HOLDINGS LIMITED

GROWING OUR PRESENCE AND VALUE

ANNUAL REPORT 2021

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CORPORATE PROFILE

ABR Holdings Limited ("ABR" or the "Group") traces its roots to 1979 with the establishment of the 200-seater Swensen's at Thomson Plaza, the first full-service ice cream restaurant in Singapore. Today, ABR operates more than 25 restaurant outlets and the Swensen's brand has become synonymous with friendly family dining.

Over the past four decades, the Group has expanded our stable of brands to offer a variety of cuisines in multiple dining formats for customers. From Swensen's' sundaes, Tip Top's Traditional handmade curry puffs, Season's freshly baked breads to Chilli Padi's Nonya delicacies. There is an offering in ABR's family of brands for everyone and for any occasion. At the heart of all we do is our mission to create memorable dining experiences that bring friends and families together.

MESSAGE FROM THE EXECUTIVE CHAIRMAN AND MANAGING DIRECTOR

From left to right
Ang Yee Lim, Managing Director
Chua Tiang Choon, Keith Executive Chairman

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of ABR Holdings Limited ("ABR" or the "Group"), we present to you the Annual Report and Financial Statements for the financial year ended 31 December 2021 ("FY2021").

We are pleased to report a year of resilient performance despite continued disruptions resulting from the COVID-19 pandemic. In FY2021, profit attributable to the owners of the company remained positive at S$2.5 million.

Financial Review

Group revenue for FY2021 registered at S$74.6 million, a decrease of 13% as compared to S$86 million in FY2020. Group profit before tax registered at S$1.1 million for FY2021, a decrease of 83% as compared to S$6.6 million in FY2020. This is mainly attributable to the continued effects of the pandemic in Singapore and Malaysia amidst new waves of COVID-19 variants.

After accounting for tax credit and share of losses attributable to non-controlling interests, the Group recorded a net profit attributable to owners of the Company of S$2.5 million in FY2021.

Business Review

Food & Beverage

Revenue for our F&B operations continued to be affected in FY2021 due to virus containment measures in Singapore and Malaysia amidst the new COVID-19 variant infection waves. Cost pressures were further exacerbated by human resource challenges. The prolonged disruption in global supply chains also resulted in higher prices for food ingredients and packaging.

Building on the evolving consumer behaviour during the pandemic allowed for our brands to develop product offerings that continued to serve our customers outside of dine in settings, through food delivery platforms and festive family delivery bundles, creating new channels of revenue that we believe will continue post-pandemic.

Emphasis was placed in research and development of products to respond to dynamic consumer trends which emerged during the pandemic, resulting in the launch of novel products like Singapore's first Fried Chicken Ice Cream from Swensen's, Halal hand-stretched pizzas from Earle Swensen's, and curated Peranakan Family meals for gatherings at home out of the kitchens of Chilli Padi.

While revenues dipped across the F&B sector in Singapore, ABR needed to take stock and pivot with every opportunity in continuing to be a leading F&B company. Prudent financial and resource planning is critical to guard against rising food cost, inflation and human resource challenges. Despite such headwinds, we are deeply encouraged by all our staff that stood with us together in weathering the conditions.

We continue to be committed to our mission of delivering comfort and value to customers in spite of the unprecedented challenges arising due to the pandemic.

MESSAGE FROM THE EXECUTIVE CHAIRMAN AND MANAGING DIRECTOR

Property

In Malaysia and Indonesia, the timeline of the development plans for several of our property projects have been delayed due to the implementation of restrictive measures by the respective governments to stem virus transmission. The Group will monitor the situation closely and keep Shareholders updated on any subsequent material developments.

The Group's joint venture residential project in Singapore, Baywind Residences, saw progress in line with the development timeline. The show flat has been completed, with launch of sales targeted to be in second quarter of 2022.

Accolades

For the 13th consecutive year, Swensen's was conferred the Platinum Award in the Family Restaurant category by the Reader's Digest Trusted Brands Survey 2021 - an accolade awarded on the basis of public votes, taking into account the brand's quality and value among various criteria and recognised as a finalist in the Best Western Chain and Best Halal Restaurant categories of the Restaurant Association of Singapore's (RAS) Epicurean Star Awards 2021. In addition, as a testament to our strong online presence, Swensen's was also named a Top Singapore Brand on Instagram in 2021 By Heroes of Digital. Our commitment to quality has also led Chilli Api to be awarded as Best Caterer in RAS' Epicurean Star Awards 2021.

Giving Back

Throughout 2021, ABR continued to support our local communities as we rode out the pandemic as a nation. As part of our ethos, we aim to encourage philanthropy at every level. Working with both long-standing partners, like Club Rainbow and HCA Hospice Care ("HCA") to encourage their initiatives, and new grassroots outreach, like Project Belanja and #sghealthcareheros, ABR stands ever ready to be a pillar of assistance in our communities.

Sustainability

As a leader in the F&B ecosystem, ABR's responsibility has been to incorporate sustainable positive change throughout the communities that we touch. With increased awareness in sustainability, we deepen our engagement to develop long-term goals in actively promoting the consumption of less carbon-intensive plant-based alternatives, ensuring our clients and suppliers align with our ESG vision, and building programmes to sustain employees in their wellbeing journey as we grow together as an organisation.

Dividends

In view of the Group's performance this year, the Board is proposing a final tax exempt (1-tier) cash dividend of 0.75 Singapore cents per share for FY2021 to be approved by shareholders at the upcoming Annual General Meeting. With the interim dividend of 0.25 Singapore cents per share, the total dividend payout for the year amounts to 1.00 Singapore cents per share.

Outlook

As we enter the post-pandemic world of 2022, it remains to be seen what residual effects the COVID-19 pandemic will have on the economy. At the time of writing, Singapore, Malaysia and the world have begun easing pandemic restrictions. Whilst the return of pre-COVID footfall is likely, we remain cautiously optimistic for the full resumption of dining and catering behaviour in the near future.

The pandemic has placed all industries through a severe stress test. We are heartened that our efforts over the past year have borne fruit and the Group has emerged through the crisis more resilient.

We have faith that our continued focus on refining our products and operations, in service of our mission to offer comfort and quality to customers, will allow us to continue delivering results for shareholders.

Acknowledgements

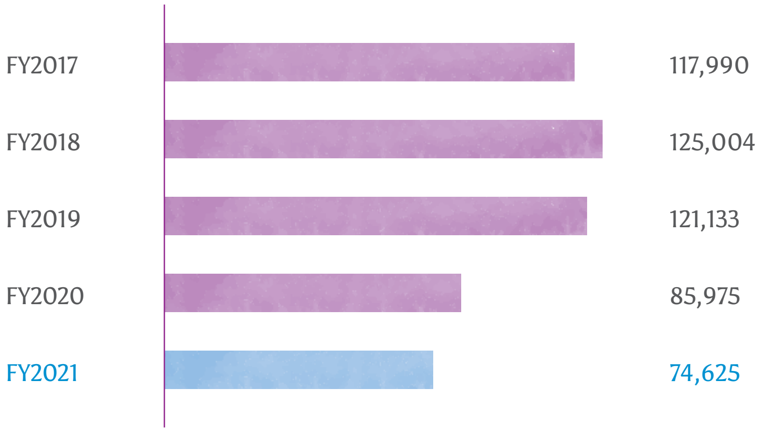
To our Board of Directors, we are grateful for your stewardship and counsel during these difficult times. To our customers, partners and shareholders, we thank you for your enduring support and faith in our mission. Last but not least, to our staff, we greatly appreciate your hard work and invaluable commitment towards the Group's success.

Chua Tiang Choon, Keith
Executive Chairman

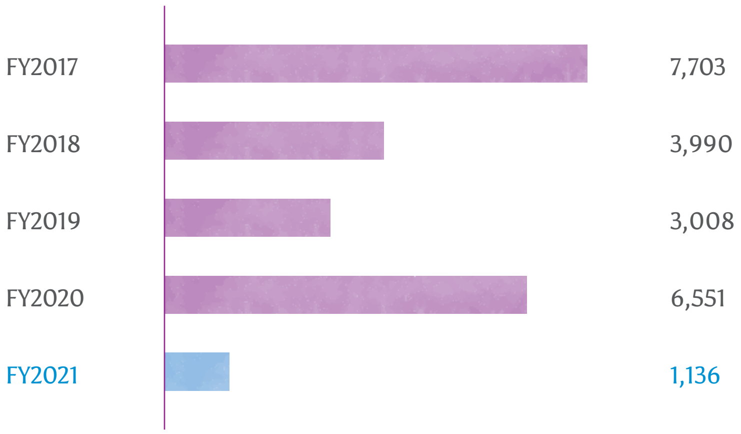
Ang Yee Lim
Managing Director

FINANCIAL HIGHLIGHTS

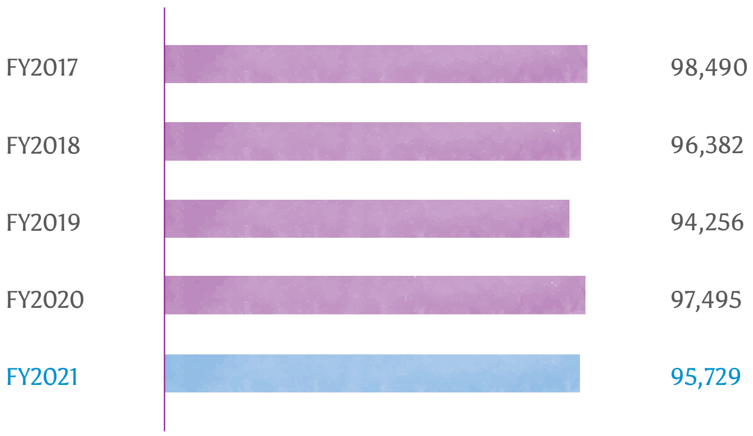
Revenue ($'000)



Profit Before Tax ($'000)



Shareholders' Equity ($'000)



FINANCIAL HIGHLIGHTS

For the year ($'000)

	FY2021	FY2020	Change
Revenue	74,625	85,975	(13.2%)
Profit Before Tax	1,136	6,551	(82.7%)
Profit for the Year	2,002	6,138	(67.4%)
Profit Attributable to Owners of the Company	2,487	5,977	(58.4%)

At Year End ($'000)

	FY2021	FY2020	Change
Total Assets	148,944	155,999	(4.5%)
Equity Attributable to Owners of the Company	95,729	97,495	(1.8%)
Total Equity	98,000	101,864	(3.8%)
Total Liabilities	50,944	54,135	(5.9%)
Cash and Cash Equivalents	42,059	53,050	(20.7%)

Earnings per Share

FY2021	FY2020
Basic : 1.24 cents Diluted : 1.24 cents	Basic : 2.97 cents Diluted : 2.97 cents

Dividend per Share

FY2021	FY2020
Interim : 0.25 cents Final : 0.75 cents	Interim : 0.25 cents Final : 1.75 cents

Net Asset Value per Share

FY2021	FY2020
47.6 cents	48.5 cents

OUR BRANDS
DELIVERING COMFORT & GREAT QUALITY

Swensen's
Earle Swensen's

Swensen's is a widely popular family restaurant chain and ice cream parlour, with Earle Swensen's being its upscale sister restaurant. Having been in operations in Singapore since 1979, Swensen's has been an important part of many happy memories for both the young and old.

