors of the Company has been appointed as Director of the Company's principal subsidiary, which is based in Singapore and overseas.

## Chairman and Chief Executive Officer

**Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.**

**Separation of the roles of the Chairman and Chief Executive Officer:** The positions of the Chairman of the Board and the Chief Executive Officer are held by separate individuals, to ensure appropriate balance of power, increased accountability and greater capacity of the Board for objective decision-making. Mr Furukawa Kazuteru serves as the Chairman of the Group, whereas Mr Kubota Yasuaki is the Group's Chief Executive Officer. Mr Kubota Yasuaki reports to the Board led by the Chairman.

All decisions made by the Board are subject to majority approval of the Board and are reviewed by the relevant Board Committees, whose members comprise of all Non-Executive and Independent Directors. The Board believes that there are adequate safeguards in place to ensure appropriate balance of power and authority within the spirit of good corporate governance.

**Division of responsibilities between the Chairman and Chief Executive Officer:** Mr Furukawa Kazuteru, the Executive Chairman of the Group, plays an important advisory role to the Group by providing guidance and advice to the Chief Executive Officer and Chief Financial Officer on financial, shareholder relations and taxation matters. As the Executive Chairman, he is also responsible for representing the Board to shareholders, ensuring that board meetings are held when necessary and board members are provided with adequate and timely information. He approves the board meeting agendas in consultation with the Chief Executive Officer, Chief Financial Officer and Company Secretaries, who act as facilitators at the board meetings, ensures the agenda items are adequately debated at board meetings and maintains regular dialogues with the Chief Executive Officer on operational matters. He also takes a leading role in promoting high standards of corporate governance.

# Corporate Governance Report

Mr Kubota Yasuaki is holding the position as Group's Chief Executive Officer. He is responsible for the overall management of the Group and he charts the overall strategy, business planning and direction for future growth and drives the execution of business plans. He is involved in the day-to-day business of the Group and leads management in setting strategies, objectives and implementations and is also responsible for the development and financial performance of the Group.

**Lead Independent Director:** In line with Provision 3.3 of the Code, Mr Shida Yukihiro is appointed as the Lead Independent Director to provide leadership in situations where the Executive Chairman is conflicted and especially when the Executive Chairman is not independent. This is to promote high standards of corporate governance and effective communication between the shareholders and the Company. Mr Shida Yukihiro is available to shareholders who may have concerns with regards to the Group at email address [y-shida@fih.sg](mailto:y-shida@fih.sg) and for which contacts through the normal channels of communication with the Executive Chairman or management has failed to resolve issues or for which such contact is inappropriate or inadequate.

As at the date of this Corporate Governance Report, no query or request on any matter which requires the Lead Independent Director's attention was received.

## Board Membership

**Principle 4:** *The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.*

**Composition of Nominating Committee:** As at the date of this Corporate Governance Report, the NC comprises five (5) members, majority of whom including the Lead Independent Director, are Non-Executive and Independent Directors:

### Nominating Committee

Ms Faye Chong Wen Qi (Non-Executive and Independent Director)	Chairman
Mr Shida Yukihiro (Non-Executive and Lead Independent Director)	Member
Mr Saito Kazuya (Non-Executive and Independent Director)	Member
Mr Furukawa Kazuteru (Executive Chairman)	Member
Mr Kubota Yasuaki (Executive Director and Chief Executive Officer)	Member

The NC Chairman has no relationship (direct or indirect) with the Company, its related corporations, its five percent shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of her independent judgement in the best interest of the Company.

**Roles of Nominating Committee:** The NC is governed by the NC's Terms of Reference which describes the duties and functions of the NC. The NC is responsible for identifying and nominating candidates for the Board, assessing the independence of Directors annually in accordance with the guidelines set out in the Code, filling board vacancies as well as to put in place plans for succession. Its main objective is to build a strong and independent Board and ensure a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

# Corporate Governance Report

The roles and functions of the NC are, *inter alia*, as follows:

- (a) making recommendations to the Board on relevant matters relating to (i) the review of board succession plans for Directors, in particular, the appointment and/or replacement of the Chairman and Executive Officers (including the Chief Executive Officer, if applicable); (ii) the process and criteria for evaluation of the performance of the Board, the Board Committees and Directors; (iii) the review of training and professional development programs for the Board and the Directors, if applicable; and (iv) re-nominations of existing Directors for re-election in accordance with the Group's constitution, taking into account each individual Director's contribution and performance, including the criteria used to identify and evaluate potential new Directors and channels used in searching for appropriate candidates;
- (b) ensuring that the Directors submit themselves for re-nomination and re-election at least once every three years, and reviewing and recommending the nomination or re-nomination of the Directors having regard to the Director's contribution and performance;
- (c) ensuring the new Directors are aware of their duties and obligations, as well as reviewing and deciding whether a Director is able to and has been adequately carrying out his or her duties as a Director;
- (d) determining on an annual basis, and as and when circumstances require, whether or not a Director is independent, in accordance with the Code and any other salient factors;
- (e) providing oversight on and monitoring the independence of the Independent Directors on an ongoing basis;
- (f) reviewing, as and when the circumstances require, whether the Chairman of the Board and the Chief Executive Officer share close family ties;
- (g) deciding whether or not a Director is able to and has been adequately carrying out his or her duties as a Director;
- (h) determining the composition of the Directors, taking into account the future requirements of the Company, the need for diversity in regard to the board composition and other considerations such as those set out in the Code, annually to ensure that the Directors comprise appropriate balance and diversity of skills, expertise, gender and knowledge of the Company, so as to avoid groupthink and foster constructive debate, and are of an appropriate level of independence and diversity of thought and background to make decisions in the best interest of the Company and provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge, and reviewing the Company's progress towards achieving the objectives for achieving board diversity;
- (i) establishing guidelines on what a reasonable and maximum number of such directorships and principal commitments for each Director (or type of Director) should be;
- (j) undertaking a formal assessment of the Board's effectiveness as a whole and that each of the Board Committees and individuals Directors and recommend for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each of the Board Committee separately, as well as the contribution of each individual Director to the Board;



# Corporate Governance Report

- (k) ensuring that the Directors disclose their relationships with the Company, related corporations, substantial shareholders or officers, if any, which may affect their independence and review such disclosures from the Directors and highlight them to the Board as required;
- (l) reviewing and approving the employment of persons related to the Directors, Executive Chairman, Chief Executive Officer or substantial shareholder and the proposed terms of their employment;
- (m) where a Director has multiple board representations, deciding whether the Director is able to and has been adequately carrying out his or her duties as Director, taking into consideration the Director's number of listed company board representation and other principal commitments and establishing guidelines on what a reasonable and maximum number of such directorships and principal commitments for each Director (or type of Director) should be. Where any Director holds a significant number of listed company directorships and principal commitments which involve significant time commitment, providing a reasoned assessment of the ability of that Director to diligently discharge his or her duties, taking into consideration that Director's number of listed company board representation and other principal commitments;
- (n) assessing annually whether the Independent Directors have the capacity to devote sufficient time and attention to the affairs of the Group to ensure that they can effectively fulfill their duties as Independent Directors; and
- (o) undertaking generally such other functions and duties as may be required by law or the Catalist Rules, and by amendments made thereto from time to time.

**Process for selection and appointment of new Directors:** The NC is responsible for identifying candidates and reviewing all nominations for the appointments of new Directors in the following order: (i) determining the desirable competencies for the appointment, and after consultation with the management, (ii) assessing the suitability of the candidates and conducting an open dialogue to ensure that each candidate is aware of his/her roles and obligations, and (iii) submitting a final shortlist for recommendation to the Board.

The search and nomination process for new Directors, led by the NC, is as follows:

- The NC will go beyond the Board's immediate circle of contacts and use a variety of channels including third party search firms, director associations or advertisements to identify a broader range of suitable candidates.
- The NC evaluates the balance, skills, knowledge and experience of the existing Board and the requirements of the Group as well as taking into consideration broader search criteria aligned with the board diversity criteria. In light of such evaluation, the NC determines the role and key attributes that an incoming Director should have.
- After endorsement by the Board of the key attributes required, the NC taps on the networking resources of the existing Directors or other appropriate channels as the NC deems necessary and seeks recommendations from them in relation to the potential candidates, and goes through a shortlisting process. If candidates identified from this process are not suitable, executive recruitment agencies are appointed to aid in the search process.
- The NC meets with the shortlisted candidate(s) to assess suitability and to ensure that the candidate(s) is/are aware of the expectations and the level of commitment required.
- The NC recommends the most suitable candidate to the Board for appointment as Director.

# Corporate Governance Report

**Process for re-appointment of Directors:** The roles of the NC also include the responsibility of reviewing the re-nomination of Directors who retire by rotation, taking into consideration the Director's integrity, independent mindedness, contribution and performance (such as attendance, participation, preparedness and candour) and any other factors as may be determined by the NC.

Pursuant to Regulation 90 of the Constitution of the Company, one-third of the Board are to retire from office by rotation and be subject to re-appointment at the Annual General Meeting ("**AGM**") of the Company. In addition, Regulation 89 of the Constitution of the Company stipulates that a Director newly appointed by the Board during the financial year must retire and submit himself/herself for re-appointment at the next AGM following his/her appointment. Thereafter, the Director is subject to be re-appointed at least once every three years at the AGM of the Company. Each member of the NC abstains from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of his/her own performance or re-nomination as Director.

In FY2025, the Retiring Directors are Mr Furukawa Kazuteru and Mr Saito Kazuya who will retire pursuant to Regulation 90 of the Constitution of the Company (the "**Retiring Directors**"). The Retiring Directors, being eligible, have offered themselves for re-election at the forthcoming AGM and have abstained from voting on the resolutions and making recommendations and/or participating in any deliberations in respect of his re-nomination as Director. The details of the Retiring Directors seeking for re-election are found in Table A set out on page 59 to page 65 of this Annual Report.

**Circumstances affecting Director's independence:** The NC is responsible to determine the independence of Directors annually by taking into account the circumstances set forth in the Code and any other salient factors. The NC has reviewed the independence status of the Independent Directors during FY2025, and is satisfied that the Independent Directors are independent in accordance with Provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules.

The Independent Directors have confirmed that they do not have any relationship with the Company or its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement with a view to the best interests of the Company.

**Multiple directorships:** The NC ensures that new Directors are aware of their duties and obligations. For re-nomination and re-appointment of Directors, the NC takes into consideration the competing time commitments faced by Directors and their ability to devote appropriate time and attention to the Group.

Each Director is required to confirm annually to the NC as to whether he or she has any issue with competing time commitments which may impact his/her ability to provide sufficient time and attention to his/her duties as a Director of the Company. Additionally, each Director is also required to declare their board representations at the Board meeting of the Company and to inform the Board as and when there are new board representations. Based on the Directors' annual confirmation and the Directors' commitments and contributions to the Company, which are also evident in their level of attendance and participation at Board and Board Committees meetings, the NC and the Board are satisfied that all the Directors were able to and have been adequately carrying out their fiduciary duties as Directors of the Company in FY2025. The NC concluded that there is no need to impose a limit on the number of board representations at this stage.

In respect of disclosure of each Director on the listed company directorships and other principal commitments are set out in page 38 and page 39 of this Annual Report.

**Alternate Directors:** Currently, no Alternate Director is appointed on the Board.

# Corporate Governance Report

Key information regarding the Directors is set out below:

Name of Director	Designation	Date of first appointment as Director	Date of last re-election as Director	Present directorships in other listed companies and other principal commitments	Past directorships in other listed companies and other principal commitments held over preceding five years
Mr Furukawa Kazuteru	<ul style="list-style-type: none"> <li>Executive Chairman</li> <li>Member of Nominating Committee</li> </ul>	14 November 2019	20 May 2023	<ul style="list-style-type: none"> <li>Food Innovators Japan Co., Ltd.</li> <li>Tomaatti Co., Ltd.</li> <li>FIJ Investment Co., Ltd.</li> <li>Grow Consulting Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>F-Holdings Co., Ltd.</li> <li>Ginga Yakyoku Co., Ltd</li> </ul>
Mr Kubota Yasuaki	<ul style="list-style-type: none"> <li>Executive Director and Chief Executive Officer</li> <li>Member of Nominating Committee</li> </ul>	31 July 2020	22 March 2024	<ul style="list-style-type: none"> <li>Halaki Co., Ltd.</li> <li>Kinmedal Foods Co., Ltd.</li> <li>Kubota Kikaku LLC</li> </ul>	<ul style="list-style-type: none"> <li>Fivezero Agency Co., Ltd.</li> <li>Saida Shokudou Co., Ltd.</li> <li>Tenpo Fund Co., Ltd.</li> <li>Wanhengxuan Co., Ltd.</li> <li>Godo Kaisha Kubota</li> </ul>
Mr Shida Yukihiro	<ul style="list-style-type: none"> <li>Non-Executive and Lead Independent Director</li> <li>Chairman of Remuneration Committee</li> <li>Member of Nominating Committee and Audit Committee</li> </ul>	14 November 2019	7 October 2024	<ul style="list-style-type: none"> <li>Providentia Wealth Advisory Ltd.</li> <li>OK Investment Pte. Ltd.</li> <li>Starworlds Pte. Ltd.</li> <li>Analog Pte. Ltd.</li> <li>G7 Holdings Co., Ltd.</li> <li>Edmilson Funds Asia Ltd.</li> <li>Cosmo Gate Pte. Ltd.</li> <li>Gai Three Pte. Ltd.</li> <li>Ton Ton Lab Pte. Ltd.</li> <li>Kaede Pte. Ltd.</li> <li>Gabai &amp; Partners Pte. Ltd.</li> <li>OGI Next Invest Pte. Ltd.</li> <li>MYK Asia Holdings Pte. Ltd.</li> <li>Thousand Pte. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>M.O.Sanctuary Pte. Ltd.</li> <li>Top King Pte. Ltd.</li> <li>Saiyu Pte. Ltd.</li> <li>BB &amp; G-7 Retail Pte. Ltd.</li> <li>G7 Foods Asia Pte. Ltd.</li> <li>Takumi Holdings Pte. Ltd.</li> <li>Foodream Pte. Ltd.</li> <li>Genki Factory Pte. Ltd.</li> <li>Techcross Pacific Pte. Ltd.</li> <li>Plein Soleil Pte. Ltd.</li> <li>S.Sanctuary Pte. Ltd.</li> <li>ETE Holdings Pte. Ltd.</li> <li>GIP Management Pte. Ltd.</li> <li>Tsuufuu Pte. Ltd.</li> <li>Purinetai Pte. Ltd.</li> </ul>



# Corporate Governance Report

Name of Director	Designation	Date of first appointment as Director	Date of last re-election as Director	Present directorships in other listed companies and other principal commitments	Past directorships in other listed companies and other principal commitments held over preceding five years
Mr Saito Kazuya	<ul style="list-style-type: none"> <li>Non-Executive and Independent Director</li> <li>Chairman of Audit Committee</li> <li>Member of Nominating Committee and Remuneration Committee</li> </ul>	29 June 2024	7 October 2024	<ul style="list-style-type: none"> <li>Bulltime Co., Ltd.</li> <li>White Cross Co., Ltd.</li> <li>Spacee Co., Ltd.</li> <li>Menou Co., Ltd.</li> <li>Finswer Co., Ltd.</li> </ul>	–
Ms Faye Chong Wen Qi	<ul style="list-style-type: none"> <li>Non-Executive and Independent Director</li> <li>Chairman of Nominating Committee</li> <li>Member of Remuneration Committee and Audit Committee</li> </ul>	29 August 2024	7 October 2024	<ul style="list-style-type: none"> <li>New Provenance Pte. Ltd.</li> <li>Corporate Strategy Director of H2G Green Limited</li> </ul>	<ul style="list-style-type: none"> <li>MClean Technologies Berhad</li> <li>Provenance Capital Pte. Ltd.</li> </ul>

The academic and professional qualifications of each Director are set out in the “Board of Directors” section of this Annual Report.

## Board Performance

**Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole and that of each of its board committees and individual directors.**

**Board evaluation process:** The Board has implemented a formal annual process and established objective performance criteria for assessment of the effectiveness of the Board as a whole, each Board Committee and individual Director. Each Director is requested to complete an evaluation form to assess the effectiveness of the Board as a whole and his/her own contribution to the effectiveness of the Board, while each Board Committee member is requested to complete an evaluation form to assess the effectiveness of the respective Board Committees.

# Corporate Governance Report

The assessment of the Board's performance focused on a set of performance criteria for the board evaluation which includes the board structure, strategy and performance, governance on board risk management and internal controls, information to the Board, board procedures, top management and Directors' standard of conduct, etc. The assessment criteria for each Board Committee focuses on the nature of the respective roles and responsibilities of the AC, NC and RC. The annual assessment of individual Directors considers, among others, each Director's attendance as well as generation of constructive debate/participation for meetings of the Board and Board Committees, contribution, initiative, responsiveness of Director, knowledge of senior management and Company's business, and the Directors' self-assessment. Selected performance criteria will not change from year to year unless they are deemed necessary and the Board is able to justify the changes.

The findings of the annual assessment were analysed and discussed with a view to implementing certain recommendations to further enhance the effectiveness of the Board and Board Committees and as a form of good board management practice. The Executive Chairman of the Board will act on the results of the performance evaluation and the recommendation of the NC, and where appropriate, in consultation with the NC, new members may be appointed or resignation of Directors may be sought.

Following the review of FY2025, the Board is of the view that the Board and its Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board. Each member of the NC will abstain from voting on any resolution in respect of the assessment of his/her performance or renomination as Director.

No external facilitator was engaged in FY2025. However, if need arises, the NC has full authority to engage external facilitator to assist the NC to carry out the evaluation process at the Company's expense.

**Board evaluation criteria:** Part of the evaluation process is through the review of the appraisal and evaluation forms, which considered the assessment of the following key performance criteria:

- Board size and composition of the Board
- Board independence
- Board processes
- Board information and accountability
- Board performance in discharging principal functions
- Board Committees performance
- Board time commitment
- Board diversity
- Overall contribution

The primary objective of the board evaluation exercise is to create a platform for the Board and its Board Committees' members to provide constructive feedback on the board procedures and processes and the changes which should be made to enhance the effectiveness of the Board and its Board Committees.

# Corporate Governance Report

## REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

**Principle 6:** *There should be a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and Key Management Personnel. No director is involved in deciding his or her own remuneration.*

**Composition of Remuneration Committee:** As at the date of this Corporate Governance Report, the RC comprises three members, all of whom are Non-Executive and Independent Directors:

#### Remuneration Committee

Mr Shida Yukihiro (Non-Executive and Lead Independent Director)	Chairman
Mr Saito Kazuya (Non-Executive and Independent Director)	Member
Ms Faye Chong Wen Qi (Non-Executive and Independent Director)	Member

The RC is governed by the RC's Terms of Reference which describes the duties and powers of the RC. The main objective of the RC is to establish a formal and transparent procedure for developing policies on Directors and key executives' remuneration and attract, motivate and retain a pool of talented Directors and key executives through attractive and competitive remuneration packages to align the level and structure of remuneration with the long-term interests and risk policies of the Company.

**Roles of Remuneration Committee:** The roles and functions of the RC are, *inter alia*, as follows:

- reviewing and recommending to the Board, in consultation with the Chairman of the Board, for endorsement, a comprehensive framework of remuneration for the Directors, Executive Officers and other persons having authority and responsibility for planning, directing and controlling the activities of the Company (the "**Key Management Personnel**");
- ensuring the remuneration policies and systems of the Group, as approved by the Board, support the Group's objectives and strategies, and are consistently being administered and being adhered to within the Group;
- reviewing and recommending to the Board, for endorsement, specific remuneration packages for each of the Director and Key Management Personnel;
- reviewing the recommendations of all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind, and termination terms, to ensure that they are fair are submitted for endorsement by the Board;



# Corporate Governance Report

- e) ensuring that the level and structure of remuneration of the Directors and Key Management Personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the Company's strategic objectives;
- f) ensuring that significant and appropriate proportion of the Directors' and Key Management Personnel's remuneration is structured so as to link rewards to corporate and individual performance, and that performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company;
- g) reviewing and approving the design of all share option plans, employee share option schemes and/or other equity-based plans (including performance-related remuneration scheme, incentive schemes) and benefits-in-kind and determining the eligibility criteria of the employees who can participate in such scheme;
- h) ensuring that the remuneration of the Non-Executive Directors is appropriate to their level of contribution, taking into account factors such as effort, time spent and responsibilities;
- i) reviewing the Group's remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation and the statements in the annual report with a view to achieving clear disclosure of the same;
- j) reviewing the Company's obligations arising in the event of termination of the Directors' or Key Management Personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with a view to being fair and avoiding the reward of poor performance;
- k) approving performance targets for assessing the performance of each of the Key Management Personnel and recommend such targets as well as employee specific remuneration packages for each of such Key Management Personnel, for endorsement by the Board; and
- l) conducting annual review and approving the remuneration (including bonuses, increments and/or promotions) of employees of the Group who are related to Directors, Chief Executive Officer or Substantial Shareholders to ensure that their remuneration packages are in line with the employee remuneration guideline and commensurate with their respective job scopes and level of responsibilities.