Core Focus Areas
In FY2021, focus was placed on redeveloping brand strategy. This called for a redefining of Swensen's and Earle Swensen's, both beloved household brands. We saw the launch of Singapore's first Fried Chicken Ice Cream from Swensen's and Halal hand-stretched pizzas from Earle Swensen's. Seasonal menus were refreshed with delicious classics such as Beef Wellington, Boston Lobster Seafood Bag, and Mushroom Bread Pudding for Christmas, Ice Cream Koi Cakes for CNY, IMPOSSIBLE Bagus Burger and Goreng Pisang Split for Hari Raya.

The year also saw a revamp of our AMK Hub outlet.

Performance Breakdown
With the above strategy of redefining our brands to increase appeal and value, we achieved record high sales for our Christmas catalogue. In light of pandemic safety restrictions, sales on delivery platforms remain strong.

Challenges
Manpower shortages and ingredient price pressures remain challenging. We will mitigate this through effective manpower deployment strategies and through the use of technology.

Accolades
In recognition of our strong customer support and market popularity, Swensen's was conferred the Platinum Award in the Family Restaurant category of the Reader's Digest Trusted Brands 2021 and recognised as finalist in the Best Western Chain and Best Halal Restaurant categories of the Restaurant Association of Singapore's (RAS) Epicurean Star Awards 2021. In addition, as a testament to our strong online presence, Swensen's was also named a Top Singapore Brand on Instagram in 2021 By Heroes of Digital.

OUR BRANDS
DELIVERING COMFORT & GREAT QUALITY

Chilli Padi Nonya Restaurants
Chilli Api Catering

Chilli Padi and Chilli Api are homegrown Peranakan cuisine brands, with a strong emphasis on authentic flavours and delicious meals from appetiser to dessert.

Core Focus Areas

For the restaurants, food quality and maintaining service standards were the focus. As for the cafeteria divisions, focus remained on providing support for clients through these unprecedented times. For catering, focus was shifted from buffet to bento and mini buffet catering. In FY2021, we sought to improve on our food safety and emphasise on the quality of our products.

Accolades

Our commitment to quality has led Chilli Api to be awarded as Best Caterer in RAS' Epicurean Star Awards 2021.

New Products & Developments

In FY2021, we developed Singapore's first Laksa Pao Fan, along with a line of Baby Shower Gift Sets and Mooncake Sets for baby full month milestones and Mid-Autumn Festival respectively.

Performance Breakdown

Chilli Api performed below expectations due to the restrictions on self-service buffets. Our postnatal confinement arm, Chilli Padi Confinement, performed above expectations due to a higher demand for confinement food catering. Our flagship restaurant, Chilli Padi Nonya Restaurant, experienced an unprecedented surge in sales due to demand from delivery platforms.

Challenges

Our food businesses continue to face high operation cost, increase in food cost and manpower challenges due to the labour-intensive nature of catering.

Sustainability

Sustainability has remained a key priority in our operations. We support locally grown produce by sourcing items such as farmed barramundi and using biodegradable packaging.

Prospects & Outlook

Our continued focus for the future will be catering and launching new brands in FY2022.

OUR BRANDS
DELIVERING COMFORT & GREAT QUALITY

Tip Top Curry Puff

Tip Top started its journey in the heartlands in 1979 and has since continued to serve its famous handmade curry puff and more to both loyal and new customers islandwide.

Key Developments & Performance
The pandemic has disrupted expansion plans and resulted in lower footfall in some locations. FY2021 saw the closure of the Jubilee Square outlet, and outlets in Changi Airport's Terminals 1 and 3 remain temporarily closed due to travel and cross border restrictions and will likely be reopened later in 2022 as restrictions are lifted.

Due to the pandemic and COVID-19 restrictions, the number of visitors visiting malls are limited. Hence, a corporate delivery menu was rolled out via a popular online platform. It provides an alternative revenue stream for the brand and can continue to strengthen our brand's reach amongst the tech-savvy post COVID-19.

Product Range
To keep the brand fresh and appeal to the Gen Z and millennial demographics, in FY2021, Tip Top expanded our range of popular traditional puffs, adding puffs featuring delicious local flavours such as Otah, Tomato Chicken, and Green Curry. New products were also tied to seasonal campaigns such as CNY, with the launch of innovative creations such as the Smoking Peking Duck Spring Roll, Flaky Puff range and Cheesy range.

Healthier Choice
In line with the government's push for a healthier lifestyle, Tip Top has launched a healthier menu at affordable prices from $2.40 for bulk orders.

Performance Breakdown & Outlook
We saw improvements in performance compared to the year before, as outlet sales have increased especially in heartland malls. In terms of operations, review and improvements were made to manpower scheduling. With the closure of the Jubliee outlet in FY2021, Tip Top presently has four outlets in operation. Two outlets located at Changi Airport are temporarily closed due to Covid-19.

Challenges
Aside from a possible slow recovery post COVID-19, inflation and the increase in GST wef 1 Jan 2023, there will be a compounded effect on consumer sentiments. The more stringent foreign workers' regulations may also affect our operations on the ground.

Prospects
With the relaxation on travel and other measures as announced on 24 March 2022, we hope to see higher footfall at our outlets and improved consumer sentiments.

OUR BRANDS DELIVERING COMFORT & GREAT QUALITY

Season Confectionary & Bakery (Malaysia)

With a history exceeding 40 years, Season Confectionary & Bakery is a household brand in Malaysia.

Core Focus Areas
The key focus of FY2021 was to control costs and reduce wastage. Product and other developments have been temporarily paused in face of enduring market challenges.

Product Range
We have reviewed and refined our selection of freshly baked breads and seasonal confectionery. Options previously taken away during the early stages of the pandemic have been brought back. Due to the limitations of the Malaysian Movement Control Order (MCO) and many shopping complexes remaining closed, we have not conducted new product development. Nevertheless, from soft freshly baked buns, sweet cakes, to delicious seasonal favourites such as our iconic mooncakes, Season Confectionary & Bakery satisfies all.

Performance Breakdown & Outlook
With strong continued support for Season's festive offering in 2021, we are positive that the long awaited ease of restrictions and the resumption of cross border travel would bring about better performance in the near future.

Challenges & Prospects
Manpower and food costs remain our biggest challenge. In addition, more competitors have emerged despite low market demand. Nevertheless, we remain cautiously optimistic for the year ahead.

SUSTAINABILITY REPORT

Dear Valued Stakeholders,

On behalf of the board, we are pleased to present ABR Holdings Limited's ("ABR" or the "Group") Sustainability Report for the financial year ended 31 December 2021 ("FY2021").

The COVID-19 pandemic has highlighted the importance of sustainability. Careful management of Environmental, Social and Governance ("ESG") factors has enabled us to steer the Group through the challenges and to continue providing value for stakeholders. With the publication of our fifth Sustainability Report, we reaffirm our commitment to sustainability.

A focus of our ESG practices is our belief in and commitment to creating positive change for the communities in which we operate. Over the years, we have cultivated a culture of giving back, building on our community engagement initiatives, and expanding our network of outreach partners. In the year under review, we collaborated with partners such as Kind Citizen, Ministry of Health Office for Healthcare Transformation ("MOHT"), and Health Promotion Board ("HPB") on initiatives to promote supporting the underprivileged and raise awareness of mental wellness topics, respectively.

At the same time, the Group is committed to promoting environmental causes in synergistic ways such as promoting the consumption of less carbon-intensive plant-based meat, as well as maintaining an effective system of compliance to ensure good governance and accountability.

We are delighted to share more about our sustainability journey through this report and we extend our sincerest appreciation to all stakeholders for your trust and support throughout the years.

About this Report

This report describes the sustainability performance of ABR for FY2021 and forms part of ABR's Annual Report 2021. Information on the areas in which we have the most ESG impact is provided, together with our performance in FY2021 and targets for FY 2022.

Reporting Period

1 January 2021 to 31 December 2021

Reporting Framework

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards (2016) and GRI Reporting Principles were considered. This report references the following GRI Standards and topic-specific Disclosures:

- Disclosure 401-1: New employee hires and employee turnover
- Disclosure 403-2: Types of injury and rates of injury
- Disclosure 404-3: Percentage of employees receiving regular performance and career development reviews
- Disclosure 413-1: Assessment and management of economic, social, cultural, and/or environmental impacts on local communities in the vicinity of operations
- Disclosure 416-2: Health, safety and/or quality considerations for the consumer, including the adherence to customer health and safety regulations and voluntary codes
- Disclosure 419-1: Compliance with various laws and regulations relevant to business activities

Scope of Report

We welcome feedback from all stakeholders. Please send questions, comments, suggestions or feedback relating to this report or our sustainability performance to sustainability@abr.com.sg.