**RC to consider and ensure all aspect of remuneration are fair:** The RC reviews the reasonableness of the contracts of service of Executive Directors and Key Management Personnel to ensure that their compensations commensurate with the responsibilities and risks involved in being a Director and that their remuneration packages are comparable within the industry and include a performance-related element with appropriate and meaningful measures of assessing performance.

The Independent Directors are entitled Directors' fees in accordance with their contributions, taking into account factors such as effort, time spent and their responsibilities. The Directors' fees are recommended by the RC and endorsed by the Board, and subject to shareholders' approval at the AGM. Except as disclosed in this Annual Report, the Independent Directors did not entitle any other remunerations from the Company.

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The Executive Directors have each entered into a service agreement with the Company, under which the terms of their employment are stipulated, including a monthly base salary, annual performance bonus and benefits commensurate with the position. The Executive Directors are not entitled to Directors' fees and there are no post-retirement and severance benefits except the common practice of giving notice or salary in lieu of notice in the event of termination. The service agreement of each Executive Director is valid for an initial period of three (3) years and is subject to renewal upon its validity lapsed.

All recommendations made by the RC on remuneration of Directors and key executives will be submitted for endorsement by the Board. None of the RC is involved in setting his/her remuneration package. Each RC member shall abstain from reviewing, deliberating and voting on any resolution in respect of his/her remuneration package or that of any employees who are related to him/her.

**Termination clauses:** The RC has reviewed the fairness and reasonableness of the termination clauses of the service agreements of the Executive Chairman, Chief Executive Officer and Key Management Personnel. The RC will have access to independent expert advice from external consultants, where necessary. There was no termination of any Key Management Personnel during FY2025.

**Expert advice on remuneration:** The RC has full authority to engage any external independent professional advice on matters relating to remuneration as and when the need arise. The expense of such service shall be borne by the Company. No external remuneration consultant was engaged in FY2025.

## Level and Mix of Remuneration

**Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.**

**Remuneration framework:** The RC noted that there should be appropriate and meaningful measures for the purpose of assessing the performance of Executive Directors and Key Management Personnel. In setting remuneration packages for Executive Directors and Key Management Personnel, the performance related elements of remuneration form a portion of the total remuneration package to link rewards to corporate and individual performance. This is to align the Executive Directors' interests with those of shareholders of the Company and to promote the long-term success of the Group and the Company. The RC will also take into consideration the risk policies of the Company, as well as the pay and employment conditions within the industry and in comparable companies.

**Executive Director and Key Management Personnel remuneration:** Mr Furukawa Kazuteru, the Executive Chairman, and Mr Kubota Yasuaki, the Executive Director and Chief Executive Officer, are remunerated based on their respective service agreements with the Company. Their service agreements are valid for an initial period of three (3) years upon admission of the Company on the Catalyst Board, and upon expiry, the service agreement shall continue unless terminated by either party giving notice of not less than six (6) months to the other party, or by the Company giving an amount equal to six (6) months' salary in lieu of such notice.

# Corporate Governance Report

The Board and the Remuneration Committee will carry out periodic reviews of the terms of the employment of the Executive Directors, and the Board and the Nominating Committee will carry out periodic reviews of the suitability of the Executive Directors. Pursuant to the terms of the service agreements, Mr Furukawa Kazuteru and Mr Kubota Yasuaki are each entitled to a monthly salary and any discretionary annual bonus as determined by the Remuneration Committee. The service agreements with the Executive Directors do not contain onerous removal clauses. Under their service agreements, the salary of each of the Executive Director is subject to review by the Remuneration Committee after the accounts of the Group for the immediate preceding financial year have been audited. Each of the Executive Director will abstain from voting in respect of any resolution or decision to be made by the Board in relation to the terms and renewal of his service agreement.

The Company has also entered into separate service agreement with the Key Management Personnel, Mr Tetsura Masao, the Chief Financial Officer, for a period of three years upon admission of the Company on the Catalyst Board. Pursuant to the terms of the service agreement, Mr Tetsura Masao is entitled to a monthly salary and any discretionary annual bonus as determined by the Remuneration Committee. Under the service agreement, the salary is subject to review by the Remuneration Committee after the accounts of the Group for the immediate preceding financial year have been audited.

The RC may recommend the Company to consider the use of contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors and Key Management Personnel in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss to the Company.

Please refer to the section entitled “Directors, Executive Officers and Employees – Service Agreements” of the Offer Document for further information relating to the service agreements of the Executive Directors and Key Management Personnel.

For FY2025, the RC had reviewed the compensation and remuneration packages and believes that the remuneration of Directors and Key Management Personnel commensurate with their respective roles and responsibilities, after taking into consideration the referencing of Directors’ and Key Management Personnel’s remuneration against comparable benchmarks and giving due regard to prevailing market conditions as well as the financial, commercial health and business needs of the Group.

The RC shall also terminate the service agreements of the Executive Directors, if any of them, amongst others, is disqualified to act as Executive Director under any applicable laws or regulations, is guilty of dishonesty, gross misconduct or wilful neglect of duty, commits any continued material breach of the terms of their respective service agreements, is guilty of conduct likely to bring himself or any member of the Group into disrepute, becomes bankrupt or is convicted of any criminal offence. The RC may additionally terminate the service agreements if the Executive Directors fail to perform their respective obligations under the service agreements.

The service agreements also provide that the Executive Directors shall not without the prior written consent of the Company during the continuance of his employment be engaged or interested either directly or indirectly in any capacity in any trade, business, occupation or activities which may hinder or otherwise interfere with the performance of his duties or which may conflict with the interests and business of the Group.



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**Non-Executive and Independent Directors remuneration:** The Non-Executive and Independent Directors are paid Directors' fees taking into account factors including but not limited to contribution, effort and time spent, and the responsibilities of the Non-Executive and Independent Directors. Non-Executive and Independent Directors are not over-compensated to the extent that their independence may be compromised. The Directors' fees payable to the Non-Executive and Independent Directors of the Company each year are subject to the approval of the Company's shareholders at the AGM. The Non-Executive Directors and Independent Directors do not receive any other remuneration from the Company. The structure of the fees payable to the Non-Executive and Independent Directors of the Company for FY2025 is disclosed under Principle 8 below.

The Company advocates a performance-based remuneration system that is flexible and responsive to the market, and the performance of the Group's business units and individual employees. In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is transparent, competitive, relevant and appropriate in finding a balance between the current and longer-term objectives of the Company so as to be able to attract, retain and motivate talents without being excessive, and thereby maximise value for shareholders.

**Long-term incentives:** The Company has in place Food Innovators Employee Share Option Scheme ("**Scheme**"). The Scheme serves to recognise the services of Directors and employees are important to the success and continued well-being of the Group. Implementation of the Scheme will enable the Company to give recognition to the contributions made by the Directors and employees. At the same time, it will give the Directors and employees an opportunity to have a real and personal direct interest in the Company and will also help to motivate the Directors and employees to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group. The Scheme is administered by the Directors with such powers and duties conferred to them by the Board. A Director who has participated in the Scheme shall not be involved in its deliberation in respect of the option to be granted to him/her.

Please refer to the section entitled "Appendix E – Pre-IPO Options: Food Innovators Employee Share Option Scheme" of the Offer Document for more information on Food Innovators Employee Share Option Scheme. The Food Innovators Employee Share Option Scheme complies with the relevant rules as set out in Chapter 8 of the Catalist Rules.

As at the date of this annual report, no shares have been issued under the Scheme since its implementation and the Listing.

## Disclosure of Remuneration

**Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.**

**Remuneration disclosure:** The remuneration framework is based on policies which are aligned with Company's interests to support the Group's business with the aim of retaining key capabilities, provide sound and structured funding of remuneration in ensuring affordability and sustainable value creation. Competitive remuneration packages are offered to attract and retain experienced individuals. The remuneration policies, the procedures for setting remuneration and the relationships between remuneration, performance and value creation are described in Principle 7 above.

# Corporate Governance Report

## (i) Remuneration of Directors

A breakdown of the total remuneration of each Director of the Company and the Chief Executive Officer for the financial year ended 28 February 2025 is set out below:

Name of Director	Base Salary \$	Bonus \$	Profit-Sharing \$	Directors' Fees <sup>1</sup> \$	Allowance \$	Total \$
Mr Furukawa Kazuteru	137,019	–	–	–	–	137,019
Mr Kubota Yasuaki	165,740	–	–	–	–	165,740
Mr Shida Yukihiro	–	–	–	9,000	–	9,000
Mr Saito Kazuya	–	–	–	4,020	–	4,020
Ms Faye Chong Wen Qi	–	–	–	12,540	–	12,540

**Note:**

<sup>1</sup> Directors' Fees were pro-rated for the period from 1 September 2024 to 28 February 2025

## (ii) Remuneration of Key Management Personnel

The Group has four (4) Key Management Personnel who is not Director or the Chief Executive Officer during FY2025. The details of the remuneration (in percentage terms) for FY2025 are as follows:

Name of key management personnel	Remuneration paid/ payable in FY2025		Breakdown of the Executives' Remuneration				
	Below S\$250,000	S\$250,000 to S\$500,000	Base Salary %	Bonus %	Profit-Sharing %	Other Benefits %	Total %
Mr Tetsura Masao	X		100	–	–	–	100
Mr Miyake Daisuke		X	100	–	–	–	100
Mr Watanabe Akira	X		100	–	–	–	100
Mr Isomoto Atsushi	X		100	–	–	–	100

The annual aggregate amount of the total remuneration paid to the Key Management Personnel (who are not Directors or the Chief Executive Officer) for FY2025 is approximately S\$522,000.

There is no employee who is an immediate family member of a Director, Chief Executive Officer or substantial shareholder whose remuneration exceeds S\$100,000 for FY2025.

None of the Directors (including the Chief Executive Officer) and the four (4) Key Management Personnel (who are not Directors or the Chief Executive Officer) had received any termination, retirement and post-employment benefits for FY2025.

# Corporate Governance Report

The Company is transparent on its remuneration policies, which has been disclosed not only as part of compliance with Principle 8 but also in respect of Principle 7 of the Code. In particular, the Company has elaborated on the remuneration policy governing the remuneration of the Executive Directors and the factors taken into account for the remuneration of the Independent Directors. In addition, the remuneration of Key Management Personnel (who are not Directors or the Chief Executive Officer) has been presented in bands no wider than S\$250,000 together with disclosure of breakdown of the level and mix of remuneration, which allowing shareholders to understand the Company's remuneration policies in relation to its Key Management Personnel (who are not Directors or the Chief Executive Officer). The Company has decided not to disclose information on the remuneration of the Key Management Personnel in exact amounts because of the confidentiality and prevention of upward pressure on remuneration due to market competition. The Company is of the view that the disclosure of the indicative range of the remuneration of Key Management Personnel provides a reasonable amount of information on the Company's remuneration framework to enable the shareholders to understand the link between the Company's performance and the remuneration of the Key Management Personnel (who are not Directors or the Chief Executive Officer).

The RC has reviewed and approved the remuneration packages of the Executive Directors and Key Management Personnel, having regard to their contributions as well as the financial performance and commercial needs of the Group and has ensured that the Executive Directors and Key Management Personnel are adequate but not excessively remunerated. The RC will consider and deliberate on the performance conditions to which Executive Director's and Key Management Personnel's entitlement to short term and long-term incentive schemes are subject and make the necessary disclosures, if any.

## ACCOUNTABILITY AND AUDIT

### Risk Management and Internal Controls

**Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.**

**Board determines the nature and extent of risks:** The Board regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as determine the Company's levels of risk tolerance and risk policies as well as overseeing the management in the design, implementation and monitoring of the risk management and internal control systems to control, manage and mitigate these risks. The management reviews the risk management and internal control systems and highlights all significant matters to the AC and Board from time to time.

The Board acknowledges that it is responsible to ensure that the Company maintains an adequate system of risk management and internal controls to safeguard the assets of the Group. In addition, it is essential to maintain adequate accounting records, develop and maintain an effective control environment within the Group. The Board recognises that all internal control systems contain inherent limitations and no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Nevertheless, the Board strives to identify key risk areas in every aspect of the Group and improve internal controls to mitigate such risks in order to achieve the overall business objective of the Group and enhance long term shareholders' value.



# Corporate Governance Report

The Board and the AC have made reference to the external audit reports submitted by the external auditors for FY2025. The Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology risks) and risk management systems are adequate and effective for FY2025.

The AC and the Board also review the effectiveness of the actions taken by the management on the recommendations made by the external auditors in this respect. The AC, with the participation of the Board, has reviewed the adequacy and effectiveness of the Group's internal controls that address financial, operational, compliance and information technology risks and risk management systems for the type and volume of business that the Group currently operates.

The Board would ensure that there is an on-going process for identifying, evaluating and managing significant risks covering financial aspects, compliance risks and other operational areas of the Group.

**Assurance from the Board and KMP:** For FY2025, the Board has received assurances from the Chief Executive Officer and the Chief Financial Officer of the Company that (a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and (b) the Group's risk management and internal control systems are adequate and effective.

The AC have reviewed the report issued by the external auditors and their recommendations, the various management controls put in place, and reports from the internal auditors. The Board, with concurrence from the AC, are satisfied with the Group's internal controls and are of the opinion that the internal controls maintained by the Group in addressing critical and significant risks relating to financial, operational, compliance and information technology risks and risk management systems are adequate and effective as at 28 February 2025 for the type and volume of business that the Group currently operates. The Board will continue to enhance and improve the existing internal controls framework to identify and mitigate these risks. The AC will also commission an annual internal audit to satisfy itself that the Group's internal controls are robust and effective to address any significant internal control weaknesses that may arise.

**Board's conclusion:** During the course of audit by the internal and external auditors, their recommendations, the various management controls and the reports from the internal and external auditors have been taken into consideration by the Company. The Board with the concurrence of the AC, is of the opinion that the Group's system of internal controls and risk management procedures in addressing financial, operational, compliance and information technology controls and risk management systems maintained by the Group during the year are adequate and effective to address the risks that the Group considers relevant and material to its operations.

The Board recognises that the risk management and internal control systems established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also noted that all internal control systems contain inherent limitations and no system of risk management and internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

# Corporate Governance Report

## Audit Committee

**Principle 10: The Board has an Audit Committee (“AC”) which discharges its duties objectively.**

**Composition of Audit Committee:** As at the date of this Corporate Governance Report, the AC comprises three members, all of whom are Non-Executive and Independent Directors:

## Audit Committee

Mr Saito Kazuya (Non-Executive and Independent Director)	Chairman
Mr Shida Yukihiro (Non-Executive and Lead Independent Director)	Member
Ms Faye Chong Wen Qi (Non-Executive and Independent Director)	Member

The Board ensures that the members of the AC are appropriately qualified to discharge their responsibilities. The Chairman of the AC, Mr Saito Kazuya and members of the AC, Mr Shida Yukihiro and Ms Faye Chong Wen Qi possess the requisite accounting and financial management expertise and experience.

In line with Provision 10.3 of the Code, none of the AC members is a former partner or director of the Company’s existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The AC is governed by the AC’s Terms of Reference which describes the duties and powers of the AC. The main objective of the AC shall be to assist the Board in discharging its statutory and other responsibilities relating to (i) the quality of the audit of the Company’s internal audit function and of its external auditors; (ii) the integrity of the financial information presented by management to shareholders, regulators and the general public; and (iii) the adequacy of the Company’s financial, compliance, administrative and operating controls, as well as internal accounting controls.

**Roles of Audit Committee:** The roles and functions of the AC are, *inter alia*, as follows:

- a) consider the appointment or re-appointment or replacement of the external auditors, the level of their remuneration (including their cost effectiveness and nature, extent and costs of non-audit services performed by them), their independence and objectivity, terms of engagement and matters relating to resignation or dismissal of the external auditors, and review with the external auditors the audit plans, their evaluation of the system of internal accounting controls, their audit reports, their management letter and the management’s response before submission of the results of such review to the Board for approval;
- b) consider the appointment or re-appointment of the internal auditors, the level of their remuneration and matters relating to resignation or dismissal of the internal auditors, and review with the internal auditors the internal audit plans and their evaluation of the adequacy of the system of internal accounting controls and accounting system before submission of the results of such review to the Board for approval prior to the incorporation of such results in the annual report (where necessary) and ensure that the internal auditors comply with the standards set by nationally or internationally recognised professional bodies;

# Corporate Governance Report

- c) to be the primary reporting line of the internal audit function and ensure that the internal audit function has direct, unrestricted and unfettered access to all of the Group's documents, records, properties and personnel, including the Chairman of the Board and the AC;
- d) review the adequacy, effectiveness, independence, scope and results of the external audit and the Group's internal audit function, including ensuring that the internal audit function is independent, effective and adequately resourced, is staffed with persons with the relevant qualifications and experience, and generally has appropriate standing within the Company, and decide on the appointment, termination and remuneration of the head of the internal audit function;
- e) review and report to the Board, at least annually, on the adequacy and effectiveness of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems and undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC, with a view to review the risk profile of the Group and the appropriate steps to be taken to mitigate and manage risks at acceptable levels determined by the Board where necessary;
- f) oversight, monitor and review the Group's internal control weaknesses identified by the internal auditors and the external auditors, and monitor and ensure that the implementation of the auditors' recommendation on internal controls are adopted and satisfactorily implemented to address the internal control weaknesses to ensure that, where necessary and appropriate, a statement on the Board's comment and the adequacy and effectiveness of the Company's internal controls can be provided, as well as monitor the follow-up review of the adequacy and effectiveness of the remediation measures implemented by the Group;
- g) review the system of internal accounting control and procedures established by management and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management where necessary);
- h) review the assistance and co-operation given by the Company's officers to the internal and external auditors, including meeting with the external auditors and internal auditors, in each case without the presence of the management, at least annually to review the same;
- i) review the assurance obtained from the Chief Executive Officer and Chief Financial Officer on the financial records and financial statements;
- j) appraise the performance of the Chief Financial Officer on an annual basis;
- k) review significant financial reporting issues and judgments, with the Chief Financial Officer and the external auditors, so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance, before their submission to the Board for approval;
- l) review the assurance from the Chief Executive Officer and Chief Financial Officer on the financial records and financial statements;



# Corporate Governance Report

- m) review the half yearly and annual, and quarterly if applicable, the Company's financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas and areas of judgement, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory/regulatory requirements;
- n) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and consider the adequacy of the management's response;
- o) monitor the use of proceeds;
- p) review and approve transactions falling within the scope of Chapters 8, 9 and 10 of the Catalist Rules (if applicable), including reviewing any interested person transactions and monitoring the procedures established to regulate interested person transactions, ensuring compliance with the Company's internal control systems and the relevant provisions of the Catalist Rules. This includes having oversight over the Company's decision to repay any interested person transactions by way of cash or shares;
- q) review potential conflicts of interest (if any) and set out a framework to resolve or mitigate any potential conflicts of interest as well as monitor the procedures established and ensure compliance with such framework including reviewing and assessing from time to time whether proper measures to mitigate potential conflicts of interest have been put in place, and whether additional processes are required to be put in place to manage any material conflicts of interest with the controlling shareholders and proposing, where appropriate, the relevant measures for the management for such conflicts;
- r) review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures, including having oversight in monitoring the adequacy and effectiveness of measures in place to mitigate risks of material licences held in individual capacities;
- s) review the risk management framework, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, announced immediately via SGXNET;
- t) review the key financial risk areas, and any oversight of the risk management framework and activities to mitigate and manage risk at acceptable levels determined by the Board, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or the findings are material, immediately announced via SGXNET;
- u) review any formal announcements relating to the Group's financial performance and ensuring that the outcome of the review of the Group's key financial risks areas is disclosed in the Group's annual reports, and if the findings are material, to be announced via SGXNET in accordance with the Catalist Rules;
- v) monitor the measures undertaken by the Group to mitigate and to the extent possible remediate non-compliance by the Group, and having oversight of and reviewing such measures to monitor and to the extent possible prevent further recurrence of non-compliances;

# Corporate Governance Report

- w) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- x) where necessary, commission an independent audit on internal controls and risk management systems for the assurance of the AC, or where it is not satisfied with the systems of internal controls and risk management;
- y) review and approve the procedures, and monitor the implementation of, any hedging policy proposed by the Group;
- z) review of the cash management processes of the Group;
- aa) monitor and have oversight of the Group's process of forecasting cash flows and compliance with loan covenants;
- bb) assist the Board in discharging its statutory responsibilities on financing and accounting matters;
- cc) monitor the implementation of policy and procedures for sustainability reporting;
- dd) investigate any matters within its terms of reference;
- ee) generally to undertake such other functions and duties as may be required by statute, the Code or the Catalist Rules, and by such amendments made thereto from time to time;
- ff) review, maintain oversight of and monitor any whistleblowing reports and the Company's whistleblowing policy, and to ensure that the Company has disclosed publicly and clearly communicates to the employees the existence of whistle-blowing policy through which they may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to review and ensure that policies and arrangements are and continue to be in place for the independent investigations of such matter and for appropriate follow-up;
- gg) review and establish procedures for receipt, retention and treatment of complaints received by the Group, including amongst others, criminal offences involving the Group or its employees, and/or questionable accounting, auditing, business, safety or other matters that impact negatively on the Group, and ensuring that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and
- hh) review the procedures and policies put in place to ensure our Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time, at least annually, to ensure that such procedures and policies are commensurate with our Group's operations and expansion plans from time to time.