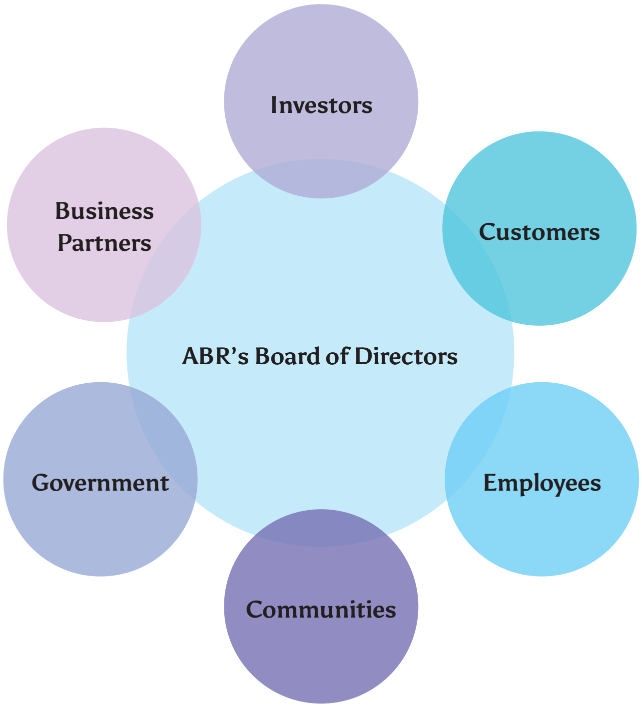
Sustainability Governance at ABR

Board	Oversees and manages the direction, approach and performance of sustainability of ABR.
Sustainability Steering Committee	Comprises senior management personnel who monitor and manage our sustainability practices and keeps the Board updated of material developments.
Sustainability Task Force	Comprises data owners from each department who are responsible for the sustainability performance of their respective departments.
All Staff	

SUSTAINABILITY REPORT

Stakeholder Communication

We are committed to creating sustainable value for our internal and external stakeholders. Our approach to stakeholder engagement is summarised in this section.



Stakeholder	Communication Frequency	Communication Channel
Investors	All the time	SGXNet
	Annually	Annual General Meeting
	As required	Extraordinary General Meeting
Customers	All the time	Guest satisfaction surveys
	All the time	Open feedback channels
Employees	All the time	Induction programme for new employees
	All the time	Training and development programmes
	Annually	Career development performance appraisals
	All the time	Recreational and wellness activities
	All the time	Regular e-mailers and meetings
Communities	All the time	Corporate giving and philanthropy activities
	All the time	Engagement with community projects and charities
	All the time	Open feedback channels
Government	All the time	Meetings and dialogue sessions
	All the time	Membership in industry associations such as Singapore Institute of Directors (SID), Singapore Business Federation (SBF) and Restaurant Association of Singapore (RAS)
Business Partners	All the time	Regular dialogue sessions with key service providers
	All the time	Established channels of communication

SUSTAINABILITY REPORT

Materiality Assessment

Guided by our independent sustainability consultant, we conducted a materiality assessment in 2017 to identify our key areas with significant ESG impacts. The assessment was undertaken in line with the GRI Standards to identify and validate material ESG factors.

STEP 1 IDENTIFICATION	STEP 2 SELECTION	STEP 3 VALIDATION
Our independent sustainability consultant identified a non-exhaustive list of economic, environmental, social and governance topics through peer benchmarking.	Our senior management considered and rated these topics for their significance to and impact on our operations. Their perspective encapsulates input they have received from various stakeholders, both internal and external, who they interact with in their roles.	The topics selected from Step 2 were confirmed and validated by our Board.

Material ESG Factors

The six material ESG factors selected in 2017 were reviewed and considered to continue to be relevant in 2021. The factors selected for reporting are listed below.

Product Quality and Safety • Customer Health and Safety	Our People • Talent Retention and Development • Occupational Health and Safety	Responsible Sourcing
Environmental • Waste Management	Corporate Compliance • Socio-Economic Compliance	Community Engagement • Local Communities

Product Quality & Safety

Performance 2021	Target 2022
Obtained "A" grading from SFA for all restaurant outlets save for one outlet which obtained a "B" grading.	Obtain "A" grading from SFA for all restaurant outlets.
Except for two outlets, there were no incidents of significant fines or non-monetary sanctions for non-compliance with applicable health and safety regulations over the year.	Zero incidents of significant fines or non-monetary sanctions for non-compliance with applicable health and safety regulations.
Achieved and maintained "A" grading for excellence in food hygiene, sanitation and processing from SFA for our ice cream manufacturing facility.	Maintain "A" grading from SFA for ice cream manufacturing facility.

SUSTAINABILITY REPORT

In 2021, we achieved our target of obtaining an "A" grading from SFA for all outlets, save for one outlet which received a "B" grading. We will strive to achieve an "A" grading for all outlets in the forthcoming year. In FY2021, two penalties relating to incidents occurring in FY2020, were issued to 2 separate outlets. These were for a stained ice machine and failure to report work accident within stipulated time frame. We target to have zero incidents resulting in fines or penalties in the forthcoming year. We are also pleased to report that we were able to achieve our target of maintaining Grade A for excellence in food hygiene, sanitation and processing from SFA for our ice cream manufacturing facility, and we will maintain the same target for the forthcoming year.

As an established brand for family dining in Singapore, our mission is to promote bonding and allow our diners to create treasured experiences over food. Hence, the quality and safety of our food and beverages is of utmost concern.

Customer Health & Safety

In addition to adhering to Singapore's regulations and voluntary codes, stringent controls and internationally accredited food safety management systems are also in place, to ensure that public health and safety is safeguarded.

Restaurant Operations	
SFA Annual Grading Assessment	Retail food establishments are given a grade by SFA based on the overall hygiene, cleanliness and housekeeping standards of the premises. In FY2021, all of our outlets obtained an "A" grading from SFA save for one outlet which obtained a "B" grading. Moving forward, we aim to obtain "A" grading from SFA for all outlets.
Food Hygiene Officer Team	We maintain a core team of Food Hygiene Officers (FHO) comprising our management chefs who oversee our food hygiene systems and exercise close vigilance and supervision to enforce a high standard of food hygiene in our food preparation. FHOs are certified and have undergone training to achieve WSQ Conduct Food and Beverage Audit.
MUIS Halal Certification	All of our restaurants in Singapore are Halal-certified by MUIS, the Islamic Religious Council of Singapore. We undertake regular audits to ensure that we are compliant and can maintain valid Halal certification at all times. We will continue to do so going forward.
Health Promotion Board ("HPB") Healthier Dining Programme	As a healthier dining partner, Swensen's restaurants offer at least three dishes that are lower in calories or prepared with wholegrains, serve complimentary drinking water, and use healthier cooking oil. In FY2021, healthier choice dishes constituted 5% of our sales.

Ice Cream Manufacturing	
SFA Annual Grading Assessment	In FY2021, we achieved and maintained Grade A for excellence in food hygiene, sanitation and processing. Going forward, we target to continue maintaining Grade A for SFA's annual grading assessment.
Health Hazard Critical Control Point ("HACCP") Food Safety Management System	We have implemented a food safety management system based on HACCP since 2002. HACCP is a systematic preventive approach to food safety and is used in the food industry to identify potential food safety hazards, so that key actions can be created to reduce or eliminate the risks. We will continue to review and update the system where necessary and conduct regular audits to ensure that there are no lapses in the system.
MUIS Halal Certification	We have received Halal certification from MUIS for our ice cream products since 2003. We undertake regular audits to ensure that we maintain valid Halal certification at all times and will continue to do so going forward.

Customer Satisfaction

Swensen's was recognised in the Platinum Category of the Reader's Digest Trusted Brands 2021, and in the Best Western Chain (1st runner up) and Best Halal Restaurant (2nd runner up) categories at the RAS Epicurean Star Awards.

SUSTAINABILITY REPORT

Our People

Talent Retention & Development

In FY2021, we met our targets of maintaining average employee monthly turnover rate below the national industry average monthly turnover rate. Average monthly turnover rate for FY2021 was 2.12%, reduced from 2.62% in FY2020. The Ministry of Manpower's ("MOM") benchmark was 3.3%, down from 3.7% in FY2020.

Occupational Health & Safety

ABR strives to ensure that employee's wellbeing is taken care and having met our target of zero workplace injuries resulting in fatality or permanent disability is a key consideration.

The MOM and Central Provident Fund Board ("CPFB") conduct regular inspections to help business entities comply with the Employment Act ("EA") and CPF Act ("CPFA"). MOM conducted a Workright Inspection for ABR on 30 Nov 2021 and found zero non-compliance.

Employability & Training

To attract and retain talent, and also deploy manpower more nimbly, ABR implements flexible work arrangements for both corporate and operations employees. It includes telecommuting, flexi-hours, flexi-shift, staggered time, interim work and part-time work.

At ABR, our people play a crucial role in the growth of our Group and we believe in maintaining a strong and cohesive workforce. To that end, we have invested our efforts in attracting talent, providing a robust training and development environment, and caring for the wellbeing of our people.

Performance 2021	Target 2022
Employee average monthly turnover rate at 2.12% was lower than national industry average monthly rate of 3.3%.	Maintain employee average monthly turnover rate below the national industry average.
Zero workplace injuries resulting in fatality or permanent disability.	Zero workplace injuries resulting in fatality or permanent disability.

The F&B industry was severely impacted by the COVID-19 pandemic. When the economy reopened with the resumption of dine-ins and safe management measures requiring dedicated manpower, many operators were faced with a labour crunch. ABR has been exploring multiple avenues for recruitment such as joining job fairs and working closely with various partners. We have attended and supported virtual career fairs by Workforce Singapore ("WSG"), MOM, Employment and Employability Institute ("e2i"), Restaurant Association Singapore ("RAS"), Enterprise Singapore ("ESG"), Asian Culinary Institute ("ACI"), Yellow Ribbon Singapore ("YRSG"), MINDEF, Ministry of Home Affairs ("MHA"), Singapore Business Federation ("SBF"), North East Community Development Council, South West Community Development Council and People's Association ("PA").

ABR participated in New Hope Community Service's Employer's Roundtable event. This event aims to connect with their Employer Partners to share about New Hope Community Services, the job coach's work, and the support provided to their partners.

We work closely with institution that cater to vocational trainings, specialised curriculum for less academically inclined, and Special needs school, such as Association for Persons with Special Needs ("APSN"), Metta School, Asian Women's Welfare Association ("AWWA") School, Northlight, Crest Secondary School ("Crest"), Mountbatten Vocational School ("MVS"), and Institute of Technical Education ("ITE").

A. APSN

- ABR Group provides work experience and employment opportunities for APSN's trainees in the food and beverage course, under the Apprenticeship Programme, Employment Support Services and Customised Workplace Upskilling Programme.
- In FY2021, we received a Certificate of Appreciation from APSN in recognition of our contributions as a partner.
- Ice Cream Central Manufacturing ("CM") collaborated with APSN to design an On-Job Training ("OJT") program for the students. CM arranged a factory visit to share an overview of the production process.
- To improve training and employment outcomes, ABR participated in an APSN education workshop on "Understanding Individuals with Mild Intellectual Disability ("MID")". The workshop shares knowledge about individuals with MID communication and behavioural management strategies.