Apart from the duties listed above, the AC shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. In the event that a member of the AC is interested in any matter being considered by the AC, he/she will abstain from reviewing and deliberating on that particular transaction or voting on that particular resolution.

# Corporate Governance Report

The AC has explicit authority to investigate any matter within its terms of reference, full access to and cooperation of the management and external auditors, and full discretion to invite any Director or Key Management Personnel to attend the meetings and has been given reasonable resources to enable it to discharge its functions properly.

It is the Company's practice for the External Auditors to present to the AC their audit plan together with updates relating to any changes in accounting standards impacting the financial statements. During the AC meeting in FY2025, the External Auditors had briefed the AC on any changes in accounting standards.

The AC had met once with the external auditors without the presence of management to review the adequacy of the audit arrangements, with emphasis on the scope and quality of the audit and the independence and objectivity of the auditors. The AC had discussed with the management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements.

The AC had reviewed all the audit and non-audit services carried out by the external auditors to the Group and confirmed that such services would not, in its opinion prejudice the independence and objectivity of the external auditors. The aggregate amount of external auditors' fees paid for audit and non-audit services were S\$180,000 and S\$4,000 respectively for FY2025. Messrs Forvis Mazars LLP has confirmed that they are public accounting firm registered with Accounting and Corporate Regulatory Authority and provided a confirmation on their independence to the AC.

The AC is satisfied that Messrs Forvis Mazars LLP is able to meet the audit requirements and statutory obligation of the Company. In view of their requisite qualification and independence status, the AC is satisfied that Rule 712 of the Catalist Rules is complied with. In addition, the Company has complied with Rule 715 of the Catalist Rules (read with Catalist Rule 716) as Messrs Forvis Mazars LLP was engaged as the external auditors for the Company and its subsidiaries for FY2025.

**Internal audit function:** The AC selects and approves the appointment of internal auditors. The Group has outsourced its internal audit function to BDO Advisory Pte. Ltd. ("**Internal Auditors**"). The Internal Auditors serves to provide the Board and management with an independent appraisal in terms of the reliability, adequacy and effectiveness of the internal controls established by management. The aim is to promote internal control in the Group and to monitor the performance and the effective application of internal audit procedures. Apart from this, Internal Auditors supports the AC and the Board in assessing key internal controls through a structured review programmed. The Internal Auditors has unfettered access to the Board, the AC and management, where necessary, and has the right to seek information and explanations.

**Review of internal audit function:** The AC is satisfied that, though the internal audit function has been outsourced, it is adequately and effectively managed by persons with the relevant qualifications and experiences. The Internal Auditors has provided a confirmation of their independence to the AC.

The Internal Auditors reports functionally to the Chairman of the AC. On an annual basis, AC assesses the effectiveness of the internal audit function by examining:

- the scope of the internal auditors' work
- the quality of the reports
- the relationship with the external auditors
- the independence of the areas reviewed



# Corporate Governance Report

During the year, the summary of key internal audit findings, recommendations and management's related responses were discussed at the AC meeting. The AC ensures that procedures are in place to follow up on the recommendations by Internal Auditors in a timely manner and to monitor any outstanding issues.

**Internal audit resources and experiences:** The AC is satisfied that the internal audit function is independent, effective and adequately resourced and has appropriate standing within the Company and the Group. Internal Auditors has unfettered access to all the Company's documents, records, properties and personnel, including the AC, and has appropriate standing within the Company.

The Internal Auditors plans its internal audit schedules in consultation with, but independent of, the management. The audit plan is submitted to the AC for approval prior to the commencement of the internal audit field work. Internal Auditors has direct and primary reporting line to the AC and assist the AC in overseeing and monitoring measures that have been implemented to detect and correct internal control weaknesses that have been identified.

**Internal audit standards:** The AC has reviewed and approved the annual internal audit plan and is satisfied that the internal audit has been adequately and effectively carried out in line with the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The AC reviews the activities of the internal audit on a regular basis, including overseeing and monitoring the implementation of the improvement required on internal control weaknesses that have been identified.

Based on the internal controls established and maintained by the Group, work performed by the Internal Auditors and External Auditors, and reviews performed by the management and the Board, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2025.

**Whistle-Blowing Policy:** The Group has in place a Whistle-Blowing Policy to enable persons employed by the Group to report any suspicion or possible improprieties in matters of financial reporting, non-compliance with regulations, policies and fraud, etc, to the members of AC in writing for resolution, without any prejudicial implications for these employees. The Whistle-Blowing policy and procedures for raising such concerns are communicated to employees of the Group via its employee portal. The AC will, depend on the nature of the concern, initiate inquiries to determine whether an investigation is appropriate and the form that it should take.

The Whistle-Blowing Policy also serves to ensure that any issues or complaints raised will be dealt with swiftly and effectively. The AC has been vested with the power and authority to receive, investigate, monitor and enforce appropriate action whenever any such non-compliance matter is brought to the AC's attention. The Group has designated an independent function to investigate whistle-blowing reports made in good faith and ensures that the identity of the whistle-blower is kept confidential and the Group is committed to ensure protection of the whistle-blower against detrimental or unfair treatment.

# Corporate Governance Report

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### Shareholder Rights and Conduct of General Meetings

**Principle 11:** *The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.*

### Engagement with Shareholders

**Principle 12:** *The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.*

## MANAGING STAKEHOLDERS RELATIONSHIPS

### Engagement with Shareholders

**Principle 13:** *The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.*

In line with the continuous disclosure obligations of the Company pursuant to the Catalist Rules, the Company is committed to engage in regular and effective communication with its shareholders and ensures that all shareholders should be equally informed of all major developments of the Group which would likely materially affect the price or value of the Company's shares to facilitate the shareholders to exercise their ownership rights.

Although the Company has not adopted a formal investor relations policy to regularly convey pertinent information to the shareholders, the Board acknowledges its obligation to furnish timely information to shareholders and ensures that full disclosure of material information in its annual report to comply with statutory requirements and the SGX-ST Catalist Rules is made.

The Company does not practice selective disclosure as all material and price-sensitive information is released through SGXNET.

The Group believes that a high standard of transparent corporate disclosure is crucial to raising the level of corporate governance. The information is disseminated to shareholders of the Company on a timely basis through:

- announcements and/or press release released through SGXNET
- annual reports and circulars prepared and issued to all shareholders of the Company
- the official website of the Company (<http://fih.sg>)

To keep shareholders and stakeholders of the Company updated on the latest announcements, press releases and stock details of the Company, the shareholders and potential investors or stakeholders have 24-hour access to the Company's website. In addition, the shareholders and potential investors or stakeholders may subscribe for automated email alerts services from the Company's website to receive email alerts on the latest announcements and press releases disclosed over SGXNET. Enquiries may also be posed to the Company's investor relations by email at [info@fih.sg](mailto:info@fih.sg).

# Corporate Governance Report

All shareholders of the Company are given the opportunity to participate, voice their views or opinions and ask Directors or the management questions regarding the Company and the Group in general meeting of the Company. The Board of the Company, including the Chairpersons of AC, RC and NC will be present at general meetings to address any questions or concerns of shareholders at general meetings. The external auditors will also be invited to attend the AGM to address shareholders' queries about the conduct of audit and the preparation of content of the auditors' report.

The forthcoming AGM of the Company in respect of FY2025 will be convened and held in a wholly physical format. The notice of the AGM is announced via SGXNET within the mandatory period prior to the general meeting (or as otherwise disseminated in accordance with such laws and regulations as may be applicable), together with explanatory notes, appendices or a circular on items of special business, at least fourteen days before the meeting for ordinary resolutions and/or twenty-one days before the meeting for special resolutions. Arrangements relating to attendance at the AGM, submission of questions by shareholders in advance of the AGM, and voting at the AGM by shareholders or their duly appointed proxy(ies), are set out in detail in the notice of AGM.

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and management. The Company will publish the minutes of the forthcoming AGM within one (1) month from the AGM. Such minutes is also available to shareholders on the SGXNET and on its corporate website.

There are separate resolutions at the general meetings to address each distinct issue. Each item of special business included in the notice of the general meetings will be accompanied by full explanation of the effects of a proposed resolution. The Constitution of the Company allows a shareholder or a depositor to appoint not more than two proxies to attend and vote in absentia at general meetings. Where the member is a Central Depository (Pte) Limited (or its nominee as notified in writing to the Company), it can appoint more than two proxies. Proxies need not be a shareholder of the Company. As the authentication of shareholders' identity information and other related integrity issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail or electronic means, except by appointment of proxy.

The Board will put all resolutions to vote by poll and make an announcement of the detailed results showing the numbers of votes cast for and against each resolution and the respective percentages. Shareholders will be briefed on the rules, including poll voting procedures that govern general meetings of shareholders.

The Company does not have a fixed policy on payment of dividends. The issue of payment of dividend is deliberated by the Board annually having regard to various factors, including but not limited to the Group's actual and projected financial performance, projected levels of capital expenditure and other investment plans, working capital requirements and general financial conditions and the level of the Group's cash and retained earnings. The Board has not recommended any dividend for FY2025 as the Company recorded a loss for FY2025.

As the Company was listed on the Catalist Board on 16 October 2024, the first sustainability report of the Company will be issued by 28 February 2027.

# Corporate Governance Report

## OTHER CORPORATE GOVERNANCE MATTERS

### DEALING IN SECURITIES

The Company has complied with Rule 1204(19) of the Catalist Rules in relation to the best practices on dealings in the securities:

- (a) The Company had devised and adopted its own internal compliance code to provide guidance to its officers with regards to dealings by the Company and its officers in its securities;
- (b) Officers of the Company did not deal in the Company's securities on short-term considerations; and
- (c) The Company and its officers did not deal in the Company's shares (i) during the periods commencing one (1) month before the announcement of the Company's financial results for its half yearly and full year financial statements, ending on the date of the announcement of the relevant results, and (ii) if they are in possession of unpublished price-sensitive information of the Group.

In addition, the Directors and management are expected to observe the insider trading laws at all times even when dealing in securities within permitted trading period.

### MATERIAL CONTRACTS

Pursuant to Rule 1204(8) of the Catalist Rules, the Company confirms that except as disclosed in the Offer Document, there were no other material contracts and loans of the Company and its subsidiaries involving the interests of any Director, Chief Executive Officer or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

### INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy in respect of any transaction with an interested person, which sets out the procedures for review and approval of such transaction.

All interested person transactions will be documented and submitted periodically to the AC for its review to ensure that such transactions are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

The Company does not have a general mandate obtained from shareholders for interested person transactions. There were no interested person transactions equal to or exceeding S\$100,000 in aggregate between the Company or its subsidiaries with any of its interested persons (as defined in Chapter 9 of the Catalist Rules). Please refer to the section entitled "Interested Person Transactions" of the Offer Document for further information relating to other past and present interested person transactions entered into by the Group.



# Corporate Governance Report

## USE OF PROCEEDS

The Company raised the net proceeds amounting to S\$1.1 million (excluding listing expenses of approximately S\$2 million) from the initial public offering on the Catalist Board of the SGX-ST on 16 October 2024. As at the date of this Annual Report, the status on the use of the IPO net proceeds is as follows:

	Amount allocated S\$'000	Amount utilised S\$'000	Balance S\$'000
Expansion of our food retail business outside Japan through scaling our presence in markets which we operate in through entry into new collaborations with Japanese restaurant operators	500	250	250
Acquisition of rights to operate additional themed restaurants of popular anime and other characters in Japan and introduction of new Japanese food brands to Singapore and Malaysia	500	0	500
General working capital purposes	113	113	0
<b>Total</b>	<b>1,113</b>	<b>363</b>	<b>750</b>

The Company will continue to make periodic announcement via SGXNET on the utilisation of the balance of the gross proceeds from the initial public offering as and when such proceeds are materially disbursed.

## NON-SPONSOR FEES

The Company was listed on the Catalist Board of the SGX-ST on 16 October 2024, and PrimePartners Corporate Finance Pte. Ltd. was the Full Sponsor and Issue Manager of the Company in respect of the listing. Pursuant to the listing, Full Sponsor and Issue Manager fees of S\$573,000 were paid. Save as disclosed above, with reference to Rule 1204(21) of the Catalist Rules, no non-sponsor fees were paid to PrimePartners Corporate Finance Pte. Ltd. for FY2025.

# Corporate Governance Report

**TABLE A – INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION**

The Directors named below are retiring and being eligible, offer themselves for re-election at the upcoming AGM:

Name of Directors	Mr Furukawa Kazuteru	Mr Saito Kazuya
Date of appointment	14 November 2019	29 June 2024
Date of last re-appointment (if applicable)	Not applicable	Not applicable
Age	52	39
Country of principal residence	Japan	Japan
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	The Board, having considered, among others, the Nominating Committee's recommendation and assessed Mr Furukawa Kazuteru's qualifications, extensive experiences and commitment in discharging his duties as Executive Chairman, is satisfied that Mr Furukawa Kazuteru can continue to contribute positively to the Company.	The Board, having considered, among others, the Nominating Committee's recommendation and assessed Mr Saito Kazuya's qualifications, extensive experiences and commitment in discharging his duties as Non-Executive and Independent Director, is satisfied that Mr Saito Kazuya can continue to contribute positively to the Company.  The Board considers Mr Saito Kazuya to be independent for the purpose of Rule 704(7) of the SGX-ST Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Executive – primarily responsible for the advisory to the Group by providing guidance and advice to the Chief Executive Officer and Chief Financial Officer on financial, shareholder relations and taxation matters	Non-Executive
Job title	Executive Chairman and a member of Nominating Committee	Non-Executive and Independent Director, Chairman of Audit Committee and a member of Nominating Committee and Remuneration Committee
Professional qualifications	Mr Furukawa Kazuteru is a Certified Public Tax Accountant in Japan. He graduated from OHARA Bookkeeping School, Tax Accountant Section	Mr Saito Kazuya is a Chartered Public Accountant. He graduated from Nihon University with a Bachelor of Law

# Corporate Governance Report

Name of Directors	Mr Furukawa Kazuteru	Mr Saito Kazuya
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Working experience and occupation(s) during the past 10 years	Mr Furukawa Kazuteru is currently a representative Director of Grow Consulting Co., Ltd, a Japan company providing financial and business strategy management consulting services and accounting services, responsible for making key executive decisions since April 2014. He also served as a representative Director of F-Holdings Co., Ltd., previously a service provider that provided back office service such as tax, accounting, finance and labour management, from April 2016 to April 2020.	Mr Saito Kazuya is currently a representative Director of Bulltime Co., Ltd, where he provides consulting services to Japanese venture companies to improve accounting and financial operations and internal controls. Aside from his role with Bulltime Co., Ltd, he also works as a part-time corporate auditor for Spacee Co., Ltd (since March 2019) and White Cross Co., Ltd (since February 2019), where he is responsible for conducting business management and accounting audits. Prior to this, from April 2009 to August 2015, he worked as a senior staff in the financial reporting and advisory department for PwC Arata LLC, an accounting and audit firm in Japan, where he assisted banks with implementation of International Financial Reporting Standards (IFRS) and conducting audits for domestic and overseas companies. From September 2015 to August 2017, he worked as a manager at SELTECH Co., Ltd, a Japanese computer software company, where he was responsible for finance matters and business planning.

# Corporate Governance Report

Name of Directors	Mr Furukawa Kazuteru	Mr Saito Kazuya
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest – 51,580,236 ordinary shares of the Company via FIJ Investment Co., Ltd.	No, Mr Saito Kazuya does not hold any shares in the Company and its subsidiaries
Other principal commitments including directorships	<p><u>Past (for the last 5 years)</u></p> <ul style="list-style-type: none"> <li>• F-Holdings Co., Ltd.</li> <li>• Ginga Yakyoku Co., Ltd</li> </ul> <p><u>Present</u></p> <ul style="list-style-type: none"> <li>• Food Innovators Japan Co., Ltd.</li> <li>• Tomaatti Co., Ltd.</li> <li>• FIJ Investment Co., Ltd.</li> <li>• Grow Consulting Co., Ltd.</li> </ul>	<p><u>Past (for the last 5 years)</u></p> <p>–</p> <p><u>Present</u></p> <ul style="list-style-type: none"> <li>• Bulltime Co., Ltd.</li> <li>• White Cross Co., Ltd.</li> <li>• Spacee Co., Ltd.</li> <li>• Menou Co., Ltd.</li> <li>• Finswer Co., Ltd.</li> </ul>
<b>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.</b>		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No



# Corporate Governance Report

Name of Directors	Mr Furukawa Kazuteru	Mr Saito Kazuya
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

# Corporate Governance Report

Name of Directors	Mr Furukawa Kazuteru	Mr Saito Kazuya
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No

Name of Directors	Mr Furukawa Kazuteru	Mr Saito Kazuya
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p>	<p>No</p> <p>No</p>	<p>No</p> <p>No</p>

# Corporate Governance Report

Name of Directors	Mr Furukawa Kazuteru	Mr Saito Kazuya
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,  in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No



# Directors' Statement

The directors present their statement to the members together with the audited financial statements Food Innovators Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) for the financial year ended 28 February 2025 and the statement of financial position of the Company as at 28 February 2025.

## 1. Opinion of the directors

In the opinion of the director,

- (a) the financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 28 February 2025 and the financial performance, changes in equity and cash flows of the Group for the financial year ended 28 February 2025; and
- (b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## 2. Directors

The directors of the Company in office at the date of this statement are:

### Executive Directors

Kubota Yasuaki  
Furukawa Kazuteru

### Independent Non-Executive Directors

Shida Yukihiro  
Saito Kazuya (Appointed on 29 June 2024)  
Faye Chong Wen Qi (Appointed on 29 August 2024)

## 3. Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of the objects was, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in paragraphs 4 and 5 below.

# Directors' Statement

## 4. Directors' interests in shares or debentures

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), except as disclosed below:

Name of director and company in which interest are held	Direct interest		Deemed interest	
	As at 1 March 2024	As at 28 February 2025	As at 1 March 2024	As at 28 February 2025
<b>The Company</b>				
<i>(Ordinary shares)</i>				
Kubota Yasuaki	6,761,772	6,808,772	–	1,980,000**
Furukawa Kazuteru*	–	–	51,580,236	51,580,236

\* Furukawa Kazuteru is deemed to be interested in 51,580,236 shares ("the shares") held by FIJ Investment Co., Ltd. pursuant to Section 7 of the Act, as he is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in FIJ Investment Co., Ltd.

\*\* Kubota Yasuaki is deemed to be interested in the 1,980,000 shares held indirectly through Phillip Securities Pte Ltd, by virtue of his spouse (Kubota Rika)'s shareholding in Phillip Securities Pte Ltd, which in turn holds shares in Food Innovators Holdings Limited. This deemed interest arises pursuant to Section 133(4) of the Securities and Futures Act 2001 and Section 7 of the Companies Act 1967.

## 5. Share options

The Food Innovators Holdings Limited Employee Share Option Scheme (the "Scheme") for key management personnel and employees of the Company and its subsidiaries was approved by members of the Company at an Extraordinary General Meeting on 26 August 2020. The Scheme provides a means to retain and give recognition to employees who have contributed to the success and development of the Company and its subsidiaries.

Under the Scheme, options to subscribe for the ordinary shares of the Company are granted to key management personnel and employees regardless the length of service under the Company and its subsidiaries.

On 26 August 2020, the Company granted options to subscribe for 13,409,068 ordinary shares of the Company at exercise price of S\$0.25 per share ("2020 Options"). The 2020 Options are exercisable during the period from 2 September 2021 or the date of commencement of dealing in the Company's shares on Catalist, whichever is later, until 31 March 2024.

# Directors' Statement

## 5. Share options (Continued)

In February 2024, FIH implemented the FIH Share Option Plan to employees and non-employees. Option to subscribe for 16,270,000 ordinary shares in FIH at an exercise price of S\$0.22 per ordinary share were granted pursuant to the Scheme ("2024 Options"). The 2024 Options are exercisable during the period from 22 May 2025 to 31 March 2028.

In accordance with Rule 1204(7) of the Catalist Rules, the Directors of the Company confirms that the Directors' interests as at 21 March 2025 in the shares, debentures and share options in the Company have not changed from those disclosed as at 28 February 2025.

Details of the options movement during the financial year are as follows:

Options	Date of grant	Expiry date	Exercise price (S\$)	At 1.3.2024	Granted	Exercised	Expired	At 28.2.2025
2020 Options	26.8.2020	31.3.2024	0.25	12,692,332	–	–	(12,692,332)	–
2024 Options	22.5.2024	31.3.2028	0.22	–	16,270,000	–	–	16,270,000

The details of the options granted under the Scheme to persons who were directors of the Company during the financial year are as follows:

Name of director	Aggregate options granted since commencement of the Scheme to 28.2.2025	Aggregate options exercised since commencement of the Scheme to 28.2.2025	Aggregate options lapsed/ expired since commencement of the Scheme to 28.2.2025	Aggregate options outstanding as at 28.2.2025
<b>2020 Options</b>				
Kubota Yasuaki	811,444	–	(811,444)	–
Furukawa Kazuteru	2,028,616	–	(2,028,616)	–
<b>2024 Options</b>				
Kubota Yasuaki	3,010,000	–	–	3,010,000
Furukawa Kazuteru	1,597,500	–	–	1,597,500

# Directors' Statement

## 6. Audit Committee

The Audit Committee ("AC") of the Company comprises three non-executive directors. The members of the AC at the date of this statement are:

Saito Kazuya (Chairman)  
Shida Yukihiro  
Faye Chong Wen Qi

Following the listing of the Company on the Catalist Board of the SGX-ST on 16 October 2024 and as at the date of this statement, the AC has convened one meeting. The AC has also met with internal and external auditors, without the presence of the Company's management.

The Audit Committee carried out its functions in accordance with Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the Audit Committee:

- (i) reviewed the audit plan and results of the external audit, the independence and objectivity of the external auditors, including, where applicable, the review of the nature and extent of non-audit services provided by the external auditors to the Group;
- (ii) reviewed the audit plans of the internal auditors of the Group and their evaluation of the adequacy of the Group's system of internal accounting controls;
- (iii) reviewed the Group's annual financial statements and the external auditors' report on the annual financial statements of the Group and of the Company before their submission to the board of directors;
- (iv) reviewed the half-yearly and annual announcements as well as the related press releases on the results of the Group and financial position of the Group and of the Company;
- (v) reviewed and assessed the adequacy of the Group's risk management processes;
- (vi) reviewed and checked the Group's compliance with legal requirements and regulations, including the related compliance policies and programmes and reports received from regulators, if any;
- (vii) reviewed interested person transactions in accordance with SGX listing rules;
- (viii) reviewed the nomination of external auditors and gave approval of their compensation; and
- (ix) submitted of report of actions and minutes of the audit committee to the board of directors with any recommendations as the audit committee deems appropriate.



# Directors' Statement

## 6. Audit Committee (Continued)

The AC has full access to and has the co-operation of the management and has been given the resources required for it to discharge its functions properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the AC.

The AC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, Forvis Mazars LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

## 7. Auditors

The auditors, Forvis Mazars LLP, have expressed their willingness to accept re-appointment.

On behalf of the directors

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**Kubota Yasuaki**  
Director

Singapore  
12 June 2025

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**Furukawa Kazuteru**  
Director

# Independent Auditors' Report

To the members of Food Innovators Holdings Limited

## Report on the Audit of Financial Statements

### *Opinion*

We have audited the accompanying consolidated financial statements of Food Innovators Holdings Limited (the “Company”) and its subsidiaries (the “Group”) which comprise the statements of financial position of the Group and of the Company as at 28 February 2025, the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 78 to 149.

In our opinion, the accompanying financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) so as to give a true and fair view of the financial position of the Group and of the Company as at 28 February 2025 and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

### *Basis of Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained sufficient and appropriate to provide a basis of our opinion.

# Independent Auditors' Report

To the members of Food Innovators Holdings Limited

## Report on the Audit of Financial Statements (Continued)

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters include the salient areas of focus in our audit and do not represent all the risks identified by our audit. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of trade and other receivables (refer to Note 3.2, Note 17, and Note 31 to the financial statements)	
Key audit matter	Audit response
<p>The carrying amount of the Group's trade and other receivables (excluding prepayments) as at 28 February 2025 was S\$16,296,000 (2024: S\$17,735,000), net of expected loss allowance of S\$172,000 (2024: S\$293,000).</p> <p>With reference to SFRS(I) 9 Financial Instruments, the Group adopts a simplified approach for the recognition of the loss allowance for trade receivables, which are carried at amortised cost, at an amount equal to lifetime expected credit losses ("ECL") and has also used the practical expedient permitted in SFRS(I) 9 in the form of a provision matrix.</p> <p>For other receivables which are carried at amortised cost, the Group recognises the loss allowance at an amount equal to 12-month expected credit losses. In the event that the credit risk is assessed to have increased significantly since initial recognition, the Group recognises the loss allowance of such other receivables at an amount equal to lifetime ECL.</p> <p>As the determination of the ECL requires significant judgement of management and in consideration of the significance of trade and other receivables in the statement of financial position of the Group, we consider management's assessment and application of SFRS(I) 9 to the impairment of trade and other receivables as a key audit matter.</p>	<p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the Group's consideration of SFRS(I) 9 in their application of the corresponding requirements and assessed the appropriateness thereof;</li> <li>• We assessed the reasonableness of the provision matrix applied by the Group in their measurement of ECL for trade receivables;</li> <li>• We performed subsequent receipts testing for major customers;</li> <li>• We assessed and where found necessary, critically challenge judgements and estimates used by management in measuring the ECL of other receivables; and</li> <li>• We reviewed the completeness and appropriateness of corresponding disclosures made in the consolidated financial statements.</li> </ul>

# Independent Auditors' Report

To the members of Food Innovators Holdings Limited

## Report on the Audit of Financial Statements (Continued)

### Key Audit Matters (Continued)

Impairment assessment of property, plant and equipment and right-of-use assets (refer to Note 3.2, Note 10 and Note 11 to the financial statements)	
Key audit matter	Audit response
<p>As at 28 February 2025, the Group's property, plant and equipment ("PPE") and right-of-use assets ("ROU") amounted to S\$4,265,000 (2024: S\$3,300,000) and S\$34,660,000 (2024: S\$33,605,000), which accounted for 7% (2024: 5%) and 55% (2024: 55%) of the Group's total assets respectively.</p> <p>In accordance with SFRS(I) 1-36 <i>Impairment of Assets</i>, an entity must assess at the end of each reporting period whether there is any indication that an asset may be impaired.</p> <p>For the financial year ended 28 February 2025, certain restaurant outlets incurred losses, which indicates that certain property, plant and equipment and right-of-use assets of the Group may be impaired. Management performed impairment tests on the property, plant and equipment and right-of-use assets of these outlets and determined the recoverable amounts based on value-in-use.</p> <p>In carrying out the impairment assessment, management has identified the cash generating units ("CGUs") to the respective restaurant outlets to which the property, plant and equipment and right-of-use assets belong to. Accordingly, the recoverable amounts of the CGUs are determined through the estimation of the expected discounted future cash flows which involves making key assumptions about the sales growth rate, gross profit margin and discount rate.</p> <p>Due to significant management judgements and estimates involved in the impairment assessment and in consideration of significance of PPE and ROU in the statement of financial position of the Group, we have identified this area to be a key audit matter.</p>	<p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• We reviewed management's assessment of impairment of the PPE and ROU;</li> <li>• We evaluated management's basis for identifying the CGUs;</li> <li>• We evaluated the reasonableness of management's estimate of expected future cash flows and challenge management's estimates applied in the value-in-use models, with comparison to recent performance, trend analysis and market expectations;</li> <li>• We engaged our in-house valuation specialist to independently assess the appropriateness of valuation methodologies, key inputs and assumptions applied for calculating the recoverable amounts for the respective CGUs; and</li> <li>• We reviewed the completeness and appropriateness of corresponding disclosures made in the consolidated financial statements.</li> </ul>



# Independent Auditors' Report

To the members of Food Innovators Holdings Limited

## Report on the Audit of Financial Statements (Continued)

### Key Audit Matters (Continued)

Impairment assessment of goodwill and cost of investment in subsidiaries (refer to Note 13 and Note 14 to the financial statements)	
Key audit matter	Audit response
<p>As at 28 February 2025, the carrying amount of Group's goodwill and the Company's cost of investment in subsidiaries were S\$1,262,000 and S\$16,186,000 (2024: S\$1,257,000 and S\$15,544,000) respectively.</p> <p>In accordance with SFRS(I) 1-36 <i>Impairment of Assets</i>, goodwill acquired in a business combination is required to be tested for impairment at least annually. The goodwill acquired in a business combination is allocated to the groups of cash generating units ("CGUs") that are expected to benefit from the synergies of that business combination. The management assesses the groups of CGUs for impairment annually or more frequently when there is an indication that the unit may be impaired.</p> <p>For the cost of investment in subsidiaries, the management assessed whether there are indicators of impairment. Where such indication exists, the cost of investment in subsidiaries is required to be tested for impairment by determining the recoverable amount of the investment in subsidiaries.</p> <p>The recoverable amounts are determined by estimates of value-in-use of the respective assets or CGUs, where applicable, using various inputs and assumption such as forecasted revenue, terminal growth rate and discount rate.</p> <p>Due to significant management judgements and estimates involved in the impairment assessment, we have identified this area to be a key audit matter.</p>	<p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the Group's process for assessing impairment of goodwill and cost of investment in subsidiaries;</li> <li>• We evaluated the reasonableness of management's estimate of expected future cash flows and challenged management's key assumptions and estimates applied in the value-in-use models, with comparison to recent performance, trend analysis, market expectations, and historical accuracy of the plans and forecasts;</li> <li>• We engaged our in-house valuation specialist to independently assess the appropriateness of valuation methodologies, key inputs and assumptions applied for calculating the recoverable amounts for the respective CGUs; and</li> <li>• We reviewed the completeness and appropriateness of corresponding disclosures made in the financial statements.</li> </ul>

# Independent Auditors' Report

To the members of Food Innovators Holdings Limited

## Report on the Audit of Financial Statements (Continued)

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Director for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The director's responsibilities include overseeing the Company's financial reporting process.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

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

# Independent Auditors' Report

To the members of Food Innovators Holdings Limited

## Report on the Audit of Financial Statements (Continued)

### *Auditors' Responsibilities for the Audit of the Financial Statements (Continued)*

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Independent Auditors' Report

To the members of Food Innovators Holdings Limited

## Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiaries incorporated in Singapore for which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ooi Chee Keong.

## FORVIS MAZARS LLP

Public Accountants and  
Chartered Accountants

Singapore  
12 June 2025



# Consolidated Statements of Profit or Loss and Other Comprehensive Income

For the financial year ended 28 February 2025

	Note	2025 S\$'000	2024 S\$'000
<b>Revenue</b>	4	43,136	43,773
Cost of sales		(36,997)	(35,920)
Gross profit		6,139	7,853
Other income	5	555	2,912
Administrative and distribution expenses		(7,173)	(6,971)
IPO listing expenses		(2,940)	–
Other expenses		(44)	(595)
Finance costs	6	(775)	(780)
Share of losses from equity-accounted for associate		(17)	(91)
<b>(Loss)/Profit before income tax</b>	7	(4,255)	2,328
Income tax benefit/(expenses)	8	122	(923)
<b>(Loss)/Profit for the financial year</b>		(4,133)	1,405
<b>Other comprehensive income/(loss):</b>			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign subsidiaries		17	(121)
<b>Total comprehensive (loss)/income for the financial year</b>		(4,116)	1,284
<b>(Loss)/Profit attributable to owners of the Company, net of taxation</b>		(4,133)	1,405
<b>Total comprehensive (loss)/income attributable to owners of the Company</b>		(4,116)	1,284
<b>(Losses)/Earnings per share attributable to owners of the Company (cents)</b>			
Basic (losses)/earnings per share	9	(3.98)	1.62
Diluted (losses)/earnings per share	9	(3.98)	1.62

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Statements of Financial Position

As at 28 February 2025

		Group		Company	
	Note	2025	2024	2025	2024
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	4,265	3,300	–	–
Right-of-use assets	11	34,660	33,605	–	–
Intangible assets	12	355	491	–	–
Goodwill	13	1,262	1,257	–	–
Investment in subsidiaries	14	–	–	16,186	15,544
Investment in associate	15	75	92	–	–
Other investment	16	135	–	–	–
Trade and other receivables	17	13,617	12,850	96	114
Deferred tax assets	18	419	273	–	–
Total non-current assets		54,788	51,868	16,282	15,658
Current assets					
Trade and other receivables	17	5,204	7,990	398	743
Inventories	19	603	393	–	–
Income tax receivable		169	–	–	–
Cash and cash equivalents	20	2,479	1,247	553	206
Total current assets		8,455	9,630	951	949
TOTAL ASSETS		63,243	61,498	17,233	16,607
EQUITY					
Capital and reserves					
Share capital	21	27,423	23,673	27,423	23,673
Share option reserve	22	1,666	1,018	1,666	1,018
Merger reserve	23	(15,415)	(15,415)	–	–
Translation reserve	24	(114)	(131)	–	–
Accumulated losses		(10,906)	(6,773)	(13,192)	(9,360)
Total equity		2,654	2,372	15,897	15,331

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Statements of Financial Position

As at 28 February 2025

	Note	Group		Company	
		2025	2024	2025	2024
		S\$'000	S\$'000	S\$'000	S\$'000
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Trade and other payables	26	8,183	7,732	224	106
Lease liabilities	27	20,910	20,886	–	–
Borrowings	28	7,260	6,376	39	65
<b>Total non-current liabilities</b>		36,353	34,994	263	171
<b>Current liabilities</b>					
Trade and other payables	26	8,440	8,173	1,001	995
Lease liabilities	27	14,215	13,272	–	–
Borrowings	28	1,581	1,787	72	110
Income tax payables		–	900	–	–
<b>Total current liabilities</b>		24,236	24,132	1,073	1,105
<b>Total liabilities</b>		60,589	59,126	1,336	1,276
<b>TOTAL EQUITY AND LIABILITIES</b>		63,243	61,498	17,233	16,607

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Consolidated Statement of Changes in Equity

For the financial year ended 28 February 2025

	Share capital S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Translation reserve S\$'000	Accumulated losses S\$'000	Total Equity S\$'000
<b>Balance at 1 March 2023</b>	21,277	792	(15,415)	(10)	(8,178)	(1,534)
Profit for the year	–	–	–	–	1,405	1,405
<b>Other comprehensive loss</b>						
Exchange differences on translation of foreign operations	–	–	–	(121)	–	(121)
<b>Total comprehensive income for the year</b>	–	–	–	(121)	1,405	1,284
Share capital pending issuance (Note 21)	2,396	–	–	–	–	2,396
Share-based compensation expense	–	226	–	–	–	226
<b>Balance at 29 February 2024</b>	23,673	1,018	(15,415)	(131)	(6,773)	2,372
Loss for the year	–	–	–	–	(4,133)	(4,133)
<b>Other comprehensive income</b>						
Exchange differences on translation of foreign operations	–	–	–	17	–	17
<b>Total comprehensive loss for the year</b>	–	–	–	17	(4,133)	(4,116)
Share capital issuance (Note 21)	3,750	–	–	–	–	3,750
Share-based compensation expense	–	648	–	–	–	648
<b>Balance at 28 February 2025</b>	27,423	1,666	(15,415)	(114)	(10,906)	2,654

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Consolidated Statement of Cash Flows

For the financial year ended 28 February 2025

	Note	2025 S\$'000	2024 S\$'000
<b>Operating activities</b>			
(Loss)/Profit before income tax		(4,255)	2,328
Adjustments for:			
Depreciation of property, plant and equipment		640	509
Depreciation of right-of-use assets		16,000	15,225
Amortisation of intangible assets		70	71
Employee share options expense		648	226
Gain on disposal of intangible assets		–	(294)
Gain on disposal of subsidiaries <sup>(1)</sup>		–	(1,707)
Loss on disposal of property, plant and equipment		13	19
Impairment loss on intangible assets		88	288
Impairment loss on goodwill		–	489
Property, plant and equipment written off		7	–
Reversal for credit losses on receivables		(121)	(153)
Interest income		(14)	(5)
Interest expense		775	780
Unrealised foreign exchange loss/(gain)		46	(280)
Share of losses from equity-accounted for associate		17	91
Fair value gain on borrowings		(459)	–
IPO listing expenses		2,940	–
Operating cash flows before movements in working capital		16,395	17,587
Changes in working capital:			
Inventories		(210)	(112)
Trade and other receivables		2,141	(1,455)
Trade and other payables		671	788
Cash generated from operations		18,997	16,808
Income tax paid		(1,086)	(23)
<b>Net cash generated from operating activities</b>		<b>17,911</b>	<b>16,785</b>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.



# Consolidated Statement of Cash Flows

For the financial year ended 28 February 2025

	Note	2025 S\$'000	2024 S\$'000
<b>Investing activities</b>			
Proceeds from disposal of property, plant and equipment		594	81
Proceeds from disposal of intangible assets		–	306
Proceed from disposal of subsidiaries, net <sup>(1)</sup>		–	1,570
Purchase of property, plant and equipment	10	(2,136)	(1,975)
Acquisition of intangible assets	12	(20)	(17)
Interest received		14	5
Acquisition of investment in associate	15	–	(179)
Purchase of other investment at FVTPL	16	(135)	–
Acquisition of business	13	–	(1,750)
<b>Net cash used in investing activities</b>		<b>(1,683)</b>	<b>(1,959)</b>
<b>Financing activities</b>			
Repayment of obligation under leases		(16,652)	(16,225)
Repayment of borrowings		(2,678)	(2,382)
Proceeds from borrowings		3,550	215
Proceeds from share issuance		3,750	2,396
Interest paid		–	(41)
IPO listing expenses paid		(2,940)	–
<b>Net cash used in financing activities</b>		<b>(14,970)</b>	<b>(16,037)</b>
<b>Net change in cash and cash equivalents</b>		<b>1,258</b>	<b>(1,211)</b>
Cash and cash equivalents at beginning of the financial year		1,247	2,821
Net effect of exchange rate changes in the balance of cash held in foreign currencies		(26)	(363)
<b>Cash and cash equivalents at end of financial year</b>	20	<b>2,479</b>	<b>1,247</b>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Consolidated Statement of Cash Flows

For the financial year ended 28 February 2025

- (1) During the financial year ended 29 February 2024, the Group has entered into 2 Share purchase agreements with third parties to dispose of its wholly-owned subsidiaries – Kurimen Co Ltd. (“CLM”) and Food Innovators Taiwan Co., Ltd. (“FIT”) from the restaurant operation and management business segment for considerations of JPY200 million (approximately S\$1,794,000) and JPY5 million (approximately S\$45,000).