B. Metta School

- ABR Holdings Limited received a Certificate of Appreciation from Metta in recognition of our valuable contributions to Metta School for 8 Years.

SUSTAINABILITY REPORT

- Employment Pathway Programme ("EPP") is a two-year programme by Metta School with the end goal of transitioning students successfully from school to work when they graduate at the age of 18. ABR participates in the programme, and Swensen's was featured in their 20th Anniversary Yearbook showing the EPP students receiving on-the-job training from their supervisor at Swensen's.

C. AWWA School

- ABR collaborates with AWWA in Work Exposure and Work Experience Programme, which provides external work opportunities for students to undergo authentic training in the F&B industry. The exposure allows students to discover their best job match according to their strengths, preferences and abilities.
- AWWA student, Zikri, joined Swensen's since graduating in 2018. Zikri was nominated by school leader and was awarded the Lee Kuan Yew Exemplary Student award in 2017 in recognition of his perseverance in learning and responsibility to tasks in school and at home.

D. NorthLight School

- ABR collaborates with NorthLight in Industry Experiential Programme ("IEP") to provide support and opportunities for meaningful learning experiences for the students. Ten students were shortlisted for placement at Swensen's outlets.
- ABR also provides Apprenticeship for NorthLight's Year 5 & Year 6 students.

E. Crest

- ABR collaborate with Crest for IEP. The IEP is a unique component of the ITE Skills Subjects Certificate, where students will have to undergo 4-weeks of industrial exposure to immerse themselves in an authentic working environment. Thirteen students were shortlisted for placement at Swensen's outlets.

F. MVS

- ABR collaborates with MVS in work-based training for the students in their second-year programmes. Trainees will be selected according to their strengths and abilities for work-based training in Food Preparation or Food and Beverage Service. Five students were shortlisted for placement at Swensen's outlets.

G. ITE

- ABR collaborates with ITE to promote the ITE Work-Study Diploma in Culinary Arts & Management and Work-Study Diploma in Hotel & Restaurant Management. Through workplace training programmes, the students will receive practical training at the workplace guided by industry experts and continue to learn from qualified lecturers at ITE. As an employee, the students will enjoy a stable income, employee benefits, full sponsorship of the ITE training and a clear career pathway.

H. Global Ready Talent Programme ("GRT")

- The GRT aims to build a pipeline of global-ready talent for Singapore enterprises through exposing more Singaporeans to internships and overseas work opportunities and equip them with in-market knowledge to navigate challenges in overseas markets, honing their skills for internationalisation in the process.
- ABR offers an internship programme to ITE, Polytechnic and University Students to build local talent pipelines to support our business expansion plans.

I. Enhanced SGUnited Traineeships Programme/Enhanced SGUnited Mid-Career Pathways Programme

- ABR participated in the programmes, which aim to provide trainees and mid-career individuals opportunities to gain valuable industry-relevant experience and develop new skills amidst weaker hiring season due to the COVID-19 outbreak, which will increase their employability during the economic recovery.

Diversity

A diverse workforce contributes different perspectives and insights to the team which can contribute to increased productivity and profitability as well as build a positive image and reputation for the organisation.

Yellow Ribbon Award 2021

- ABR received the "Advocates of Second Chances (Employers) – Silver Award" for supporting overcomers on their rehabilitation journey and contributing towards the Yellow Ribbon cause.

SUSTAINABILITY REPORT

Responsible Sourcing

Performance 2021	Target 2022
Major suppliers screened using our vendor evaluation form	Continue screening major suppliers using our vendor evaluation form

Supply chain assessments are crucial in ensuring that only high-quality ingredients are sourced and used in the production and preparation of food. In order to ensure this, suppliers should be regularly assessed to ensure compliance against food health and safety as well as hygiene standards.

Being a halal certified business, it is also crucial to engage in stringent assessment of suppliers to ensure compliance with MUIS regulations, such as the humane slaughtering of animals.

The centralised procurement function and policies ensure our high standards on food quality and safety as well as other regulatory compliance requirements.

Vendor Evaluation

The sustainability of our supply chain is a key part of ABR's sustainability performance. We believe that supply chain assessments are crucial to ensuring the quality and consistency of ingredients sourced. Suppliers are selected after stringent assessments by our centralised procurement team. Assessments are conducted with the aid of our evaluation form. Suppliers are required to hold the relevant certifications (e.g. ISO 22000, HACCP) and provide official supporting documents for cross-checking by the procurement team.

The team also oversees strategic cost management to drive long term sustainable savings. Selected suppliers are monitored and assessed regularly to assure compliance with food safety and hygiene standards. Prior to the pandemic, the supply chain management team would also visit the factories of key suppliers periodically. Visits were to ensure that suppliers fulfil our responsible sourcing requirements and for the team to identify ways to enhance their operational performance. However, in light of the pandemic, site visits have been suspended and the team ensures compliance through frequent engagement with suppliers.

In FY2021, we met our target to screen major suppliers using our vendor evaluation form. This remains our target in the forthcoming year.

Should government guidelines on safe distancing be revised, the supply chain management team will also resume site visits to suppliers.

Halal Certification

Being a halal-certified business, it is important for us to ensure that products sourced from our suppliers comply with MUIS' halal certification requirements. All products received from our suppliers must be certified by a Halal Certifying Body recognised by MUIS, or certified by MUIS itself.

Sustainable Meal Options

In FY2021, ABR furthered efforts to promote consumption of plant-based proteins through a collaboration with Temasek Ecosperity#RecipeForAChange and an Earth Month initiative in April to promote consumption of plant-based burgers and educate consumers on the environmental footprint of less sustainable protein options such as beef, by highlighting the number of trees saved by consuming plant-based burgers instead.

Waste Management

Performance 2021	Target 2022
27.4% of total cooking oil sent for recycling	Maintain or increase the percentage of cooking oil recycled

Waste Oil

Waste is generated from our restaurant and manufacturing operations. The most significant portion of our waste is food waste and waste oil. Improper treatment and disposal of food waste and waste oil, especially in food handling areas, pose harm to human health and the environment.

In FY2021, we met our target, recycling a total of 27.4% sent as compared to 23.4% in the previous years.

SUSTAINABILITY REPORT

Corporate Compliance

Being a reputable restaurant chain, maintaining public trust is of utmost priority. ABR is committed to upholding high ethical standards and integrity in its operations, complying with all relevant laws and regulations. This involves good corporate governance, responsible business practices, as well as an accountable and transparent management system in order to prevent non-compliance, misconduct or corrupt business practices.

Performance 2021	Target 2022
Zero incidents of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations.	Zero incidents of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations.

We continue to comply strictly with the guidelines of PDPA in all marketing activities and membership administration.

ABR believes that it is important to eliminate the risk of undesirable behaviour among employees in order to prevent reputational damage and establish stakeholder trust.

A whistleblowing policy is in place to provide a safe channel for employees to report concerns about unethical or unlawful behaviour and matters related to organisational integrity. Any form of retaliation against an individual who in good faith reports a suspected violation is prohibited. In addition, we provide feedback channels and anonymous hotlines to further strengthen our zero tolerance approach towards corruption and fraud.

Community Engagement

ABR believes in giving back to the community, which has contributed to its success over the years, by providing a helping hand to those in need. This is achieved through partnerships with various organisations, to address the identify concerns and focus on causes.

Project Belanja

- ABR participated in Project Belanja, an initiative by the Restaurant Association Of Singapore ("RAS") and Blossom World Society ("BWS"), to bring cheer to low-income families. ABR donated 20% of the proceeds from Project Belanja meal vouchers redeemed at its restaurants, 4,000 catered meals to BWS beneficiaries and thousands of bento meals supplied under the initiative throughout 2020 and 2021. ABR's involvement in the project concluded in September 2021.

Performance 2021	Target 2022
Engaged with 31 community projects and charities	Engage with 30 or more community projects and charities

#sqhealthcareheroes

- Between July and August 2021, ABR partnered with #sghealthcareheroes, a group of passionate volunteers whose goal is to honour and support healthcare heroes in Singapore, to distribute 6,100 Swensen's ice cream mini-cups to hospitals (NUH, NTFH and CGH) and National University Polyclinics.

Sharing Is Caring

- Between June and July 2021, ABR partnered with hand sanitiser supplier, Asepso, in distributing 15,000 bottles of complimentary hand sanitiser to the community using Swensen's island wide network of 25 outlets with the aim of giving back and reminding everyone to be vigilant and responsible during COVID-19 period to promote a hygienic environment.

The Art Faculty – Celebrating Abilities

- Swensen's collaborated with The Art Faculty ("TAF"), a social enterprise run by not-for-profit charity Autism Resource Centre (Singapore) that is dedicated to serving person on the autism spectrum between August and September 2021, to produce Furoshiki wraps featuring artworks by the talented artists from TAF.
- These Furoshiki wraps celebrate the unique perspectives and abilities of Pathlight School students. Swensen's ice cream mooncakes were hand packaged with these exclusive wraps and a portion of the sales proceeds were channelled to the artists to support their work.

SUSTAINABILITY REPORT

- Swensen's staff, customers and the public also got to know more about the creations and talents of the TAF artists as the collaboration was widely publicised on Swensen's social media platforms, in-store and via PR channels.

Club Rainbow

- ABR has been engaged with Club Rainbow (Singapore) since 2005.
- We have been involved with the annual sponsorship of Club Rainbow's fund raising initiatives since 2013. ABR also sponsored ice cream for both Camp Rainbow and Ride For Rainbows events.
- ABR has been giving out Swensen's ice cream birthday cakes to the children of Club Rainbow every month since 2005. In 2021, more than 1,000 cakes were given out for this purpose.

HCA Hospice Care ("HCA")

- HCA is a charity that provides home hospice care free-of-charge to about 3,500 patients annually.
- ABR has been donating ice cream birthday cakes for terminally ill members of HCA – Star PALS since 2013. This good initiative was continued throughout 2021.

Bizlink Centre

- Bizlink is a charity which serves to empower person with disabilities and the disadvantaged in achieving independence and inclusion into society through training and employment.
- ABR started sponsoring birthday cakes to the beneficiaries of Bizlink in 2021.

SG Cares Giving Week

- In December 2021 ABR partnered with Kind Citizen, a social impact marketplace, for a Pay-it-forward campaign to encourage our customers to contribute kindness meals to the needy. The primary goal is to create a new social inclusion movement where everyone demonstrates graciousness and kind understanding for the invisible struggles of others.