The major classes and carrying amount of the assets and liabilities of CLM (Kurimen) and FIT (Food Innovator Taiwan) at the respective disposal dates as mentioned above are as follows:

	CLM 30 November 2023 S\$'000	FIT 26 February 2024 S\$'000	Total At disposal dates 1 and 2 S\$'000
<b>Assets</b>			
Trade and other receivable	451	51	502
Income tax receivable	–	1	1
Cash and cash equivalents	253	16	269
	<u>704</u>	<u>68</u>	<u>772</u>
<b>Liabilities</b>			
Trade and other payables	(554)	(14)	(568)
Net assets of disposal group	<u>150</u>	<u>54</u>	<u>204</u>
<b>Gain/(Loss) on disposal:</b>			
Cash consideration received	1,794	45	1,839
Net assets derecognised	(150)	(54)	(204)
Cumulative exchange differences relating to CLM and FIT reclassified from equity	73	(1)	72
<b>Gain/(Loss) on disposal</b>	<u>1,717</u>	<u>(10)</u>	<u>1,707</u>

The reconciliation of cash inflows on disposal of subsidiaries are as follows:

	CLM 30 November 2023 S\$'000	FIT 26 February 2024 S\$'000	Total At disposal dates 1 and 2 S\$'000
Cash consideration	1,794	45	1,839
Cash and cash equivalents of subsidiaries disposed of	(253)	(16)	(269)
Net cash inflows on disposal	<u>1,541</u>	<u>29</u>	<u>1,570</u>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Consolidated Statement of Cash Flows

For the financial year ended 28 February 2025

## Reconciliation of liabilities arising from financing activities:

	As at 1.3.2024 S\$'000	Financing cash outflows S\$'000	Non-cash movement				Foreign exchange movement S\$'000	As at 28.2.2025 S\$'000
			Acquisition S\$'000	Interest S\$'000	PV valuation S\$'000	Lease modification S\$'000		
<b>Liabilities</b>								
Borrowings	8,163	872	–	211	(459)	–	54	8,841
Lease liabilities	34,158	(16,652)	16,987	564	–	(173)	241	35,125

	As at 1.3.2023 S\$'000	Financing cash outflows S\$'000	Non-cash movement				Foreign exchange movement S\$'000	As at 29.2.2024 S\$'000
			Acquisition S\$'000	Interest S\$'000	PV valuation S\$'000	Lease modification S\$'000		
Liabilities								
Borrowings	11,097	(2,167)	–	176	–	–	(943)	8,163
Lease liabilities	26,611	(16,225)	28,392	563	–	(2,414)	(2,769)	34,158

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1. General

Food Innovators Holdings Limited (the “Company”) (Registration Number: 201938544H) is a private limited liability company, incorporated and domiciled in Singapore with its principal place of business and registered office at 6 Eu Tong Sen Street, #09-17, The Central, Singapore 059817.

The principal activities of the Company are that of investment holding and management consultancy services.

The principal activities of the respective subsidiaries are disclosed in Note 14 to the financial statements.

The financial statements of the Group and the statement of financial position of the Company for the financial year ended 28 February 2025 were authorised for issue by the Board of Directors on the date of the Directors’ Statement.

## 2. Summary of material accounting policies

### 2.1 Basis of preparation

The financial statements of the Group have been drawn up in accordance with the provisions of the Singapore Companies Act, 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) including related Interpretations of SFRS(I)s (“SFRS(I) INTs”) and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar (“S\$”) which is also the functional currency of the Company.

#### **Going concern**

As at 28 February 2025, the Group and Company is in a reported net current liability of S\$15,781,000 and S\$122,000, respectively (2024: S\$14,502,000 and S\$156,000). This event and condition indicate that material uncertainty exist that may cast significant doubt on the ability of the Group and Company to continue as a going concern.

To support the appropriateness of preparing the financial statements on a going concern basis, which includes the management’s consideration of the adequacy of funds to meet the Group’s and Company’s obligations, working capital and capital commitment needs, management prepared a 24-months consolidated cash flow forecast from 1 March 2025 (“Cash Flow Forecast”).

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### *Going concern (Continued)*

In preparing the Cash Flow Forecast, the management has taken the following into consideration:

- (i) The Group has obtained short-term loan of JPY33,000,000 (equivalent to approximately S\$298,000) subsequent to the financial year end from financial institutions with repayment term of 36 months instalment from July 2025, with interest bearing at 1.5% plus floating rate per annum;
- (ii) The Group generated positive cash flows from operating activities of S\$14,900,000, S\$16,785,000 and S\$17,911,000 in FY2023, FY2024 and FY2025, respectively; and
- (iii) The expected cashflow from the Group's restaurant leasing and subleasing business.

Taking into account of the above, the management is of the view that the Group will have sufficient cash resources to satisfy its obligations and commitments due in the foreseeable future, and the Group will be able to continue in operational existence for the foreseeable future and to discharge their liabilities in the normal course of business, as and when they fall due. The directors are of the opinion that the preparation of the financial statements on a going concern basis remains appropriate.

#### *Adoption of new and revised standards*

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that relevant to its operations and effective for annual periods beginning on or after 1 March 2024. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group's and Company's accounting policies and has no material effect on the current or prior year's financial statements and is not expected to have a material effect on future periods.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

*SFRS(I) and SFRS(I) INT issued but not yet effective*

At the date of authorisation of these statements, the following SFRS(I) and SFRS(I) INT that are relevant to the Group were issued but not yet effective:

SFRS (I)	Title	Effective date (annual periods beginning on or after)
SFRS(I) 1-21, SFRS(I) 1	Amendments to SFRS(I) 1-21: Lack of Exchangeability	1 March 2025
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 March 2026
Various	Annual improvements to SFRS(I)s – Volume 11	1 March 2026
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 March 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 March 2027
SFRS(I) 19	Subsidiaries without public accountability: Disclosures	1 March 2027
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned new/revised standards, with the exception of SFRS(I) 18 Presentation and Disclosure in Financial Statements, will not have a material impact on the financial statements of the Group and Company in the period of their initial adoption.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

*SFRS(I) and SFRS(I) INT issued but not yet effective (Continued)*

SFRS(I) 18, effective for annual periods beginning on or after 1 March 2027, replaces SFRS(I) 1-1 Presentation of Financial Statements and introduces new requirements for presentation and disclosure in financial statements. SFRS(I) 18 mandates a new structure for the statement of profit or loss and also requires disclosure of newly defined management defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. As a consequential result of SFRS(I) 18 requirements, all entities are required to use the operating profit subtotal, instead of profit or loss, as the starting point for presenting operating cash flows under the indirect method. The classification of cash flows from dividends and interests in either operating, investing and financing cash flows is also fixed.

SFRS(I) 18 will apply retrospectively. The Group is still in the process of assessing the corresponding impact on the primary financial statements and notes to the financial statements.

### 2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstance indicate that there are changes to the one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.2 Basis of consolidation (Continued)

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 Financial Instruments ("SFRS(I) 9") or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

### 2.3 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method when the acquired set of activities and assets constitute a business. When determining the acquired set of activities and assets constitute a business, the Group assesses whether the acquired set of activities and assets includes, at a minimum, an input and substantive process, which together contribute to the creation of outputs.

The Group has the option to apply a "concentration test" as a simplified assessment to determine whether an acquired set of activities and assets is not a business. The Group makes the election separately for each transaction or other event. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.3 Business combinations (Continued)

The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share in the recognised amounts of the acquiree's identifiable net assets. Acquisition-related costs are recognised in profit or loss as incurred and included in administrative expenses.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 Business Combinations ("SFRS(I) 3") are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held-for-sale in accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations ("SFRS(I) 5"), which are recognised and measured at the lower of cost and fair value less costs to sell.

The Group recognises any contingent consideration to be transferred for the acquiree at the fair value on the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement shall be accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 are measured in accordance with that Standard.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.3 Business combinations (Continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit (including the goodwill), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The attributable amount of goodwill is included in the determination of gain or loss on disposal of the subsidiary or jointly controlled entity.

### 2.4 Revenue recognition

The Group is principally in the business of selling food and beverages and sub-leasing of properties. Revenue from contracts with its customers is recognised when or as the Group satisfies a performance obligation by transferring a promised good or service generated in the ordinary course of the Group's activities to its customer, at a transaction price that reflects the consideration the Group expects to be entitled in exchange for the goods or service and that is allocated to that performance obligation. The goods or service is transferred when or as the customer obtains control of the goods or service.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.4 Revenue recognition (Continued)

#### Restaurant leasing and subleasing business

Leasing income comprises of revenue earned from the leases on the commercial space provided.

#### Food retail business

Restaurant sales is recognised at the point in time that the control of the products has been transferred, being when the food and beverages have been delivered to the customer.

### 2.5 Borrowing costs

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.6 Retirement benefit costs

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund and Malaysian Employees Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

### 2.7 Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

### 2.8 Equity-settled share-based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which the share options are granted. In valuing the share options, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in employee share option reserve, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that year.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.8 Equity-settled share-based payments (Continued)

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

When the options are exercised, the proceeds received (net of any directly attributable transaction costs) and the related balance previously recognised in the share options reserve are credited to share capital, when new ordinary shares are issued.

### 2.9 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.9 Income tax (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Company expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity.

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchases is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

### 2.10 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.10 Property, plant and equipment (Continued)

Depreciation is charged so as to write off the cost of assets, other than freehold land and construction in progress, over their estimated useful lives, using the straight-line method, on the following bases:

Tools and fixtures	2 - 10 years
Motor vehicle	10 years
Renovation	over the lease term
Leased assets	3 - 5 years
Right-of-use assets	over the lease term

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

### 2.11 Intangible assets

#### Goodwill on acquisition

Goodwill represents the excess of the cost of an acquisition over the net fair value of the Group's interest in the identifiable assets, liabilities and contingent liabilities of the subsidiary carried at the date of acquisition. Goodwill is at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit (including the goodwill), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The attributable amount of goodwill is included in the determination of gain or loss on disposal of the subsidiary.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.11 Intangible assets (Continued)

#### Business rights, trademarks and franchise rights

Business rights, trademarks and franchise rights are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Cost includes the purchase price (net of any discounts) and other directly attributable costs for its intended use. The costs of business rights, trademarks and franchise right are amortised to profit or loss using the straight-line method over estimated useful life of 5 years, 10 years and 3 years respectively.

#### Software licenses

Software licenses are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Cost includes the purchase price (net of any discounts) and other directly attributable costs for its intended use. The costs of software license amortised to profit or loss using the straight-line method over estimated useful life of 5 years.

### 2.12 Impairment of tangible and intangible assets excluding goodwill

The Group reviews the carrying amounts of its tangible and intangible assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Irrespective of whether there is any indication of impairment, the Group also tests its intangible assets with indefinite useful lives and intangible assets not yet available for use for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.13 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

#### Financial assets

##### Initial recognition and measurement

All financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Company applies a practical expedient are measured at transaction price as defined in SFRS(I) 15 Revenue from Contracts with Customers (“SFRS(I) 15”) in Note 2.4.

Financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”) and fair value through profit or loss (“FVTPL”). The classification at initial recognition depends on the Group’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Group’s business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset’s contractual cash flows are solely payments of principal and interest (“SPPI”) on the principal amount outstanding to determine the classification of the financial assets.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.13 Financial instruments (Continued)

#### Financial assets (Continued)

##### Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### Financial assets at FVTPL

A financial asset is subsequently measured at FVTPL if the financial asset is a financial asset held for trading, is not measured at amortised cost or at FVTOCI, or is irrevocably elected at initial recognition to be designated FVTPL if, by designating the financial asset as FVTPL, eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Gains or losses are recognised in profit or loss.

##### Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

##### Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost and debt instruments measured at FVTOCI. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.13 Financial instruments (Continued)

#### Financial assets (Continued)

##### Impairment of financial assets (Continued)

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group uses a practical expedient to recognise the ECL for trade receivables and contract assets, which is to measure the loss allowance at an amount equal to lifetime ECL using an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

While they are not financial assets, contract assets arising from the Group's contracts with customers under SFRS(I) 15 are assessed for impairment in accordance with SFRS(I) 9, like that of trade receivables.

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group's accounting policy for its impairment of financial assets, refer to Note 31.

##### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.13 Financial instruments (Continued)

#### Financial liabilities and equity instruments

##### Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

##### *Ordinary share capital*

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

##### *Merger reserve*

Merger reserve represents the difference between the purchase consideration and the share capital of the amalgamated entities under common control.

##### Financial liabilities

##### *Initial recognition and measurement*

All financial liabilities are recognised on trade date - the date on which the Group commits to purchase or sell the asset. All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.13 Financial instruments (Continued)

#### Financial liabilities and equity instruments (Continued)

##### Other financial liabilities

##### *Trade and other payables*

Trade and other payables, amount due to holding company and amount due to ultimate holding company are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

##### *Borrowings*

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.5 above). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

##### Derecognition of financial liabilities

The Group and the Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

##### Offsetting of financial instruments

A financial asset and a financial liability shall be offset, and the net amount presented in the statement of financial position when, and only when, an entity:

- (a) Currently has a legally enforceable right to set off the recognised amounts; and
- (b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks which are subject to insignificant risk of changes in value.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

### 2.16 Leases

At inception of a contract, the Group assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### The Group as a lessee

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under SFRS(I) 16. For these leases, the Group recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable.

Right-of-use assets are presented in Note 11.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.16 Leases (Continued)

#### The Group as a lessee (Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Company obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentive receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable under a residual value guarantee,
- the exercise price under a purchase option that the Group is reasonably certain to exercise, and
- payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset is reduced to zero.

#### The Group as a lessor

Where a contract contains more than one lease and/or non-lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.16 Leases (Continued)

#### The Group as a lessor (continued)

At the lease commencement date, the Group assess and classify each lease as either an operating lease or a finance lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. All other leases are classified as operating leases.

#### *Operating Leases*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, as part of 'revenue'. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### 2.17 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event where it is probable that the obligation will result in an outflow of economic benefits that can be reasonable estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, which is discounted using a pre-tax discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss as they arise.

### 2.18 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed. Where the grant relates to an asset, the grant is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

Non-monetary government grant is recognised at nominal amount.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 2. Summary of material accounting policies (Continued)

### 2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. The management, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the group of executive directors and chief executive officer who make strategic decisions.

## 3. Critical accounting judgements and key sources of estimation uncertainty

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

### 3.1 Critical judgements made in applying the Company's accounting policies

#### Determination of functional currency

The Group translates foreign currency items into the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the respective entities, judgement is used by the Group to determine the currency of the primary economic environment in which the respective entities operate. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

#### Critical judgement over the lease terms

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise the extension option. For leases of office space and retail stores, the following factors are considered to be most relevant:

- If any leasehold improvements are expected to have a significant remaining value, the Group typically includes the extension option in lease liabilities;
- If the retail stores are located in strategic locations that will contribute to the continued profitability of the retail segment, the Group typically includes the extension option in lease liabilities;
- Otherwise, the Group considers other factors including its historical lease periods for similar assets, costs required to obtain replacement assets, and business disruptions.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

### 3.1 Critical judgements made in applying the Company's accounting policies (Continued)

#### Critical judgement over the lease terms (Continued)

The extension options for certain retail stores, equipment and motor vehicles have not been included in lease liabilities because the Group could replace the assets without significant cost or business disruption. The assessment of reasonably certain to exercise extension options is only revised if a significant change in circumstances occurs which affects this assessment, and that is within the control of the lessee.

### 3.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Depreciation of property, plant and equipment and right-of-use assets

The Group depreciates the property, plant and equipment and right-of-use assets over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment and right-of-use assets. The residual value reflects management's estimated amount that the Group would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, as if the asset was already of the age and in the condition expected at the end of its useful life. Changes in the expected level of usage and technological developments could affect the economics, useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. The carrying amounts of the Group's property, plant and equipment and right-of-use assets as at 28 February 2025 were S\$38,925,000 (2024: S\$36,905,000) (Note 10 and Note 11).

#### Impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. The recoverable amounts of these assets are determined by the management based on their highest and best use using its fair value less cost of disposal.

The carrying amounts of the Group's property, plant and equipment and right-of-use assets as at 28 February 2025 were S\$38,925,000 (2024: S\$36,905,000) (Note 10 and Note 11). There was no allowance made on property, plant and equipment and right-of-use assets for the year ended 28 February 2025 and 29 February 2024.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

### 3.2 Key sources of estimation uncertainty (Continued)

#### Measurement of ECL of trade receivables

The Group uses an allowance matrix to measure ECL for trade receivables. The ECL rates are based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that are assessed by geographical locations, product types and internal ratings, adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the trade receivables. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the gross domestic production growth rates of Japan. The Group adjusts, as necessary, the allowance matrix at each reporting date. Such estimation of the ECL rates may not be representative of the actual default in the future. The carrying amount of the Group's trade receivables as at 28 February 2025 are S\$3,267,000 (2024: S\$5,972,000). The expected loss allowance on the Group's trade receivables as at 28 February 2025 was S\$172,000 (2024: S\$258,000) (Note 17).

#### Measurement of ECL of other receivables

For other receivables, the loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history, existing market conditions as well as forward looking estimates at the end of each reporting year. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The expected loss allowances on the other receivables of the Group as at 28 February 2025 are S\$Nil (2024: S\$35,000) (Note 17).

#### Impairment assessment of goodwill

The Group tests goodwill for impairment at least on an annual basis. Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units ("CGUs") to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGUs, including their best estimate of a suitable discount rate in order to calculate present value. The carrying amount of goodwill as at 28 February 2025 was S\$1,262,000 (2024: S\$1,257,000). The Group did not recognise impairment loss during the financial year (2024: S\$214,000) (Note 13).

#### Impairment of investments in subsidiaries

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investments are impaired. Where applicable, the Company's assessments are based on the estimation of the value-in-use of the assets defined in SFRS(I) 1-36 Impairment of Assets by forecasting the expected future cash flows for a period of up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The Company's carrying amount of investments in subsidiaries as at 28 February 2025 was S\$16,186,000 (2024: S\$15,544,000) (Note 14).

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

### 3.2 Key sources of estimation uncertainty (Continued)

#### Impairment of intangible assets

The Group assess intangible assets for any indication of impairment at least on an annual basis. Determining whether intangible assets are impaired requires an estimation of the value-in-use. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the intangible assets, including their best estimate of a suitable discount rate in order to calculate present value. The carrying amount of intangible assets as at 28 February 2025 was S\$355,000 (2024: S\$491,000). Impairment loss recognised during the financial year is amounting to S\$88,000 (2024: S\$288,000) (Note 12).

#### Provision for income taxes

The Company has exposure to income taxes in one jurisdiction of which a portion of these taxes arose from certain transactions and computations for which ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities of expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax positions in the period in which such determination is made. The carrying amounts of the Company's current tax receivable as at 28 February 2025 was S\$169,000 (2024: current tax payable of S\$900,000).

## 4. Revenue

	Group	
	2025 S\$'000	2024 S\$'000
Revenue from contracts with customers - Food retail business	24,874	24,159
Rental income - Restaurant leasing and subleasing business	18,262	19,614
	43,136	43,773

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 4. Revenue (Continued)

	Restaurant leasing and sublease business		Food retail business	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Geographical markets</u>				
Japan	18,262	19,614	10,290	11,945
Singapore	–	–	6,558	6,419
Malaysia	–	–	8,026	5,539
Taiwan	–	–	–	256
	<u>18,262</u>	<u>19,614</u>	<u>24,874</u>	<u>24,159</u>
<u>Timing of transfer of goods and services</u>				
Point in time	–	–	24,874	24,159
Over time	18,262	19,614	–	–
	<u>18,262</u>	<u>19,614</u>	<u>24,874</u>	<u>24,159</u>

Transaction price allocated to the remaining unsatisfied or partially satisfied performance obligations and expected to be realised in the following financial years are as follows:

	2025	2024
	S\$'000	S\$'000
Within one year	16,651	15,424
After one year within five years	22,217	22,085
More than five years	5,195	6,814
	<u>44,063</u>	<u>44,323</u>

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 5. Other Income

	Group	
	2025	2024
	S\$'000	S\$'000
Consultancy income	324	324
Realise foreign exchange gain, net	15	44
Unrealised foreign exchange gain, net	6	280
Interest income	14	5
Gain on disposal of intangible assets	–	294
Gain on disposal of subsidiaries	–	1,707
Government grants	53	43
Rental income	88	90
Rental rebate	10	4
Sundry income	14	48
Other	31	73
	<u>555</u>	<u>2,912</u>

## 6. Finance costs

	Group	
	2025	2024
	S\$'000	S\$'000
Interest expenses:		
- lease liabilities	564	563
- bank borrowing	211	176
- others	–	41
	<u>775</u>	<u>780</u>

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 7. (Loss)/Profit before income tax

In addition to the charges and credits disclosed elsewhere in the notes to the consolidated financial statements, the following charges were included in the determination of (loss)/profit before income tax:

	Group	
	2025	2024
	S\$'000	S\$'000
Depreciation of property, plant and equipment	640	509
Depreciation of right-of-use assets	16,000	15,225
Directors' fees:		
- Directors of the Company	25	–
Directors' remuneration other than fees:		
- Directors of the subsidiaries		
- Short-term benefits	678	699
- Share-based payment	184	32
Employee benefits expense		
- Salaries, bonuses and other benefits	6,389	8,092
- Contributions to defined contribution plans	161	169
- Share-based payment	648	226
Loss on disposal of property, plant and equipment	13	19

Employee benefits expense includes the remuneration of Directors and other key management personnel as disclosed in Note 29 to the financial statements.

## 8. Income tax (benefit)/expense

	Group	
	2025	2024
	S\$'000	S\$'000
Current income tax		
- Current	18	941
Deferred income tax		
- Current	(140)	(18)
Total income tax (benefit)/expense	(122)	923



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 8. Income tax (benefit)/expense (Continued)

The Company is incorporated in Singapore and accordingly is subject to income tax rate of 17%. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. There were no changes in the enterprise income tax of the different applicable jurisdictions in the current year from the last year.

### Reconciliation of effective income tax rate

	Group	
	2025	2024
	S\$'000	S\$'000
(Loss)/Profit before income tax	(4,255)	2,328
Income tax calculated at Singapore's statutory income tax rate of 17% (2024: 17%)	(723)	396
Tax effect of income not subject to tax	(16)	(83)
Tax effect of expenses not deductible for tax purposes	619	478
Effect of different tax rates of overseas operations	155	685
Deferred tax asset not recognised	113	38
Utilisation of previously unrecognised deferred assets	(270)	(591)
Total income tax expenses recognized in profit or loss	(122)	923

As at 28 February 2025, the Group has unutilised tax losses S\$1,957,000 (2024: S\$2,383,000), which are available for set-off against future taxable profits, subject to the provisions of the Singapore Income Tax Act, Chapter 134. Deferred tax assets have not been recognised in respect of the deductible temporary differences because it is not probable that future taxable profit will be available against which the Company can utilise the benefits therefrom.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 9. (Losses)/Earnings per share

Basic and diluted (loss)/earnings per share are calculated by dividing the loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year. The following table reflects the profit and share data used in the computation of basic earnings per share:

	2025 S\$'000	2024 S\$'000
(Loss)/Profit for the financial year attributable to the owners of the Company	(4,133)	1,405
Weighted average number of ordinary shares outstanding	103,786,389	86,554,269
Basic and diluted (loss)/earnings per share (cents)	(3.98)	1.62

The basic and diluted loss per share is the same as there were no potentially dilutive instruments.

## 10. Property, plant and equipment

Group	Renovation S\$'000	Tools and fixtures S\$'000	Leased assets S\$'000	Motor vehicle S\$'000	Freehold Land S\$'000	Construction in progress S\$'000	Total S\$'000
<b>Cost</b>							
At 1 March 2023	3,935	1,757	188	34	–	–	5,914
Additions	1,429	405	99	42	–	–	1,975
Disposals	(175)	(163)	(143)	–	–	–	(481)
Written off	–	(1)	–	–	–	–	(1)
Exchange differences	(261)	(93)	(15)	(3)	–	–	(372)
At 29 February 2024	4,928	1,905	129	73	–	–	7,035
Additions	1,140	361	–	–	479	156	2,136
Disposals	(813)	(138)	(5)	–	–	–	(956)
Written off	–	(173)	–	–	–	–	(173)
Exchange differences	36	41	2	4	13	4	100
At 28 February 2025	5,291	1,996	126	77	492	160	8,142

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 10. Property, plant and equipment (Continued)

Group	Renovation S\$'000	Tools and fixtures S\$'000	Leased assets S\$'000	Motor vehicle S\$'000	Freehold Land S\$'000	Construction in progress S\$'000	Total S\$'000
<b>Accumulated depreciation</b>							
At 1 March 2023	2,245	1,251	163	24	–	–	3,683
Depreciation	262	207	27	13	–	–	509
Disposals	(96)	(142)	(143)	–	–	–	(381)
Written off	–	(1)	–	–	–	–	(1)
Exchange differences	(79)	(54)	(9)	(2)	–	–	(144)
At 29 February 2024	2,332	1,261	38	35	–	–	3,666
Depreciation	379	223	26	12	–	–	640
Disposals	(216)	(127)	(5)	–	–	–	(348)
Written off	–	(109)	–	–	–	–	(109)
Exchange differences	3	18	1	2	–	–	24
At 28 February 2025	2,498	1,266	60	49	–	–	3,873
<b>Impairment losses</b>							
As at 1 March 2023	6	67	–	–	–	–	73
Exchange differences	–	(4)	–	–	–	–	(4)
At 29 February 2024	6	63	–	–	–	–	69
Disposals	–	(1)	–	–	–	–	(1)
Written off	–	(57)	–	–	–	–	(57)
Exchange differences	(6)	(1)	–	–	–	–	(7)
At 28 February 2025	–	4	–	–	–	–	4
<b>Net Carrying Amount</b>							
At 29 February 2024	2,590	581	91	38	–	–	3,300
At 28 February 2025	2,793	726	66	28	492	160	4,265

Leased assets consist of moveable kitchen equipment that the Group owned.

During the financial year, the Group acquired property, plant and equipment for an aggregate of approximately S\$2,136,000 (2024: S\$1,975,000) by cash.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 11. Right-of-use assets

Group	Subleasing properties S\$'000	Restaurant premise S\$'000	Office premise S\$'000	Staff accommodation S\$'000	Tools and equipment S\$'000	Total S\$'000
<b>Cost</b>						
At 1 March 2023	55,160	5,203	517	261	61	61,202
Additions	25,081	2,179	118	87	–	27,465
Additions due to acquisition (Note 13)	927	–	–	–	–	927
Disposals	(5,166)	(885)	–	–	–	(6,051)
Derecognition of right-of-use assets	–	(201)	–	–	–	(201)
Exchange differences	(6,002)	(307)	(38)	(28)	(6)	(6,381)
At 29 February 2024	70,000	5,989	597	320	55	76,961
Additions	15,830	698	191	268	–	16,987
Disposals	(1,478)	(238)	(436)	–	–	(2,152)
Derecognition of right-of-use assets	–	(92)	–	–	–	(92)
Exchange differences	708	93	(5)	9	–	805
At 28 February 2025	85,060	6,450	347	597	55	92,509
<b>Accumulated depreciation</b>						
At 1 March 2023	32,282	2,260	280	177	51	35,050
Depreciation	13,206	1,654	246	112	7	15,225
Disposals	(2,753)	(885)	–	–	–	(3,638)
Derecognition of right-of-use assets	–	(201)	–	–	–	(201)
Exchange differences	(3,443)	(139)	(29)	(21)	(5)	(3,637)
At 29 February 2024	39,292	2,689	497	268	53	42,799
Depreciation	13,993	1,746	112	147	2	16,000
Disposals	(1,402)	(238)	(338)	–	–	(1,978)
Derecognition of right-of-use assets	–	(92)	–	–	–	(92)
Exchange differences	556	41	(4)	5	–	598
At 28 February 2025	52,439	4,146	267	420	55	57,327

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 11. Right-of-use assets (Continued)

Group	Subleasing properties S\$'000	Restaurant premise S\$'000	Office premise S\$'000	Staff accommodation S\$'000	Tools and equipment S\$'000	Total S\$'000
<b>Impairment losses</b>						
At 1 March 2023	609	–	–	–	–	609
Exchange differences	(52)	–	–	–	–	(52)
At 29 February 2024	557	–	–	–	–	557
Exchange differences	(35)	–	–	–	–	(35)
At 28 February 2025	522	–	–	–	–	522
<b>Net carrying amount</b>						
At 29 February 2024	30,151	3,300	100	52	2	33,605
At 28 February 2025	32,099	2,304	80	177	–	34,660

Disposal during the current financial year and previous financial year relates to cancellation the lease contract with the landlord and tenants. Derecognition during the current financial year and previous year relates to the expiry of the existing leases.

The total cash flow for leases during the financial year ended 28 February 2025 is S\$16,652,000 (2024: S\$16,225,000).



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 12. Intangible assets

Group	Business right S\$'000	Software S\$'000	Trademark S\$'000	Franchise right S\$'000	Total S\$'000
<b>Cost</b>					
At 1 March 2023	552	521	813	25	1,911
Additions	–	17	–	–	17
Disposal	–	(20)	(578)	–	(598)
Exchange differences	(50)	(48)	(5)	–	(103)
At 29 February 2024	502	470	230	25	1,227
Additions	–	15	5	–	20
Exchange differences	2	2	1	–	5
At 28 February 2025	504	487	236	25	1,252
<b>Accumulated amortisation</b>					
At 1 March 2023	3	221	5	22	251
Amortisation	–	71	–	–	71
Disposal	–	(10)	–	–	(10)
Exchange differences	–	(22)	–	–	(22)
At 29 February 2024	3	260	5	22	290
Amortisation	–	69	1	–	70
Exchange differences	–	3	–	–	3
At 28 February 2025	3	332	6	22	363
<b>Accumulated impairment</b>					
At 1 March 2023	245	95	430	–	770
Addition	–	–	288	–	288
Disposal	–	–	(576)	–	(576)
Exchange differences	(22)	(9)	(5)	–	(36)
At 29 February 2024	223	86	137	–	446
Addition	–	–	88	–	88
Exchange differences	–	–	–	–	–
At 28 February 2025	223	86	225	–	534
<b>Net carrying amount</b>					
At 29 February 2024	276	124	88	3	491
At 28 February 2025	278	69	5	3	355

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 12. Intangible assets (Continued)

### Impairment assessment

The Group tests cash-generating units for impairment when there is an indication for impairment.

The Group has measured the recoverable amount of the CGU based on a value in use calculation using 5-years cash flows projections for trademark approved by the Board of Directors. Key assumptions on which management has based its cash flow projections for the respective periods are as follows:

	Discount rate		Growth rate		Terminal growth rate	
	2025	2024	2025	2024	2025	2024
	%	%	%	%	%	%
Trademark - Suzuki	9.3	9.3	0.0	2.0	–	1.0

**Discount rate:** The discount rate is based on the weighted average cost of the Group's capital (the "WACC"), adjusted for the specific circumstances of the CGU and based on management's experience, and re-grossed to arrive at the pre-tax rate.

**Growth rates:** The projected revenue growth rates used are based on the published industry research, adjusted for the specific circumstances of the CGU and based on management's experience, and do not exceed the long-term average growth rate for the corresponding industry of the CGU.

**Terminal growth rate:** The terminal growth rate is based on the published countries inflation and industry research, adjusted for the specific circumstances of the CGU and based on management's experience.

As at 28 February 2025, S\$88,000 (2024: S\$288,000) has been recognised in the profit or loss of the Group in relation to the trademark, as the recoverable amount of the CGUs was estimated to be less than its carrying amount.

## 13. Goodwill

	Group	
	2025 S\$'000	2024 S\$'000
<b>Cost:</b>		
At beginning and end of financial year	1,257	428
Arising from acquisition of business	–	1,318
Less: Impairment loss	–	(489)
Exchange differences	5	–
At end of financial year	1,262	1,257

Goodwill acquired in a business combination is allocated to the cash-generating units that are expected to benefit from the business combination.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 13. Goodwill (Continued)

### Acquisition of business

On 1 December 2023, the Group completed the acquisition of 100% of the business of 5 unit of sublease properties, for a cash consideration of JPY195,000,000 (approximately S\$ 1,750,000) from a third party. The goodwill arising from this acquisition represents premium paid for an acquired business over its net identifiable assets. It reflects the value of factors such as strategic location of the assets and the expected synergies from the Group's operations.

	Fair value recognised on date of acquisition S\$'000
<b>Assets</b>	
Right-of-use assets	927
Other receivables	703
	<u>1,630</u>
<b>Liabilities</b>	
Deposit payables	(271)
Lease liabilities	(927)
	<u>432</u>
<b>Net assets</b>	
Goodwill arising from acquisition	1,318
Total consideration	<u>1,750</u>

The carrying amount of goodwill had been allocated by CGU as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
F Innovators Singapore Pte. Ltd. ("FIS")	214	214
Sublease business	1,048	1,043
	<u>1,262</u>	<u>1,257</u>

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 13. Goodwill (Continued)

### Acquisition of business (Continued)

The Group tests cash-generating units for impairment annually, or more frequently when there is an indication for impairment.

The Group has measured the recoverable amount of the CGU based on a value in use calculation using 15-years cash flows projections for sublease business and 5-years cash flows projections for FIS approved by the Board of Directors. Key assumptions on which management has based its cash flow projections for the respective periods are as follows:

	Discount rate		Growth rate		Terminal growth rate	
	2025	2024	2025	2024	2025	2024
	%	%	%	%	%	%
Sublease business	4.6	3.5	1.0	1.0	–	–
F Innovators Singapore Pte. Ltd.	7.3	6.9	2.5 to 3.0	-7.0 to 3.0	2.0	2.0

**Discount rate:** The discount rate is based on the weighted average cost of the Group's capital (the "WACC"), adjusted for the specific circumstances of the CGU and based on management's experience, and re-grossed to arrive at the pre-tax rate.

**Growth rates:** The projected revenue growth rates used are based on the published industry research, adjusted for the specific circumstances of the CGU and based on management's experience, and do not exceed the long-term average growth rate for the corresponding industry of the CGU.

**Terminal growth rate:** The terminal growth rate is based on the published countries inflation and industry research, adjusted for the specific circumstances of the CGU and based on management's experience.

Management is of the view that no reasonable possible changes in any of the key assumptions would cause the CGU's carrying amount to materially exceed its recoverable amount.

As at 28 February 2025, no impairment losses (2024: S\$214,000 and S\$275,000) have been recognised in the profit or loss of the Group in relation to the goodwill allocated to FIS and sublease business CGUs respectively, as the recoverable amount of the CGUs was estimated to be higher than its carrying amount.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 14. Investment in subsidiaries

	Company	
	2025 S\$'000	2024 S\$'000
Unquoted equity shares, at cost	22,596	21,277
Addition	–	500
Disposal	–	(51)
Add: Capital contribution – Food Innovators Holdings Limited Employee Share Option Scheme	642	870
Less: Allowance for impairment loss	(7,052)	(7,052)
At end of the year	16,186	15,544

There is no movement for the allowance for impairment loss.

The Group has the following subsidiaries as at 28 February 2025 and 29 February 2024:

Name of subsidiaries	Principal activities	Place of incorporation	Effective equity interest	
			2025 %	2024 %
<b>Held by the Company</b>				
Food Innovators Japan Co Ltd. (“FIJ”) <sup>(a)</sup>	Restaurant operation; sale, lease and brokerage of real estate; provision of restaurant management consultancy services	Japan	100	100
F Innovators Singapore Pte Ltd (“FIS”) <sup>(b)</sup>	Restaurants operation, the provision of business management and consultancy services	Singapore	100	100
F Innovators Malaysia Sdn Bhd <sup>(c)</sup>	Restaurant operation	Malaysia	100	100
Tomaatti Co., Ltd. <sup>(a)</sup>	Restaurants operation, the provision of business management and consultancy services	Japan	100	100
<b>Held through FIJ</b>				
RFIJ LLC <sup>(a)</sup>	Restaurant leasing and subleasing business	Japan	100	–

<sup>(a)</sup> Audited by Forvis Mazars Japan, for group consolidation purpose

<sup>(b)</sup> Audited by Forvis Mazars Singapore.

<sup>(c)</sup> Audited by Forvis Mazars Malaysia

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 14. Investment in subsidiaries (Continued)

### Incorporation of a subsidiary

On 31 January 2025, the Group incorporated a subsidiary, RFIJ LLC, in Japan, through FIJ. FIJ subscribed and was allotted 100,000 ordinary shares for total consideration of JPY 100,000 (approximately S\$1,000) fully paid in cash.

### Key assumptions used in the value in use calculations

The key assumptions for the value-in-use calculations are those regarding the discount rate, growth rate and terminal growth rates as follows:

	Discount rate		Growth rate		Terminal growth rate	
	2025	2024	2025	2024	2025	2024
	%	%	%	%	%	%
FIJ	4.6	3.4	2.0 to 8.0	-1.0 to 10.0	1.0	1.0
FIS	7.3	6.9	2.5 to 3.0	-7.0 to 3.0	2.0	2.0

Management estimates the discount rates using pre-tax rates that reflect current market assessment of the time value of money and the risks specific to each CGU. The revenue and terminal growth rates are based on management's estimates and expectations from historical trends, market and economic conditions, industry indices and planned strategies on revenue growth and cost initiatives.

The calculations of value in use for the CGUs are most sensitive to the following assumptions:

**Discount rate:** The discount rate used is based on the weighted average cost of the Group's capital (the "WACC") adjusted for the specific circumstances of the CGU and based on management's experience, and re-grossed back to arrive at the pre-tax rate.

**Growth rate:** The projected revenue growth rates used are based on the published industry research, adjusted for the specific circumstances of the CGU and based on management's experience, and do not exceed the long-term average growth rate for the corresponding industry of the CGU.

**Terminal growth rate:** The terminal growth rate is based on the published countries inflation and industry research, adjusted for the specific circumstances of the CGU and based on management's experience.

Management is of the view that no reasonable possible changes in any of the key assumptions would cause the CGU's carrying amount to materially exceed its recoverable amount.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 15. Investment in associate

	Group	
	2025 S\$'000	2024 S\$'000
Investment in associate, at cost	179	179
Share of post-acquisition results	(108)	(91)
Exchange differences	4	4
Carrying amount	75	92

The details of the associates are as follows:

Name of associate	Country of incorporation and principal place of business	Principal activities	Effective equity interest held by the Group	
			2025 %	2024 %
HALAKI Corporation <sup>(1)</sup>	Japan	Restaurant operation	28.4	40.0

<sup>(1)</sup> Not required for audit.

In FY2024, the Group established HALAKI Corporation, a private company incorporated in Japan for JPY 20,000,000 together with third parties in which the Group held 40% and had significant influence.

In FY2025, HALAKI raised additional share capital of JPY 20,000,000 from a third party, resulting in a dilution of the Group's equity interest to 28.4%. As the Group did not dispose of any of its existing shares and continues to retain significant influence over HALAKI, the investment remains accounted for using the equity method.

## 16. Other investment

	Group	
	2025 S\$'000	2024 S\$'000
<b>Non-current investment</b>		
- Unquoted equity instrument – at FVTPL	135	–

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 16. Other investment (Continued)

### Unquoted equity instruments

The investments in unquoted equity instruments classified at FVTPL relate to investments in three (2024: one) private companies incorporated in Japan which is engaged in the operation of the restaurant of beef burger and spaghetti and are denominated in JPY.

During the financial year ended 28 February 2025, the Group invested a total of JPY 14,980,000 (approximately S\$135,000) in two private companies incorporated in Japan. As the Group's shareholding in each of these companies is less than 10%, the investments are classified as Other Investments.

At the end of the financial year, the management had assessed and no fair value loss was recognised for the unquoted equity instrument (2024: fair value loss of S\$31,000) in profit or loss of the Group in view of the negative financial position of the investee company.

## 17. Trade and other receivables

	Group		Company	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Trade receivables</u>				
Third parties	3,439	6,230	–	–
Less: Allowance for credit losses	(172)	(258)	–	–
	3,267	5,972	–	–
<u>Other receivables</u>				
- Third parties	1,613	1,372	134	45
- Deposits	11,416	10,426	–	–
- Loan to a subsidiary	–	–	147	182
- Amount due to a subsidiary	–	–	181	303
Less: Allowance for credit losses	–	(35)	–	–
	13,029	11,763	462	530
Prepayment	2,525	3,105	32	327
Total	18,821	20,840	494	857
Current	5,204	7,990	398	743
Non-current	13,617	12,850	96	114
Total	18,821	20,840	494	857

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 17. Trade and other receivables (Continued)

Trade receivables are unsecured, non-interest bearing and generally on 0 to 30 (2024: 0 to 30) days' credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The other receivables are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash.

Deposits mainly represent refundable rental deposits for the rental of restaurant outlets and sublease properties. Majority of the deposits are classified under non-current assets, as they are expected to be held beyond the next financial year and will be refunded upon lease maturity or termination, subject to contractual terms. The deposits with a carrying amount of S\$279,000 (2024: S\$660,000) have been pledged to financial institution to secure loans granted to the group (Note 28).

Prepayments mainly comprise prepaid operating expenses and advance rental payment to the landlord will be recognised in the statement of profit and loss as an expenses and cost of sales respectively in the next financial year.