Mental Health Awareness

- Swensen's participated in HPB's National Mental Wellbeing Campaigns in 2021 with the aim to normalise mental health and provide Singaporeans with skillsets to improve their mental wellbeing and foster a conducive environment for support via its network of outlets and social media platforms. Two campaigns –#Hi!JustCheckingIn and It's OKAY, were launched during the COVID-19 pandemic to promote good mental health and to encourage Singaporeans to reach out to those around them and to build a supportive environment for mental health.
- To promote employee mental wellness, ABR partnered with Raffles Medical Group in providing mental wellbeing webinar to its employees on 28 September 2021. ABR also distributed information on mental health awareness to its employees and encouraged employees to attend a series of virtual mental wellness workshops in October conducted by Clarity Singapore.

In conjunction with World Mental Health Day, ABR partnered with MOHT to organise its own Mental Wellness lunch webinar for all its employees on 25 October 2021, with the goal of strengthening mental well-being during COVID-19 pandemic and promoting practical self-care ways on physical and emotional health. The invited speaker, Mr. Andi Susanto, is a Singapore Registered Clinical Psychologist ("SRP") and Singapore Registered Clinical Supervisor ("RCS") in Singapore. During the webinar, employees were also introduced to Mindline.sg, a stress management platform developed by MOHT to support the mental health and wellbeing of Singapore's workforce. The platform provides a series of free personalised mental health tools, self-guided wellbeing exercises and local support resources to strengthen their mental resilience at work.

- Partnering AIA with Potential Project, ABR offered:
  i. Three sessions of resilience accelerators webinars to focus on simple and impactful ways to train the mind and manage activities to build resilience. On top of the three webinar sessions, the program also consists of 15-minute mind gym courses three times a week (every Monday, Wednesday and Friday), starting from 26 April 2021 to 28 May 2021.
  ii. Three sessions of Optimism Mindset training to allow participants to feel challenged yet build mental resilience with of 15-minute mind gym courses three times a week (every Monday, Wednesday, and Friday) conducted from August to September.

Promoting Healthier Dining

- Besides being a pioneer Healthier Dining Partner of HPB since 2014, Swensen's has been participating in HPB's various campaigns to promote healthy lifestyle, including National Steps Challenge. This continued in 2021.

SUSTAINABILITY REPORT

PUB – Singapore World Water Day

- Swensen's has been a partner of PUB's annual Singapore World Water Day campaign in March to rally the nation to cherish our water resources and use water wisely since 2019. In-store materials and social media platforms were used to promote PUB's water conservation message in 2021.

APSN

- In celebration of the Mid-Autumn Festival and supporting APSN in their fundraising efforts, ABR purchased 100 hand-painted lanterns by APSN students, trainees and alumni for Swensen's outlets at $50 donation per lantern.
- APSN conducted a Charity Live Stream on 11 December 2021 via the Facebook platform. To help with the fundraising efforts, ABR sponsored APSN ten Swensen's 1kg Classic Range Ice Cream Cake vouchers.

Metta Welfare Association Donation Drive

- In collaboration with Metta Welfare Association, ABR collected a total of 284 items donated during the campaign from employees of ABR Group.

BOARD OF DIRECTORS

CHUA TIANG CHOON, KEITH

Executive Chairman

Mr Keith Chua was appointed as the Non-Executive Chairman on 28 March 2002 and has served as the Executive Chairman of the Group since 1 August 2004. He is also a member of the Nominating Committee.

Mr Chua is presently the Managing Director and Company Secretary of Kechapi Pte Ltd, a substantial shareholder of the Company. He is also the Managing Director of the Alby group of companies in Singapore and Australia for the past 30 years. Mr Chua serves on the boards of a number of private and unlisted companies in Singapore.

He is a substantial shareholder of the Company through his deemed interests in Kechapi Pte Ltd and Alby (Private) Limited.

Mr Chua was last re-elected as a director on 12 June 2020.

ANG YEE LIM

Managing Director

Mr Ang Yee Lim was appointed to the Board as an Executive Director on 25 May 2004. He was subsequently appointed as the Managing Director on 1 July 2004.

Mr Ang has over 20 years of experience in the food and beverage business and more than 30 years of experience in property development and investment in Singapore, Malaysia, Indonesia and Thailand. Mr Ang also sits on the boards of some of the Group's subsidiaries. Mr Ang is a substantial shareholder of the Company.

Mr Ang was re-elected as a director on 25 April 2019.

ANG LIAN SENG

Executive Director

Mr Ang Lian Seng has served as an Executive Director on the Board since 4 May 2001. He also serves as a member on the Remuneration Committee.

Mr Ang also sits on the boards of the Group's subsidiaries and associated companies.

Mr Ang was last re-elected as a director on 28 April 2021.

ALLAN CHUA TIANG KWANG

Non-Executive Director

Mr Allan Chua has served as a Non-Executive Director on the Board since 18 February 2002. Mr Chua is also a member of the Audit Committee.

He is a Director of Kechapi Pte Ltd and serves on the boards of a number of private and unlisted public companies in Singapore.

Mr Chua is a substantial shareholder of the Company through his deemed interests in Kechapi Pte Ltd and Alby (Private) Limited.

Mr Chua was last re-elected as a director on 28 April 2021.

BOARD OF DIRECTORS

QUEK MONG HUA

Independent and Non-Executive Director

Mr Quek Mong Hua has served as an Independent Director on the Board since 21 August 2003. He is a member of the Audit, Remuneration and Nominating Committees. Mr Quek currently chairs the Remuneration and Nominating Committees.

Mr Quek is a senior partner of the law firm Messrs Lee & Lee. Mr Quek started his legal practice in 1980 with Messrs Lee & Lee. His working experience included an eight-year stint with the Singapore Legal Service as a District Judge of the Subordinate Courts of Singapore from 1992 to 1994 and thereafter as a Senior State Counsel with the Attorney-General's Chambers until he rejoined Messrs Lee & Lee in April 2000. When he left the legal service, he was holding the appointment of Deputy Head of the Civil Division. Mr Quek is also a member of the Military Court of Appeal under appointment of the Singapore Armed Forces Council.

Mr Quek was last re-elected as director on 28 April 2021.

LIM JEN HOWE

Independent and Non-Executive Director

Mr Lim Jen Howe has served as an Independent Director on the Board since 21 August 2003. He is a member of the Audit, Remuneration and Nominating Committees. Mr Lim currently chairs the Audit Committee.

Mr Lim has more than 40 years of experience in finance and accounting. He has been a practising Public Accountant for more than 30 years and is a founding partner of Messrs Thong & Lim, Chartered Accountants of Singapore. He is also an independent director of TalkMed Group Limited and Caregivers Alliance Limited.

Mr Lim was last re-elected as a director on 28 April 2021.

ANG JUN HUNG

Alternate Director to Ang Yee Lim

Mr Ang Jun Hung was appointed as Alternate Director to Ang Yee Lim on 1 January 2022.

Mr Ang joined the Group in August 2019 as Group Investment Manager, and has since been supporting the Directors in the day-to-day management of the Group's operations. He oversees the Group's investments and the execution of the Group's strategies.

Mr Ang holds a Bachelor's Degree in Politics, Philosophy and Law with Honours from King's College London. Prior to joining the Company, Mr Ang trained with Rajah & Tann Singapore LLP's Restructuring and Insolvency Practice, and was called to the Singapore Bar in July 2019.

KEY MANAGEMENT

NG SOO NOI
Group Chief Financial Officer | ABR Holdings Limited

Ms Ng Soo Noi oversees the finance, accounting, tax and treasury functions of the Group.

Ms Ng has over 30 years of experience in accounting, finance and auditing. Having started her career as an auditor with an international accounting firm, she subsequently moved on to join a public listed industrial conglomerate where she held managerial positions in the financial and management accounting areas.

Prior to joining the Company in October 1999, she was the regional financial controller of a public listed company where she spent over 2 years in the People's Republic of China overseeing the finance function of the operations there.

Ms Ng is a Fellow member of the Association of Chartered Certified Accountants (United Kingdom) and a member of the Institute of Singapore Chartered Accountants.

TEO TONG LOONG
Group Business Development Director | ABR Holdings Limited

Mr Teo Tong Loong spearheads the Group's business development and marketing efforts since 2019, he has been responsible for implementing strategic growth plan, both organic and inorganic, across the Group while supporting the Board alongside Key Management in delivering key performance across the operational, IT, and administrative functions.

Prior to joining the Company in March 2019, he was involved in consulting projects with focuses in strategy, IT transformation and data analytics.

Mr Teo holds a Bachelor of Science in Accountancy and Finance from the University of London.

NG CHENG WEE
General Manager, Swensen's | ABR Holdings Limited

Mr Ng Cheng Wee is responsible for the management and operations of Swensen's, Earle Swensen's and special projects in Singapore as well as overseeing franchisee auditing. Mr Ng first joined the Company in 1995 as Deputy Restaurant Manager cum Area Trainer and over the years, rose to the rank of Senior Area Manager in 2005.

He then pursued his career with an international franchise food chain, overseeing the new organisational set up in Singapore and Malaysia from 2006 to 2009 before rejoining ABR in 2009 as Operations Manager.

Mr Ng was promoted to General Manager, Swensen's in May 2014.

LIEW HOCK MENG
Executive Chef | ABR Holdings Limited

Mr Liew Hock Meng is responsible for menu creation, menu engineering, kitchen workflow design as well as overseeing franchisee auditing for the Group.

Mr Liew first joined the Company in 1982 as Assistant Outlet Chef and was promoted to Outlet Chef in 1984. He then pursued his career with a local hotel from 1988 to 1990 before rejoining the Company as Head Chef in 1990 and was subsequently promoted to Executive Chef in 2002.Prior to joining the Company, Mr Liew had over 15 years of experience with various F&B chains.

LECK KIM SENG
Director | ABR Holdings Limited

Mr Leck Kim Seng has served as a Non-Executive Director on the Board since 18 February 2002 and as an Executive Director on the Board from 20 March 2002 to 31 December 2021.

Following his resignation as an Executive Director on the Board, Mr Leck remains a director to oversee the operations of the Group. Mr Leck also sits on the boards of some of the Group's subsidiaries.

Mr Leck has over 30 years of experience in property and resort development in Singapore, Malaysia, Indonesia and the People's Republic of China.

LEE SIANG CHOO
CEO / Executive Director | Chilli Padi Group

Ms Lee Siang Choo is responsible for the overall management and operation of the Chilli Padi Group. Ms Lee also oversees quality control, procurement and menu creation and innovation for the Chilli Padi Group. Her love for the intricacies of Peranakan culture and passion for cooking spurred her to establish the first Chilli Padi eatery in 1997. Since then, she has grown and expanded the business into event catering, confinement meal delivery and institutional cafeteria management.

LECK KIM SONG
Group General Manager | Season Group

Mr Leck Kim Song is responsible for the management and operations of Season Confectionary & Bakery Sdn Bhd. He has over 20 years of experience in building, civil engineering, recreation and resort development in Singapore, Australia and Indonesia.

Mr Leck holds a BSc in Building with Honours from Heriot-Watt University, Edinburgh, and an MSc in Project Management from the University of Melbourne. He is a Chartered member of the Royal Institution of Chartered Surveyors (UK), the Chartered Institute of Building (UK), the Chartered Management Institute (UK) and the Australian Institute of Building (Royal Charter). He is also a corporate member of the Singapore Institute of Surveyors and Valuers.

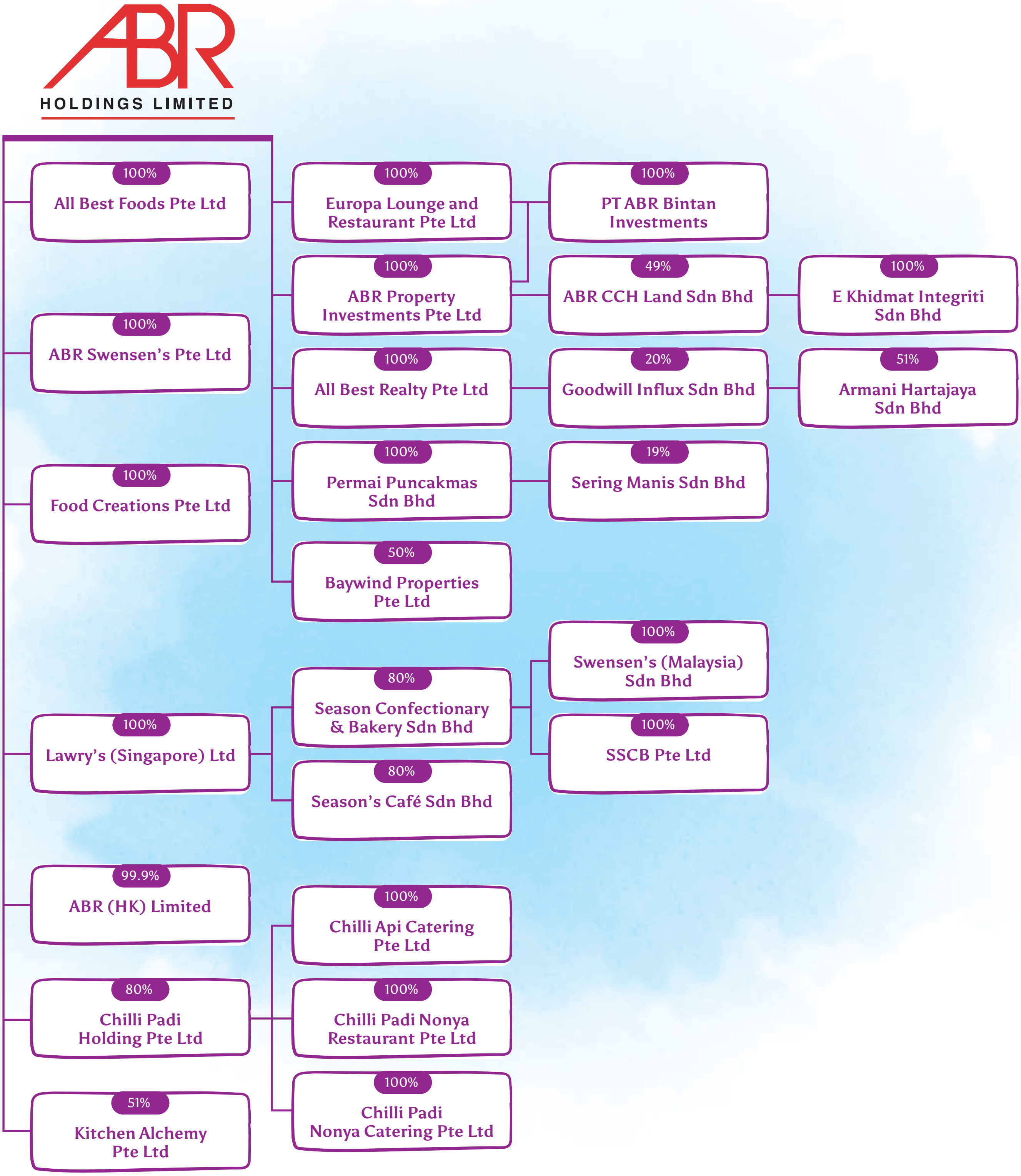
ANG PHECK CHOO
General Manager, Tip Top | All Best Foods Pte Ltd
Country Manager, Swensen's Malaysia and Season's Cafe | Season Group

Ms Ang oversees and manages the business operations of Swensen's Malaysia and Season's Cafe in Malaysia. Since May 2021, Ms Ang also oversees the operations of Tip Top as General Manager.

Prior to joining the Group in 2013, Ms Ang has garnered more than 20 years of working experience in the food & beverage industry and held positions as Head of Operations and General Manager.

Ms Ang graduated from Simon Fraser University (Canada) with a Bachelor's Degree in Business Administration.

GROUP STRUCTURE



Note: Group Structure as at 31 December 2021 and it excludes dormant companies

CORPORATE INFORMATION

Directors
Chua Tiang Choon, Keith
Ang Yee Lim
Ang Lian Seng
Allan Chua Tiang Kwang
Quek Mong Hua
Lim Jen Howe
Ang Jun Hung (Alternate Director to Ang Yee Lim)

Joint Secretaries
Lee Bee Fong
Hon Wei Ling

Registered Office
41 Tampines Street 92
Singapore 528881
Tel: (65) 6786 2866
Fax: (65) 6788 2226
Company Registration No. 197803023H

Registrar
Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte Ltd)
80 Robinson Road #02-00
Singapore 068898

Auditor
Baker Tilly TFW LLP
Chartered Accountants of Singapore
600 North Bridge Road
#05-01 Parkview Square
Singapore 188778
Partner-in-charge: Low See Lien
(Appointed since financial year ended
31 December 2021)

Solicitors
Lee & Lee

Principal Bankers
Oversea-Chinese Banking Corporation Ltd
United Overseas Bank Ltd
DBS Bank Ltd

CONTENTS

CORPORATE GOVERNANCE AND FINANCIAL REPORT

REPORT ON CORPORATE GOVERNANCE

The Board of Directors (the "Board") of ABR Holdings Limited (the "Company" and together with its subsidiaries, the "Group") strongly support the principles of transparency, accountability and integrity as set out in the Code of Corporate Governance 2018 (the "Code"). This report describes the Company's corporate governance policies and practices which were in place during the financial year ended 31 December 2021 ("**FY 2021**"), with specific reference to the Principles and Provisions of the Code and accompanying Practice Guidance.

The Code aims to promote high levels of corporate governance by putting forth Principles of good corporate governance and Provisions with which companies are expected to comply. The Practice Guidance complements the Code by providing guidance on the application of the Principles and Provisions and setting out best practices for companies.

Pursuant to Rule 710 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), the Board confirms that the Company and the Group, have for FY 2021 complied with the principles and provisions as set out in the Code. The Board also confirms that where there are deviations from the principles and/or provisions of the Code, explanations for the deviation and how the Group's practices are consistent with the intent of the relevant principle are provided in the sections below: -

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.

The Board is collectively responsible for providing overall strategy and direction to the Management and the Group. Directors act in the best interests of the Company and through the Board's leadership, the Group's businesses are able to achieve sustainable and successful performance. The Board has put in place ethics policies within the Group, which set out a code of conduct and ethical standards for Directors and staff to adhere to.

The principal functions of the Board, in addition to carrying out its statutory responsibilities, *inter alia*, are as follows:

- overseeing and approving the formulation of the Group's overall long-term strategic objectives and directions, taking into consideration sustainability issues;
- overseeing and reviewing the management of the Group's business affairs and financial controls, performance and resource allocation, including ensuring that the required financial and human resources are available for the Group to meet its objectives;
- overseeing the processes for risk management, financial reporting and compliance;
- reviewing and approving financial policies, investments and strategies to be implemented by the Management;
- setting the Group's values and standards and ensuring that obligations to shareholders and other stakeholders are understood and met;
- approving the Company's annual business plan including the annual budget, capital expenditure and operational plans;
- formulating procedures and strategies to ensure good corporate governance within the Group.

All directors recognise that they have to discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company. The Board is a representation of the shareholders in the Company and is accountable to them through effective governance of the business.

Each director is required to promptly disclose any actual, potential and perceived conflict of interest, in relation to a transaction or proposed transaction with the Group as soon as practicable after the relevant facts have come to his/her knowledge. Any director facing a conflict of interest will recuse himself from the discussions and abstain from participating in any Board decisions and voting on resolutions regarding the matter.

During the year in review, the Board scheduled three Board meetings to review among other things, the financial performance of the Group, approve the release of the half yearly and full year financial results, approve the annual budget as well as to consider and approve the Group's strategic direction and investment proposals.

REPORT ON CORPORATE GOVERNANCE

To enable the Directors to remain updated with the law and corporate governance practices, the Company continues to provide a training budget for the Directors to fund their participation at industry conferences and seminars, and attendance at any training course, where required. Incoming Directors have full access to the minutes of all previous Board meetings to familiarise themselves with the Company's business and governance practices. They are further briefed by the Management on the business activities of the Company and the Group and its strategic directions. Upon appointment of each Director, the Company will provide a letter to the Director setting out the director's duties and obligations.

The Company Secretary provides regular updates on the latest governance and listing policies during Board meetings, as and when required. All Directors are updated regularly concerning any changes in the Company policies. During the year, the Board was briefed and/or received updates on regulatory changes, industry developments, business initiatives and changes to the accounting standards.

All Directors are encouraged to constantly keep abreast of developments in regulatory, legal and accounting frameworks that are of relevance to the Group through the extension of opportunities for participation in training courses, seminars and workshops as relevant and/or applicable.