The Group's and Company's trade and other receivables (net of allowance and impairment loss) that are not denominated in the functional currencies of the respective entities are as follows:

	Group		Company	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Japanese Yen	167	–	167	–

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 18. Deferred tax assets

	Group	
	2025	2024
	S\$'000	S\$'000
At beginning of the year	273	297
Credit to profit or loss for the year (Note 8)	140	18
Exchange differences	6	(42)
At end of the year	419	273
<u>Deferred tax assets</u>		
Unearned revenue	605	457
Unabsorbed capital allowance	517	513
	1,122	970
<u>Deferred tax liabilities</u>		
Accelerated tax depreciation	(703)	(697)
	(703)	(697)

- (a) Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable.
- (b) The following deductible temporary difference has not been recognised:

	Group	
	2025	2024
	S\$'000	S\$'000
Tax losses	1,266	2,383

The tax losses are subject to agreement by tax authorities and compliance with tax regulations in the respective countries in which the Company and certain subsidiaries operate. Deferred tax assets have not been recognised in respect of the tax losses due to uncertainty in the availability of future taxable profit against which the Group and the Company can utilise the tax losses.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 19. Inventories

	Group	
	2025 S\$'000	2024 S\$'000
Consumables	557	393
Merchandise	46	–
	<u>603</u>	<u>393</u>

The cost of inventories recognised as an expense and included in “cost of sales” line item in profit or loss for the financial year ended 28 February 2025 amounted to S\$6,924,000 (2024: S\$6,063,000).

## 20. Cash and cash equivalents

	Group		Company	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Cash on hand	29	23	–	–
Cash at banks	2,450	1,224	553	206
	<u>2,479</u>	<u>1,247</u>	<u>553</u>	<u>206</u>

The effective interest rates of the cash and bank balances of the Group and the Company range from 0% to 0.1% and 0% (2024: 0% to 5.48% and 0%) per annum respectively.

The Group's and Company's cash and cash equivalents that are not denominated in the functional currencies of the respective entities are as follows:

	Group		Company	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Japanese Yen	<u>27</u>	<u>208</u>	<u>22</u>	<u>206</u>

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 21. Share capital

	Group and Company			
	2025		2024	
	No. of ordinary shares		No. of ordinary shares	
	'000	S\$'000	'000	S\$'000
<b><u>Issued and fully paid, with no Par value</u></b>				
At beginning	96,428	23,673	85,107	21,277
Share capital pending issuance	–	–	11,321	2,396
Share capital issuance before IPO	2,617	670	–	–
Share capital issuance for IPO	14,000	3,080	–	–
At end of year	113,045	27,423	96,428	23,673

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

On 16 October 2024, the Company was listed on the Catalist board of the SGX-ST. The Company issued 2,617,000 shares before IPO, and 14,000,000 shares for IPO, resulting in total number of shares of 113,045,444 shares.

## 22. Share option reserve

The share option reserve represents equity-settled share options granted to employee. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options and is reduced by the expiry or exercise of the share option.

## 23. Merger reserve

The merger reserve represents amalgamation involving under common control. The reserve arises from the difference between the purchase consideration and the share capital of the amalgamated entities under common control.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 24. Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

## 25. Share-based payment

Share options were granted to key management personnel and employees who were employed on 2 September 2019 by Food Innovators Japan Co., Ltd. ("FIJ"), regardless the length of service under the Food Innovators Japan Co., Ltd. ("FIJ") Share Option Scheme, which became operative on 2 September 2019. Also, share options were granted to business partner, which became operative on 2 September 2019.

Once they have vested, the options are exercisable over a period from 2 September 2021 to 31 March 2024. The options may be exercised in full or in part, on the payment of the exercise price. The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

On 2 September 2019, options to subscribe for 1,838 ordinary shares in the FIJ at an exercise price of JPY130,000 per ordinary share were granted pursuant to the Scheme ("2019 Options"). The 2019 Options are exercisable from 2 September 2021 and expire on 31 March 2024.

On 26 August 2020, Share Option Scheme issued by FIJ was terminated and re-issued by Food Innovator Holdings Limited ("FIH"). Option to subscribe for 13,409,068 ordinary shares in FIH at an exercise price of S\$0.25 per ordinary share were granted pursuant to the Scheme ("2020 Options"). The 2020 Options are exercisable during the period from 2 September 2021 or the date of commencement of dealing in FIH shares on Catalist, whichever is later, until and expire on 31 March 2024.

In February 2024, FIH implemented the FIH Share Option Plan to employees and non-employees. Option to subscribe for 16,270,000 ordinary shares in FIH at an exercise price of S\$0.22 per ordinary share were granted pursuant to the Scheme ("2024 Options"). The 2024 Options are exercisable during the period from 22 May 2025 to 31 March 2028.

Options	Date of grant	Expiry date	Exercise price (S\$)	At 1.3.2024	Granted	Exercised	Expired	At 28.2.2025
2020 Options	26.8.2020	31.3.2024	0.25	12,692,332	–	–	(12,692,332)	–
2024 Options	22.5.2024	31.3.2028	0.22	–	16,270,000	–	–	16,270,000

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 25. Share-based payment (Continued)

*Fair value of share options granted during the year ended 28 February 2025 and 29 February 2024 assumptions used:*

### **2020 Options**

Date of grant of options	26/8/2020
Fair value at measurement date	S\$0.082
Share price	S\$0.25
Exercise price	S\$0.25
Expected volatility	47.05%
Expected option life	4 years
Risk-free interest rate	0.332%

### **2024 Options**

Date of grant of options	22/5/2024
Fair value at measurement date	S\$0.039
Share price	S\$0.22
Exercise price	S\$0.22
Expected volatility	22.10%
Expected option life	2.43 years
Risk-free interest rate	3.50%

The expected volatility is based on the historical volatility of comparable companies (calculated based on the weighted average expected life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

There are no market conditions associated with the share option grants. Service conditions and non-market performance conditions are not taken into account in the measurement of the fair value of the services to be received at the grant date.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 26. Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Trade payables</u>				
- Third parties	704	591	–	–
<u>Other payables</u>				
- Third parties	7,288	7,435	900	897
- accrued operating expenses	783	642	92	77
- deposit received	7,715	7,120	–	–
- amount due to a subsidiary	–	–	233	127
	15,786	15,197	1,225	1,101
GST payables	133	117	–	–
Total	16,623	15,905	1,225	1,101
Current	8,440	8,173	1,001	995
Non-current	8,183	7,732	224	106
Total	16,623	15,905	1,225	1,101

Trade payables are unsecured, non-interest bearing and are normally settled between 30 to 60 (2024: 30 to 60) days' credit terms.

Other payables of the Group including advance from a third party amounting to S\$895,560 (2024: S\$897,400) secured by one of the directors of the Company, with interest bearing at 5% (2024: 5%) per annum and to be settled on 31 October 2025 (2024: was fully repaid on 21 March 2024).

Amount due to a subsidiary is unsecured, with interest bearing of 2.2% (2024: 5%) per annum and to be settled on 29 October 2027.

Other than those disclosed above, other payables are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 27. Leases

The Group has lease contracts relating to retail outlet premises in Singapore and Japan.

### Extension options

The Group has lease contract with extension option exercisable by the Group up to 3 months before the end of the non-cancellable contract period. The extension option is exercisable by the Group and not the lessor. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension options are reasonably certain to be exercised.

The Group included the extension option in the lease term for leases of retail outlet premises because of the additional costs that would arise to replace the assets. The movement of right-of-use assets are disclosed in Note 11.

### 27(a). Lease liabilities

	Group	
	2025 S\$'000	2024 S\$'000
Lease liabilities - current	14,215	13,272
Lease liabilities - non-current	20,910	20,886
	<u>35,125</u>	<u>34,158</u>

The maturity analysis of lease liabilities is disclosed in Note 30.

### 27(b). Amounts recognised in profit or loss

	Group	
	2025 S\$'000	2024 S\$'000
Depreciation of right-of-use assets	16,000	15,225
Interest expense on lease liabilities	564	563
Expense relating to short-term leases or low-value assets	<u>1,379</u>	<u>1,759</u>

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 28. Borrowings

	Group		Company	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current</u>				
Loans	1,581	1,787	72	110
<u>Non-current</u>				
Loans	7,260	6,376	39	65
	8,841	8,163	111	175

The Group's and the Company's loans amounting to S\$207,000 and S\$111,000 (2024: S\$426,000 and S\$175,000) are supported by a personal guarantee from one of the directors of the Company.

The Group's loans amounting to S\$2,947,000 (2024: S\$2,518,000) are supported by a personal guarantee from one of the directors of a subsidiary.

The Group's loans amounting to S\$164,000 (2024: S\$511,000) are secured by securities over a security deposit as disclosed in Note 17.

The weighted average effective interest rates of the Group's loans are 1.95% (2024: 1.57%)

## 29. Capital commitments

	Group	
	2025	2024
	S\$'000	S\$'000
Capital expenditure contracted but not provided for		
- Commitments for the acquisition of property, plant and equipment	100	–

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 30. Significant related party transactions

A related party is defined as follows:

- (i) A person or a close member of that person's family is related to the Group and Company if that person:
  - (i) Has control or joint control over the Company;
  - (ii) Has significant influence over the Company; or
  - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (ii) An entity is related to the Group and the Company if any of the following conditions applies:
  - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

The effect of the Group's and Company's transactions and arrangements with related parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company do not have significant transactions with related parties in the financial year ended 28 February 2025 and 29 February 2024.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 30. Significant related party transactions (Continued)

### *Compensation of key management personnel*

The remuneration of directors and other members of key management during the financial year was as follows:

	2025 S\$'000	2024 S\$'000
<b><i>Directors of the Group</i></b>		
Salaries and other short-term employee benefits	703	699
Share-based payment	184	32

## 31. Financial instruments and financial risks

The Group's activities expose it to credit risk, market risk (including foreign currency risk and interest rate risks) and liquidity risk. The Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The directors are responsible for setting the objectives and underlying principles of financial risk management for the Group. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the directors.

There have been no changes to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

### **Credit risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of their counterparties' financial condition and generally do not require collaterals.

The Group's credit risk arises mainly from cash and cash equivalents, and trade and other receivables.

Cash and cash equivalents are mainly deposits with banks with high credit-ratings assigned by international credit rating agencies and the Group does not expect the impairment loss from cash and cash equivalents to be material, if any.

To assess and manage its credit risk, the Group categorises the aforementioned financial assets according to their risk of default. The Group defines default to have taken place when internal or/and external information indicates that the financial asset is unlikely to be received, which could include a breach of debt covenant, default of interest due for more than 30 days, but not later than when the financial asset is more than 90 days past due as per SFRS(I) 9's presumption.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 31. Financial instruments and financial risks (Continued)

### Credit risk (Continued)

The Group has not rebutted the presumption included in SFRS(I) 9 that there has been a significant increase in credit risk since initial recognition when financial assets are more than 30 days past due.

In their assessment, the management considers, amongst other factors, the latest relevant credit ratings from reputable external rating agencies where available and deemed appropriate, historical credit experiences, latest available financial information and latest applicable credit reputation of the debtor.

The Group's internal credit risk grading categories are as follows:

Category	Description	Basis of recognising ECL
1	Low credit risk <sup>Note 1</sup>	12-months ECL
2	Non-significant increase in credit risk since initial recognition and financial asset is ≤ 90 days past due	12-months ECL
3	Significant increase in credit risk since initial recognition <sup>Note 2</sup> or financial asset is > 90 days past due	Lifetime ECL
4	Evidence indicates that financial asset is credit-impaired <sup>Note 3</sup>	Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate
5	Evidence indicates that the management has no reasonable expectations of recovering the write off amount <sup>Note 4</sup>	Written-off

#### Note 1. Low credit risk

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Group assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 31. Financial instruments and financial risks (Continued)

### *Credit risk (Continued)*

Note 2. Significant increase in credit risk

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. In assessing the significance of the change in the risk of default, the Group considers both past due (i.e., whether it is more than 30 days past due) and forward looking quantitative and qualitative information. Forward looking information includes the assessment of the latest performance and financial position of the debtor, adjusted for the Group's outlook of the industry in which the debtor operates. In its assessment, the Group will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are >30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Note 3. Credit impaired

In determining whether financial assets are credit-impaired, the Group assesses whether one or more events that have a detrimental impact on the estimated future cashflows of the financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 90 days past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for the financial asset because of financial difficulties.

Note 4. Write off

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cashflows to repay the amounts subjected to the write-off.

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

The Group does not have any significant credit exposure to any single counterparty or any Company of counterparties having similar characteristics.

As at the end of the financial period, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 31. Financial instruments and financial risks (Continued)

### Credit risk (Continued)

#### Trade receivables (Note 17)

The Group uses the practical expedient under SFRS(I) 9 in the form of allowance matrix to measure the ECL for trade receivables, where the loss allowance is equal to lifetime ECL.

The ECL for trade receivables are estimated using an allowance matrix by reference to the historical credit loss experience of the customers for the last 3 years prior to the respective reporting dates for various customer Group that are assessed by geographical locations, product types and internal ratings, adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the financial assets. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the gross domestic production growth rates of the countries (eg. Singapore and Japan) and the growth rates of the major industries which its customers operate in.

Trade receivables are written off when there is evidence to indicate that the customer is in severe financial difficulty such as being under liquidation or bankruptcy and there are no reasonable expectations for recovering the outstanding balances.

The loss allowance for trade receivables is determined as follows:

Group	Trade receivables					Total
	Current	Past due 1 to 30 days	Past due 31 to 60 days	Past due 61 to 90 days	Past due more than 90 days	
<b>28 February 2025</b>						
Expected credit loss rates	0.59%	–	–	–	8.54%	
Total gross carrying amount (S\$'000)	1,464	59	2	1	1,913	3,439
Loss allowance (S\$'000)	9	–	–	–	163	172
<b>29 February 2024</b>						
Expected credit loss rates	3.65%	–	–	–	7.23%	
Total gross carrying amount (S\$'000)	4,608	361	3	13	1,245	6,230
Loss allowance (S\$'000)	168	–	–	–	90	258

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 31. Financial instruments and financial risks (Continued)

### *Credit risk (Continued)*

#### Other receivables and deposits with external parties (Note 17)

The Group assessed the loss allowance of the other receivables and deposits with external parties on a 12-month ECL basis consequent to their assessment and conclusion that these receivables have no significant increase in credit risk. In its assessment of the credit risk of the debtors,, the Group considered amongst other factors, the financial position of other receivables as of 28 February 2025 and 29 February 2024, the past financial performance and cashflow trends, adjusted for the outlook of the industry and economy in which the other receivables operate in. Accordingly, the Group determined that the ECL for other receivables and deposits with external parties are S\$Nil (2024: S\$35,000).

### *Market risk*

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's and the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

#### Foreign currency risk

The Group's and the Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Group and the Company do not have any formal policy for hedging against exchange exposure. The Group and the Company ensure that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Group and the Company are mainly exposed to Japanese Yen ("JPY") as follows:

	Group		Company	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Monetary assets</b>				
Trade and other receivables	167	–	167	–
Cash and cash equivalents	27	208	22	206
<b>Net financial assets</b>	194	208	189	206

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 31. Financial instruments and financial risks (Continued)

### Market risk (Continued)

#### Foreign currency risk (Continued)

##### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of a reasonably possible change in the JPY exchange rates against Singapore dollar ("S\$"), with all other variables held constant, of the Group's and Company's loss net of tax:

	Group		Company	
	(Decrease)/increase Loss net of tax		(Decrease)/increase Loss net of tax	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
<b>JPY/SGD</b>				
- strengthened 5%	10	10	9	10
- weakened 5%	(10)	(10)	(9)	(10)

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from their cash at bank.

The Group's policy is to obtain the most favourable interest rates available.

##### Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 100 (2024: 100) basis points lower/higher and all other variables were held constant, the Group's profit before income tax would have been S\$24,500 (2024: S\$3,000) lower/higher, arising mainly as a result of lower/higher interest income on floating rate cash at bank balances. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly lower volatility as in prior financial years.

### Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payments and receipts cycles. The Group and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Group and the Company's operations are financed mainly through equity and holding company. The directors are satisfied that funds are available to finance the operations of the Group and the Company.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 31. Financial instruments and financial risks (Continued)

### *Liquidity risk (Continued)*

The following table details the Group and the Company's remaining contractual maturity for its non-derivative financial instruments. The table has been drawn up based on contractual undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Company is expected to receive or (pay). The table includes both interest and principal cash flows.

Group	Effective interest rate %	Less than 1 year S\$'000	2 to 5 years S\$'000	Over 5 years S\$'000	Total S\$'000
<b>Undiscounted Financial Assets</b>					
Cash and cash equivalents	–	2,479	–	–	2,479
Trade and other receivables (excluding prepayments)	–	2,748	12,453	1,095	16,296
<b>As at 28 February 2025</b>		5,227	12,453	1,095	18,775
Cash and cash equivalents	–	1,247	–	–	1,247
Trade and other receivables (excluding prepayments)	–	6,417	10,478	840	17,735
<b>As at 29 February 2024</b>		7,664	10,478	840	18,982
<b>Undiscounted Financial Liabilities</b>					
Trade and other payables (excluding GST payable)	–	8,340	8,150	–	16,490
Borrowings	1.50	1,581	4,937	2,323	8,841
Lease liabilities	1.54	14,215	20,910	–	35,125
<b>As at 28 February 2025</b>		24,136	33,997	2,323	60,456
Trade and other payables (excluding GST payable)	–	8,077	7,701	10	15,788
Borrowings	1.57	1,904	3,772	2,923	8,599
Lease liabilities	1.63	14,498	18,933	6,132	39,563
<b>As at 29 February 2024</b>		24,479	30,406	9,065	63,950
<b>Total undiscounted net financial liabilities</b>					
<b>As at 28 February 2025</b>		(18,909)	(21,544)	(1,228)	(41,681)
<b>As at 29 February 2024</b>		(16,815)	(19,928)	(8,225)	(44,968)

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 31. Financial instruments and financial risks (Continued)

### Liquidity risk (Continued)

Company	Effective interest rate %	Less than 1 year S\$'000	2 to 5 years S\$'000	Over 5 years S\$'000	Total S\$'000
<b>Undiscounted Financial Assets</b>					
Cash and cash equivalents	–	553	–	–	553
Trade and other receivables (excluding prepayments)	–	315	–	–	315
Loan to a subsidiary	9.43	51	96	–	147
<b>As at 28 February 2025</b>		<b>919</b>	<b>96</b>	<b>–</b>	<b>1,015</b>
Cash and cash equivalents	–	206	–	–	206
Trade and other receivables (excluding prepayments)	–	348	–	–	348
Loan to a subsidiary	9.43	79	119	–	198
<b>As at 29 February 2024</b>		<b>633</b>	<b>119</b>	<b>–</b>	<b>752</b>
<b>Undiscounted Financial Liabilities</b>					
Trade and other payables (excluding GST payable)	2.20 to 5.00	1,069	232	–	1,301
Borrowings	9.43	79	39	–	118
<b>As at 28 February 2025</b>		<b>1,148</b>	<b>271</b>	<b>–</b>	<b>1,419</b>
Trade and other payables (excluding GST payable)	2.20 to 5.00	980	142	–	1,122
Borrowings	9.43	79	119	–	198
<b>As at 29 February 2024</b>		<b>1,059</b>	<b>261</b>	<b>–</b>	<b>1,320</b>
<b>Total undiscounted net financial liabilities</b>					
<b>As at 28 February 2025</b>		<b>(229)</b>	<b>(175)</b>	<b>–</b>	<b>(404)</b>
<b>As at 29 February 2024</b>		<b>(426)</b>	<b>(142)</b>	<b>–</b>	<b>(568)</b>

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 32. Capital management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance except where decisions are made to exit businesses or close companies.

The capital structure of the Group consists of debts, which includes the borrowings and lease liabilities disclosed in Note 27 and 28 and equity attributable to owners of the Company, comprising issued capital and reserves as disclosed in Notes 21 to Note 24.

The Group's management reviews the capital structure on a regularly basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Upon review, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged from 2024.

Management monitors capital based on adjusted current ratio and the adjusted current ratio is calculated as adjusted current assets divided by current liabilities. Adjusted current assets is calculated as current assets plus minimum expected receivables due within one year (Note 4).

	Group	
	2025	2024
	S\$'000	S\$'000
Adjusted current assets	25,106	25,054
Current liabilities	24,236	24,132
Adjusted current ratio	1.04	1.04

The Group has no externally imposed capital requirements for the financial years ended 28 February 2025 and 29 February 2024.