Although the day-to-day management of the Company is delegated to the Executive Directors, the approval of the Board is required for matters such as corporate restructuring, mergers and acquisitions, major investments and divestments, material acquisitions and disposals of assets, major corporate policies on key areas of operations, major corporate actions such as share issuance, the release of the Group's results and announcement to shareholders, declaration of dividends and interested person transactions.

The Board has adopted a set of internal guidelines which sets out limits for capital expenditure, investments and divestments, bank borrowings, share issuance, dividends and cheque signatories' arrangements to be approved at Board level.

To assist the Board in discharging its duties and functions, the Board is assisted by three Board sub-committees, namely, the Audit Committee ("AC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC"). Each of the AC, NC and RC has been constituted with terms of reference setting out their composition, authorities and duties approved by the Board and may recommend or decide on matters within its terms of reference. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities, are disclosed in the Company's annual report.

The Board meets regularly and ad-hoc Board Committee or Board meetings are convened when they are deemed necessary. In between Board meetings, other important matters will be tabled for the Board's approval by way of circulating resolutions in writing.

The number of Board and Board sub-committee meetings held in FY 2021 and the attendance of each Director are as follows:

	Board		Audit Committee		Remuneration Committee		Nominating Committee	
Director's name	**No. of meetings held**	**No. of meetings attended**	**No. of meetings held**	**No. of meetings attended**	**No. of meetings held**	**No. of meetings attended**	**No. of meetings held**	**No. of meetings attended**
Chua Tiang Choon, Keith	3	3	NA	NA	NA	NA	1	1
Ang Yee Lim	3	3	NA	NA	NA	NA	NA	NA
Ang Lian Seng	3	3	NA	NA	1	1	NA	NA
Leck Kim Seng	3	3	NA	NA	NA	NA	NA	NA
Allan Chua Tiang Kwang	3	3	3	3	NA	NA	NA	NA
Quek Mong Hua	3	3	3	3	1	1	1	1
Lim Jen Howe	3	3	3	3	1	1	1	1

REPORT ON CORPORATE GOVERNANCE

When a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his duties as a Director of the Company. The NC is satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations. The NC is of the view that the matter relating to multiple board representations should be left to the judgement of each Director given that time requirements for different board representations vary. As such, the NC and the Board have decided that there is no necessity to determine the maximum number of listed company board representations which a Director may hold.

The Company's Constitution allows the Board to hold telephonic and videoconference meetings. If any of the Directors are not able to physically attend the Board meetings in Singapore, the Company adopts the policy of connecting them via the telephone, where necessary.

The Directors are provided with relevant Board papers and information prior to each Board meeting. The Company Secretary or representative from the Company Secretary's office administers, attends and prepares minutes of Board meetings, and assists the Executive Chairman in ensuring that Board procedures are followed and reviewed so that the Board functions effectively and the Company's Constitution and the relevant rules and regulations applicable to the Company are complied with.

Board members are also provided with a monthly management report of the Group, comprising financial statements, sales and analysis reports, to apprise the Board regularly on the performance of the Group's business. Other information is also provided to the Board members as needed on an on-going basis.

The Directors have separate and independent access to the Company's senior management, external auditor and the Company Secretary at all times. Should the Directors, either individually or as a group, require independent professional advice, such professionals will be appointed at the Company's expense. The appointment and removal of the Company Secretary are decided by the Board as a whole.

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.

The Board currently comprises six Directors being one Executive Chairman, one Managing Director, one Executive Director, one Non-Executive Director and two Independent Non-Executive Directors, as follows:-

Chua Tiang Choon, Keith	(Executive Chairman)
Ang Yee Lim	(Managing Director)
Ang Lian Seng	(Executive Director)
Allan Chua Tiang Kwang	(Non-Executive Director)
Lim Jen Howe	(Independent Non-Executive Director)
Quek Mong Hua	(Independent Non-Executive Director)
Ang Jun Hung	(Alternate Director to Ang Yee Lim)

Mr Leck Kim Seng had stepped down as an Executive Director on 1 January 2022 while Mr Ang Jun Hung was appointed as an Alternate Director to Mr Ang Yee Lim, the Managing Director of the Company, on 1 January 2022. Profiles of the Directors are found in the "Board of Directors" section of this annual report.

The independence of each Director is reviewed annually by the NC and the Board. Each Independent Director is required to complete a checklist annually to confirm his independence based on the guidelines as set out in the Code and the Listing Rules. The NC adopts the Code's definition of what constitutes an "independent" director in its review. The NC takes into account, among other things, whether a Director has business relationships with the Company, its related companies, its substantial shareholders or its officers, and if so, whether such relationships 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.

The NC and the Board are of the view that all its Independent Directors have satisfied the criteria of independence in accordance with the Code, its Practice Guidance and Rules 210(5)(d)(i) and 210(5)(d)(ii) of the Listing Rules as a result of its review.

REPORT ON CORPORATE GOVERNANCE

Independence of Directors who have served on the Board beyond Nine Years

With effect from 1 January 2022, a director will not be independent if he has served for an aggregate of more than nine years and his continued appointment as an independent director has to be sought and approved in separate resolutions by (a) all shareholders and (b) shareholders, excluding the directors and chief executive officer of the issuer, and associates of such directors and chief executive officer (the "Two-Tier Voting"). Such resolutions when approved by a Two-Tier Voting may remain in force for three years from the conclusion of the annual general meeting following the passing of the resolutions or the retirement or resignation of the director, whichever the earlier.

Mr Lim Jen Howe and Mr Quek Mong Hua who had served more than nine years, had sought approval at the Annual General Meeting ("AGM") of the Company held on 28 April 2021 for their continued appointment as Independent Directors. The resolutions for the Two-Tier Voting were approved at the AGM and Mr Lim and Mr Quek will continue their appointment as Independent Directors until the conclusion of the third AGM of the Company from the aforesaid approval or upon their retirement or resignation, whichever the earlier.

The Board has subjected the independence of Mr Lim and Mr Quek to a particularly rigorous review. After due consideration and careful assessment, the NC and the Board are of the view that Mr Lim and Mr Quek continue to demonstrate strong independence in character and judgment in the discharge of their responsibilities as directors of the Company. Their length of services does not in any way interfere with their exercise of independent judgement nor hinder their ability to act in the best interest of the Company. This view is reinforced by the track record of independence as demonstrated during their tenure. Based on the declaration of independence received from Mr Lim and Mr Quek, they have no association with the Management that could compromise their independence. After taking into account all these factors, the Board has determined Mr Lim and Mr Quek continue to be considered independent directors, notwithstanding they have served on the Board for more than nine years from the date of their first appointment. Mr Lim and Mr Quek have recused themself from all NC and Board deliberations and decisions relating to their continued independence.

According to Provision 2.2 of the Code, independent directors should make up at least a majority of the Board where the Chairman is not independent. With the Executive Chairman and two out of the six Directors are independent, Provision 2.2 of the Code is not satisfied. The Company has three Non-Executive Directors who form 50% composition of the Board and the Board recognises that this is not in accordance with Provision 2.3 of the Code that Non-Executive Directors shall make up majority of the Board.

Although the Independent Directors do not make up a majority of the Board where the Chairman is not independent and Non-Executive Directors form only 50% composition of the Board, the Board has always discussed important issues robustly and have always been able to reach a consensus on the decisions without having to rely on any majority votes to decide nor having an individual or small group of individuals dominate the Board's decision-making process. All important and major decisions relating to the operations and Management of the Group made by the Executive Chairman, Managing Director and Executive Director are reviewed by the Board. The Board is also satisfied that the Executive Chairman has always acted manifestly in the best interest of shareholders as a whole and has striven to protect and enhance the long-term shareholders' value and the financial performance of the Group.

The two Independent Directors chair the three Board Committees. The Independent Directors have confirmed that they do not have any relationship with the other Directors, the Company or its related companies or 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.

The Board had considered the background and core competencies of each member of the current Board. This includes backgrounds in finance, accounting, legal, business and industry knowledge. The Board is of the conviction that the true value of its diversity is in having diverse perspectives and independent thought, where all directors are able to speak and participate freely and constructively in decision-making. Each director has been appointed on the strength of his calibre, experience and stature and has been able to bring a valuable range of experiences and expertise to contribute to the thought processes in the development of the Group's strategies and the performance of its business.

REPORT ON CORPORATE GOVERNANCE

The NC, with the concurrence of the Board, is of the opinion that the current Board size and composition comprises an appropriate balance and diversity of skills, experience and knowledge of the Company, which provides broad diversity of expertise such as finance, accounting, legal, business management, industry knowledge and strategic planning experience, and is appropriate and effective to ensure the balance of power and authority to facilitate effective decision making, having taken into consideration the nature and scope of the Group's operations, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and the Board committees. This is, especially pertinent under an economic climate where cost considerations and agility of the Board in decision-making are more constructive and critical to the Company.

In view of the foregoing, the Board is of the view that the Board's composition has an appropriate level of independence and diversity of thought and background to enable it to make decisions in the best interests of the Company, consistent with the intent of Principle 2 of the Code. Nevertheless, the Board remains aware of the fact that Board composition is dynamic and not static and is open to change and adaptation whenever needed to improve materially the corporate governance and performance of the Company.

The Company recognises and embraces the benefits of diversity of experience, age, skill sets, gender and ethnics on the Board ("Board Diversity") and views Board Diversity as an essential element to support the attainment of its strategic objectives and sustainable development. With the introduction of Rule 710(A) of the Listing Rules effective from 1 January 2022, the Board will endeavour to maintain a board diversity policy that addresses gender, skills and experience, and any other relevant aspects of diversity, and describe such policy in its Annual Report for the financial year ending 31 December 2022.

The Independent and Non-Executive Directors communicate without the presence of the Management as and when the need arises. The Company also benefits from the Management's ready access to its Directors for guidance and exchange of views both within and outside the formal environment of meetings of the Board and Board committees.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

Mr Chua Tiang Choon, Keith has been the Chairman of the Group since 28 March 2002. On 1 August 2004, he became the Executive Chairman. Since 1 July 2004, the Board has appointed Mr Ang Yee Lim as the Managing Director of the Company. Mr Chua and Mr Ang are both substantial shareholders of the Company.