## 33. Events subsequent to the reporting date

After the end of the financial year, the Group entered into a new bank borrowing facility agreement with Mizuho Bank, Ltd. and obtained a short-term loan of JPY33,000,000 (equivalent to approximately S\$298,000) on 30 May 2025 with repayment term of 36 months instalment from July 2025, with interest bearing at 1.5% plus floating rate per annum.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 34. Fair value of assets and liabilities

The fair values of applicable assets and liabilities, are determined and categorised using a fair value hierarchy as follows:

- (a) Level 1 - the fair values of assets and liabilities with standard terms and conditions and which trade in active markets that the Group can access at the measurement date are determined with reference to quoted market prices (unadjusted).
- (b) Level 2 - in the absence of quoted market prices, the fair values of the assets and liabilities are determined using the other observable, either directly or indirectly, inputs such as quoted prices for similar assets/liabilities in active markets or included within Level 1, quoted prices for identical or similar assets/liabilities in non-active markets.
- (c) Level 3 - in the absence of quoted market prices included within Level 1 and observable inputs included within Level 2, the fair values of the remaining assets and liabilities are determined in accordance with generally accepted pricing models.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The table below analyses the Group's asset that is measured at fair value on a recurring or non-recurring basis in the statement of financial position after initial recognition.

	Note	Group Level 3 S\$'000
<b>2025</b>		
<b><u>Recurring fair value measurement</u></b>		
Other investment at FVTPL – Unquoted equity instrument	16	135
<b>2024</b>		
<b><u>Recurring fair value measurement</u></b>		
Other investment at FVTPL – Unquoted equity instrument		–

Except as disclosed in the respective notes, the carrying amounts of the current financial assets and financial liabilities, including cash and cash equivalents, trade and other receivables and trade and other payables, approximate their respective fair values due to their short-term nature.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 34. Fair value of assets and liabilities (Continued)

### Level 3

#### Unquoted equity instrument classified as other investment held at FVTPL

The unquoted equity instrument was valued using the net asset value of the investee.

Summary of the quantitative information about the significant unobservable inputs used in the level 3 fair value measurements.

Description	Fair value at 28 February 2025	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
S\$'000				
<b>Other investment at fair value through profits and loss:</b>				
Unquoted equity instrument	135 (2024: S\$Nil)	Net asset approach	Net asset value	An increase/decrease will result in an increase/decrease in fair value

#### Movements in Level 3 assets subject to recurring fair value measurements

The following table presents the reconciliation for the other investment held at FVTPL, measured at fair value based on significant unobservable inputs:

	2025 S\$'000	2024 S\$'000
Opening balance	–	–
Addition	135	–
Closing balance	135	–

#### Valuation policies and procedures

The Group's Chief Financial Officer ("CFO") oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures and reports to the Board of Directors.

It is the Group's policy that where assessed necessary, the Group would engage experts to perform significant financial reporting valuations. The CFO is responsible for selecting and engaging such external experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 fair value measurement guidance.

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 34. Fair value of assets and liabilities (Continued)

### Valuation policies and procedures (Continued)

He also reviews at least on an annual basis, the appropriateness of the valuation methodologies and assumptions adopted and evaluates the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

The analysis and results of the external valuations are then reported to the Board of Directors for approval.

During the financial year, there is no change in the applicable valuation techniques.

## 35. Segment information

The Board of Directors is the Group's chief operating decision maker. Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions, allocate resources and assess performance.

The Board of Directors considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the four primary geographic areas namely, Japan, Singapore, Malaysia and Taiwan. From a business segment perspective, management separately considers the restaurant leasing and subleasing business and food retail business.

- (a) Property subleasing business focuses on spaces and tenants in the restaurant business in Japan.
- (b) Food retail business is a Japan-headquartered company. The Group has expanded to various locations overseas and currently manage restaurants in Japan, Singapore, Malaysia and Taiwan.

Except as disclosed above, no operating segments have been aggregated to form the above reportable operating segments.

As the amounts of total assets and liabilities for each reportable segment are not regularly provided to the Board of Directors, such information is not presented.

The Board of Directors assesses the performance of the operating segments based on a measure of segment results. This measurement basis excludes the effects of expenditure from the operating segments such as restructuring costs and impairment loss that are not expected to recur regularly in every period which are separately analysed. Interest income and finance expenses are not allocated to segments, as this type of activity is driven by the Group Treasury, which manages the cash position of the Group.



# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 35. Segment information (Continued)

### *Analysis by business segments*

	2025 S\$'000	2024 S\$'000
<b><u>Segment revenue</u></b>		
- Restaurant leasing and sublease business	18,262	19,614
- Food retail business	24,874	24,159
Total	43,136	43,773
<b><u>Segment results</u></b>		
Segment gross profit <sup>(1)</sup> :		
- Restaurant leasing and sublease business	2,267	3,862
- Food retail business	3,872	3,991
Total	6,139	7,853
Other income	555	2,912
Administrative and distribution expenses	(7,173)	(6,971)
IPO professional expenses	(2,940)	-
Other expenses	(44)	(595)
Finance costs	(775)	(780)
Share of losses from equity-accounted for associate	(17)	(91)
(Loss)/Profit before income tax	(4,255)	2,328
Income tax benefit/(expense)	122	(923)
<b>(Loss)/Profit for the year</b>	<b>(4,133)</b>	<b>1,405</b>

<sup>(1)</sup> The cost of sales used in the calculation of segmental GP includes the cost of consumables, payroll and lease rental directly attributable to the outlet.

	2025 S\$'000	2024 S\$'000
<b><u>Other material items</u></b>		
<b><i>Depreciation for right-of-use assets</i></b>		
- Restaurant leasing and sublease business	13,993	13,206
- Food retail business	2,007	2,019

# Notes to the Financial Statements

For the financial year ended 28 February 2025

## 35. Segment information (Continued)

### *Geographical segments*

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	2025 S\$'000	2024 S\$'000
<b>Revenue</b>		
Japan	28,552	31,559
Singapore	6,558	6,419
Malaysia	8,026	5,539
Taiwan	–	256
	<u>43,136</u>	<u>43,773</u>
<b>Non-current assets</b>		
Japan	52,100	48,716
Singapore	1,112	1,718
Malaysia	1,576	1,434
	<u>54,788</u>	<u>51,868</u>

# Statistics of Shareholdings

As at 23 May 2025

Number of issued shares	:	<b>113,045,444</b>
Class of shares	:	<b>Ordinary shares</b>
Voting Rights	:	<b>One vote per share</b>
Number of treasury shares and subsidiary holdings	:	<b>NIL</b>

## DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
100 - 1,000	57	26.76	52,300	0.05
1,001 - 10,000	133	62.44	420,500	0.37
10,001 - 1,000,000	18	8.45	1,140,800	1.01
1,000,001 AND ABOVE	5	2.35	111,431,844	98.57
<b>TOTAL</b>	<b>213</b>	<b>100.00</b>	<b>113,045,444</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	DIRECT INTEREST	%	INDIRECT INTEREST	%
FIJ Investment Co., Ltd.	51,580,236	45.63	0	0.00
Furukawa Kazuteru <sup>(1)</sup>	0	0.00	51,580,236	45.63
Kubota Yasuaki <sup>(2)</sup>	6,808,772	6.02	1,980,000	1.75

<sup>(1)</sup> Mr Furukawa Kazuteru is the sole shareholder of FIJ Investment Co., Ltd. ("FIJ Investment"). Accordingly, Mr Furukawa Kazuteru is deemed to have an interest in 51,580,236 ordinary shares in the capital of the Company held by FIJ Investment under Section 7 of the Companies Act 1967 of Singapore and Section 4 of the Securities and Futures Act 2001 of Singapore.

<sup>(2)</sup> Kubota Yasuaki is deemed to be interested in the 1,980,000 shares held indirectly through Phillip Securities Pte Ltd, by virtue of his spouse (Kubota Rika)'s shareholding in Phillip Securities Pte Ltd, which in turn holds shares in Food Innovators Holdings Limited. This deemed interest arises pursuant to Section 133(4) of the Securities and Futures Act 2001 and Section 7 of the Companies Act 1967.

# Statistics of Shareholdings

As at 23 May 2025

## TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	FIJ INVESTMENT CO., LTD.	51,580,236	45.63
2	PHILLIP SECURITIES PTE LTD	48,968,746	43.32
3	KUBOTA YASUAKI	6,808,772	6.02
4	FOOD TRAIN CO., LTD.	2,074,090	1.83
5	PROSPER CO., LTD.	2,000,000	1.77
6	PRIMEPARTNERS CORPORATE FINANCE PTE LTD	568,000	0.50
7	CHAN CHEE MENG	185,100	0.16
8	KONG MUN KAN PETER @KONG MUN KAN	65,000	0.06
9	LOH TEE DANG @LOH TEE YANG	55,000	0.05
10	LEONG AH CHUE	37,000	0.03
11	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	31,900	0.03
12	PEH THIAM HEE (BAI TIANXI)	26,500	0.02
13	SEAH KIAT TUAN	21,000	0.02
14	TEO KIM SONG	20,000	0.02
15	LOW HEE KOON	15,000	0.01
16	NG SIO HA	15,000	0.01
17	PETER FOO MOO TAN	15,000	0.01
18	TAN WHEE LI CATHARINE	15,000	0.01
19	TEO MEOW HWANG	15,000	0.01
20	YIN XIMENG	15,000	0.01
<b>TOTAL</b>		<b>112,531,344</b>	<b>99.52</b>

## PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Approximately 45.00% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B: Rules of Catalyst of the SGX-ST.

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of Food Innovators Holdings Limited (the “Company”) will be held at 135 Cecil Street, #10-01, Singapore 069536 on Monday, 30 June 2025 at 11.00 a.m. for the following purposes:

## AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 28 February 2025 together with the Auditor’s Report thereon.

(Resolution 1)

2. To re-elect the following Directors of the Company retiring pursuant to Regulation 90 of the Constitution of the Company:

2.1 Mr Furukawa Kazuteru

(Resolution 2)

2.2 Mr Saito Kazuya

(Resolution 3)

*Mr Furukawa Kazuteru, upon re-election as Director of the Company, remain as the Executive Chairman and Executive Director of the Company. Detailed information of Mr Furukawa Kazuteru required pursuant to Rule 720(5) of the Listing Manual - Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) (“Catalist Rules”) can be found in the Annual Report.*

*Mr Saito Kazuya will, upon re-election as Director of the Company, remain as the Chairman of Audit Committee and a member of Nominating Committee and Remuneration Committee and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules. Detailed information of Mr Saito Kazuya required pursuant to Rule 720(5) of the Catalist Rules can be found in the Annual Report.*

3. To approve the payment of Directors’ fees of S\$27,540 for the financial year ended 28 February 2025.

[See Explanatory Note (i)]

(Resolution 4)

4. To approve the payment of Directors’ fees of up to S\$56,000 for the financial year ending 28 February 2026, to be paid monthly in arrears.

(Resolution 5)

5. To re-appoint Messrs Forvis Mazars LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.

(Resolution 6)

6. To transact any other ordinary business which may properly be transacted at an AGM.

# Notice of Annual General Meeting

## AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

### 7. Authority to issue shares

That pursuant to Section 161 of the Companies Act 1967 (the “**Act**”) and Rule 806 of the Catalist Rules, the Directors of the Company be authorised and empowered to:

- (a) (i) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
  - (a) new Shares arising from the conversion or exercise of any convertible securities;
  - (b) new Shares arising from exercising of share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (c) any subsequent bonus issue, consolidation or subdivision of Shares;



# Notice of Annual General Meeting

Adjustments in accordance with sub-paragraphs (2)(a) or (2)(b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of passing of this Resolution.

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution for the time being of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (ii)]

(Resolution 7)

## 8. Authority to grant options and issue shares pursuant to Food Innovators Employee Share Option Scheme

That pursuant to Section 161 of the Act, authority be and is hereby given to the Directors to:

- (i) offer and grant options in accordance with the provisions of Food Innovators Employee Share Option Scheme (“**Food Innovators ESOS**”); and
- (ii) allot and issue or deliver from time to time such number of fully paid-up Shares as may be required to be issued pursuant to the exercise of options granted under Food Innovators ESOS, provided always that the aggregate number of Shares to be allotted and issued pursuant to Food Innovators ESOS, when aggregated with the aggregate number of Shares issued and issuable or transferred and to be transferred in respect of all options granted under Food Innovators ESOS; and the aggregate number of Shares over which options and/or awards granted under any other share option, share incentive, performance share or restricted share plans implemented and in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

The authority conferred by this resolution shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iii)]

(Resolution 8)

By Order of the Board

Tan Zhi Wei  
Chai Li-Lin, Charlene  
Company Secretaries

Singapore, 13 June 2025



# Notice of Annual General Meeting

## Explanatory Notes:

- (i) **Ordinary Resolution 4** in item 3 above is to approve the payment of Directors' fees of S\$27,540 to Non-Executive and Independent Directors of the Company for the financial year ended 28 February 2025. The Directors' fees in respect of the financial year ended 28 February 2025 were pro-rated based on the duration of service of the Non-Executive and Independent Directors for the period commencing from 1 September 2024 to 29 February 2025.
- (ii) **Ordinary Resolution 7** in item 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50% may be issued other than on a pro-rata basis to shareholders of the Company.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

- (iii) **Ordinary Resolution 8** in item 8 above, if passed, will empower the Directors to offer and grant options, and to allot and issue new Shares in the capital of the Company, pursuant to Food Innovators ESOS, provided that the aggregate number of shares to be allotted and issued pursuant to Food Innovators ESOS shall not exceed 15% of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

## Notes:

1. The members of the Company are invited to attend the AGM in person. There will be no option for shareholders to participate virtually. Printed copies of this Notice and the Proxy Form will be sent by post to members. This notice, the Proxy Form and the Annual Report are also available on the Company's website (<https://fih.sg/>) and the SGXNet ([www.sgx.com/securities/company-announcements](http://www.sgx.com/securities/company-announcements)). A member will need an internet browser and PDF reader to view these documents.
2. A member who is not a relevant intermediary, is entitled to appoint one (1) or two (2) proxies to attend and vote at the AGM. Where such member's form appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
3. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form. A member who holds shares through Relevant Intermediary who wish to participate in the AGM should contact the Relevant Intermediary through which he/she holds such shares as soon as possible in order for the necessary arrangements to be made for participation in the AGM.

"Relevant intermediary" shall have the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

4. A proxy need not be a member of the Company.
5. The Proxy Form must be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632, or sent by email to: [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com), in each case, by 11.00 a.m. on Friday, 27 June 2025 (being not less than seventy-two (72) hours before the time appointed for the AGM of the Company).

**Members are strongly encouraged to submit completed Proxy Forms electronically via email.**

6. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by CDP to the Company.

# Notice of Annual General Meeting

7. SRS investors: (a) may vote at the AGM if they are appointed as proxies by their SRS operators, and should approach their SRS operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their SRS operators to submit their votes at least seven (7) working days before the AGM (i.e. by 18 June 2025) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form on their behalf by the cut-off date.

8. **Submission of questions prior to the AGM**

Shareholders (including SRS investors) or where applicable their appointed proxy(ies) may submit questions related to the resolutions to be tabled at the AGM in advance via email to ([info@fih.sg](mailto:info@fih.sg)) by 20 June 2025 (5.00 p.m.). Responses from the Board and management of the Company on relevant and substantial questions received from shareholders will be published on the SGXNet ([www.sgx.com/securities/company-announcements](http://www.sgx.com/securities/company-announcements)) and Company's website (<https://fih.sg/>) by 24 June 2025. Any relevant and substantial questions received after 5.00 p.m. of 20 June 2025 will be addressed during the AGM and the Company will publish the minutes of the AGM on the SGXNet and the Company's website within one (1) month after the date of AGM.

Shareholders or their corporate representative must state his/her full name and whether he/she is a shareholder or a corporate representative of a corporate shareholder. Any question without the identification details will not be addressed.

**PERSONAL DATA PRIVACY:**

By (a) submitting an instrument appointing the proxy to vote at the AGM and/or any adjournment thereof, or (b) completing the pre-registration in accordance with this notice, or (c) submitting any question prior to the AGM in accordance with this notice, a member consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) the processing and administration by the Company (or its agents or service providers) of Proxy Forms appointing proxy(ies) for the AGM (including any adjournment thereof);
- (ii) the processing of the pre-registration for purposes of granting access to members (or their corporate representatives in the case of members which are legal entities) to observe the AGM proceedings and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from members and if necessary, following up with the relevant members in relation to such questions;
- (iv) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

ANNUAL GENERAL MEETING (“AGM”)  
PROXY FORM

(Please see notes overleaf before completing this form)

IMPORTANT:

1. A proxy need not be a member of the Company.

2. A member who is a Relevant Intermediary is entitled to appoint more than two proxies. Where such member’s instruments appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be presented by each proxy shall be specified in the instrument.

3. For SRS investors who have used their SRS monies to buy shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS investors should contact their SRS operators if they have any queries regarding their appointment as proxies or appointment of the Chairman of the AGM as proxy.

4. PLEASE READ THE NOTES TO THE PROXY FORM.

Personal data privacy  
By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 13 June 2025.

I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport No./Co Reg No.)  
of \_\_\_\_\_ (Address)  
being \*a member/members of FOOD INNOVATORS HOLDINGS LIMITED (the “Company”), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the AGM as \*my/our proxy to vote for \*me/us on \*my/our behalf at the AGM of the Company to be held at 135 Cecil Street, #10-01, Singapore 069536 on Monday, 30 June 2025 at 11.00 a.m. and at any adjournment thereof.

\*I/We direct \*my/our proxy to vote for, against or abstain from voting the Resolutions proposed at the AGM as indicated hereunder. **If no specific direction as to voting is given, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion, as \*he/she/they will on any other matter arising at the AGM and at any adjournment thereof.** In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as \*my/our proxy for that resolution will be treated as invalid.

No.	Resolutions relating to:	For	Against	Abstain
1	Directors’ Statement and Audited Financial Statements for the financial year ended 28 February 2025			
2	Re-election of Mr Furukawa Kazuteru as Director			
3	Re-election of Mr Saito Kazuya as Director			
4	Approval of Directors’ fees of S\$27,540 for the financial year ended 28 February 2025			
5	Approval of Directors’ fees of up to S\$56,000 for the financial year ending 28 February 2026, to be paid monthly in arrears			
6	Re-appointment of Messrs Forvis Mazars LLP as Auditors			
7	Authority to issue Shares			
8	Authority to grant options and issue Shares pursuant to Food Innovators Employee Share Option Scheme			

Please indicate your vote “**For**” or “**Against**” with a tick [✓] within the box provided for each resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with a tick [✓] in the “**Abstain**” box provided in respect of that resolution.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Total number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature of Shareholder(s)  
or, Common Seal of Corporate Shareholder

\* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF



## NOTES TO THE PROXY FORM:

1. A member who is a Relevant Intermediary entitled to attend and vote at the AGM is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. A member who holds shares through Relevant Intermediary who wish to participate in the AGM should contact the Relevant Intermediary through which he/she holds such shares as soon as possible in order for the necessary arrangements to be made for participation in the AGM.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

2. SRS investors who wish to vote should approach their SRS operators to submit their votes at least seven (7) working days before the AGM (i.e. by 18 June 2025) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.
3. The proxy need not be a member of the Company.
4. Completion and return of this Proxy Form shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the AGM.
5. The Proxy Form must be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632, or sent by email to: [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com), in each case, by 11.00 a.m. on Friday, 27 June 2025 (being not less than seventy-two (72) hours before the time appointed for the AGM of the Company).

**Members are strongly encouraged to submit completed Proxy Forms electronically via email.**

6. A member should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP"), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members, he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the said Depository Register and registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this Proxy Form will be deemed to relate to all the shares held by the member.
7. The Proxy Form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Where a Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed or a notorially certified copy of such power or authority must (failing previous registration with the Company) be lodged with the Proxy Form; failing which the instrument may be treated as invalid.
9. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by CDP to the Company.
10. All members will be bound by the outcome of the AGM regardless of whether they have attended or voted at the AGM.
11. Personal data privacy: By submitting an instrument appointing the proxy(ies) (other than the Chairman of the AGM) or Chairman of the AGM as a proxy to vote at the AGM and/or any adjournment thereof, all members accept and agree to the personal data privacy terms set out in the Notice of Annual General Meeting dated 13 June 2025.







**FIH**

*Food Innovators Holdings*

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