As Executive Chairman, Mr Chua is responsible for the overall management and strategic decision making of the Group jointly with Mr Ang, the Managing Director of the Company. In addition, Mr Chua ensures that Board meetings are held on a regular basis and sets the agenda for each meeting in consultation with the Directors, the Management and the Company Secretary as necessary. Where matters arise which requires the Board's deliberation and decision, he ensures that ad-hoc meetings are held. The Executive Chairman is instrumental in steering the Board in setting policies for its corporate governance compliance and internal controls and also in formulating strategies for the Group's business and direction.

Mr Ang Yee Lim, who is the Managing Director of the Company, assumes responsibility for running the day-to-day business of the Group; ensures implementation of policies and strategy across the Group as set by the Board; manages the Management team; and leads the development of the Group's strategic direction including identifying and assessing risks and opportunities for the growth of its business and reviewing the performance of its existing businesses. The Executive Chairman and Managing Director are accountable to the Board and they assume responsibilities for the Group's overall direction and running the day-to-day business of the Group with clear division of responsibilities agreed by the Board.

The Executive Chairman, the Managing Director, the Executive Director and two other members of Management form the Executive Committee ("Exco") appointed by the Board. The Exco is responsible for the oversight of the Group's businesses and performance.

The Executive Chairman and the Managing Director, while both being part of the Exco, are two unrelated individuals. Taking into account the relatively small size of the Board and that the Company has two Independent Non-Executive Directors, the Board is of the view that there is currently no need to appoint one of them as the lead Independent Director. Shareholders can channel any concerns they may have to either one of the Independent Non-Executive Directors. Thereafter, the Independent Non-Executive Directors will provide feedback to the Executive Chairman after such meetings.

REPORT ON CORPORATE GOVERNANCE

At Annual General Meeting ("AGM") and other general meetings, the Executive Chairman ensures constructive dialogue between the Board, management and shareholders, and maintains good standards of corporate governance.

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.

Nominating Committee

The NC is responsible for making recommendations on all board appointments and re-nominations, having regard to the contribution and performance of the Director seeking re-election.

The NC comprises the following three Directors, the majority of whom, including the Chairman of the NC, are independent:

- Mr Quek Mong Hua (Chairman and Independent Non-Executive Director)
- Mr Lim Jen Howe (Member and Independent Non-Executive Director)
- Mr Chua Tiang Choon, Keith (Member and Executive Chairman of the Group)

The NC has specific written Terms of Reference setting out their duties and responsibilities. The NC's principal functions are as follows:

- to make recommendations to the Board on all Board appointments having regard to the Director's competencies, commitment, contribution and performance (for example, attendance, preparedness, participation, candour and any other salient factors);
- to make recommendations to the Board on all new Board appointments, having regard to his/her experience and background;
- to determine annually whether a Director is independent, bearing in mind the guidelines set out in the Code;
- deciding on how the Board's performance may be evaluated and propose objective performance criteria to the Board;
- assessing the effectiveness of the Board as a whole and the contribution by each individual Director to the effectiveness of the Board;
- reviewing of structure, composition and size of the Board;
- reviewing board succession plans for Directors, in particular, the Chairman, the Chief Executive Officer and key management personnel; and
- reviewing training and professional development programs for the Board.

Where a vacancy arises, the NC will consider each candidate for directorship based on the selection criteria determined after consultation with the Board and after taking into consideration the qualification and experience of such candidate, his/her ability to enhance the effectiveness of the Board and to add value to the Group's business in line with its strategic objectives, the NC will recommend the candidate to the Board for approval. Under the Company's Constitution, a newly appointed Director shall retire at the AGM following his/her appointment and he/she shall be eligible for re-election.

The NC has in place a process for the selection of new Directors and re-appointment of Directors as follows:

- the NC evaluates the balance and mix of skills, knowledge and experience of the Board and, in light of such evaluation and in consultation with Board, prepares a description of the role and the essential and desirable competencies for a particular appointment;
- if required, the NC may engage consultants to undertake research on, or assess, candidates for new positions on the Boards;
- the NC meets with short-listed candidates to assess their suitability and ensure that the candidates are aware of the expectations; and
- the NC makes recommendations to the Board for approval.

REPORT ON CORPORATE GOVERNANCE

The Company's Constitution provides that one-third of the Directors for the time being, or if their number is not a multiple of three, the number nearest to one-third, shall retire by rotation at every AGM. Accordingly, the Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. The following Directors will retire and seek re-election at the forthcoming AGM:

- Chua Tiang Choon, Keith
- Ang Lian Seng
- Ang Yee Lim

The NC makes recommendations to the Board on re-appointments of Directors based on their contributions and performance, a review of the range of expertise, skills and attributes of current Board members, and the needs of the Board.

The NC ensures that all new directors are aware of their duties and obligation. The NC has considered and taken the view that it would not, at this time, be appropriate to set a limit on the number of listed directorships that a Director may hold because directors have different capabilities, the nature of the organisation in which they hold appointments and the committees on which they serve are of different complexities. Accordingly, each Director will personally determine the demands of his competing directorships and obligations and assess the number of listed directorships he can hold and serve effectively. The NC considers that the multiple board representations held presently by the Directors do not impede their respective performance in carrying out their duties to the Company.

The NC is satisfied that sufficient time and attention are being devoted by the Directors to the affairs of the Company and the Group during FY 2021. The NC will continue to review from time to time, the Board representations and other principal commitments to ensure that Directors continue to meet the demands of the Group and are able to discharge their duties adequately.

Key information regarding Directors such as academic and professional qualifications, shareholding in the Company and its subsidiaries, Board committees served, date of first appointment as Director and date of last re-election as Director are set out in the "Board of Directors" section of this annual report.

As for the succession planning for the Directors, NC is of the view that the duties and functions of the Executive Directors can be sufficiently covered by the existing management infrastructure in the event of any unforeseen circumstances.

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.

The NC is responsible for setting the performance criteria to assess the effectiveness of the Board as a whole, and the contributions by the Executive Chairman and each individual Director to the effectiveness of the Board. In the assessment, the NC takes into consideration a number of factors, namely the size and composition of the Board, the Board's access to information, Board proceedings, the discharge of the Board's functions and the communications and guidance given by the Board to the Management.

A formal review of the Board's performance and its Board Committees will be undertaken collectively by the Board annually. The Board's performance will also be reviewed by the NC with inputs from the other Board members. The Chairman of the Board will act on the results of the performance evaluation and recommendation, and where appropriate, propose new members to be appointed to the Board or seek the resignation of the Directors, in consultation with the NC.

Upon reviewing the assessment, the NC is of the view that the performance of the Board as a whole and its Board Committees is satisfactory. The NC is satisfied that each member of the Board has been effective and efficiently contributed to the Board and the Group during the year. No external facilitator has been engaged to conduct the Board performance evaluation.

Each member of the NC shall abstain from voting on any resolution and making any recommendation and/or participating in any deliberation of the NC in respect of the assessment of his own performance or re-nomination as a Director.

REPORT ON CORPORATE GOVERNANCE

PROCEDURES FOR DEVELOPMENT REMUNERATION POLICIES

Principle 6: The Board has 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.

Remuneration Committee

The RC's objective is to make recommendations to the Board on the Group's framework of executive remuneration as well as to review the adequacy and form of the compensation of Executive Directors (members of the Board who are employees of the Company, whether full time or part-time) to ensure that the compensation realistically commensurate with the responsibilities and risks involved in being an effective Executive Director. No Director is involved in deciding his or her own remuneration.

The RC comprises the following three members, the majority of whom, including the Chairman of the RC, are Independent Non-Executive Directors:

- Mr Quek Mong Hua (Chairman and Independent Non-Executive Director)
- Mr Lim Jen Howe (Member and Independent Non-Executive Director)
- Mr Ang Lian Seng (Member and Executive Director)

The Board recognises that the composition of the RC is not in accordance with the Code's guidelines that the RC should be made up of entirely Non-Executive Directors. However, the Board is of the view that the current composition of the RC is able to provide the necessary objective inputs to the various decisions made by the Board. Mr Ang Lian Seng, a Board member and Executive Director, also abstains from all discussions, deliberations and decision of his own remuneration.

The RC has specific written Terms of Reference setting out their duties and responsibilities. The RC will meet at least once a year.

The RC's principal functions are as follows:

- review and to recommend to the Board a framework of remuneration for the Directors and key management personnel;
- determine specific remuneration packages for each Executive Director as well as for the key management personnel;
- review annually the remuneration of employees related to the Directors and Substantial Shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- review the Company's obligations arising in the event of termination of the Executive Directors and 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;
- oversee the administration of the employees' share option scheme and such other similar share plans as may be implemented by the Company from time to time; and
- other acts as may be required by the Singapore Exchange Securities Trading Limited and the Code from time to time.

The RC is responsible for ensuring a formal and transparent procedure is in place for fixing the remuneration packages of Executive Directors and key management personnel. All aspects of remuneration, including but not limited to, Directors' fees, salaries, bonuses and allowances are reviewed by the RC. The annual variable bonus and performance-related component of Executive Directors' remuneration takes into account the Group's financial performance.

The RC is of the view that it is currently not necessary to use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company and the Group. The Executive Director owes a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

REPORT ON CORPORATE GOVERNANCE

The RC considers and reviews the disclosure of Directors' remuneration in the annual report. The RC also ensures that the Independent Directors are fairly compensated so that their independence will not be compromised. The RC's recommendations are submitted to and endorsed by the Board. Though none of the RC members specialises in the area of executive compensation, the RC has access to the Company's Human Resource Manager as well as to external human resource professionals' expert advice where necessary.

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.

Non-Executive Directors are paid a fixed fee appropriate to the level of contribution, taking into account factors such as effort, time spent and the increasingly onerous responsibilities. The Board concurred with the RC's proposal for Non-Executive Directors' fees for FY 2021.

Directors do not decide on their remuneration package and abstain from voting at RC meetings when their own remuneration is being deliberated.

The RC reviews the fairness and reasonableness of the termination clauses of the service agreements of the Executive Directors and key management personnel to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance.

A significant and appropriate proportion of executive directors' and key management personnel remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.

The remuneration framework for Directors, CEO and key management personnel is aligned with the interest of shareholders and relevant stakeholders and appropriate to attract, retain and motivate them for the long term success of the Group.

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.

The remuneration of the Directors and the top five key management personnel, who are not Directors of the Company, for FY 2021, are disclosed below. The disclosure is to enable investors to understand the link between remuneration paid to Directors and key management personnel, and performance.

The remuneration of each Director and the top five key management personnel has been disclosed in the respective bands. The remuneration for the Executive Directors and the top five key management personnel comprises fixed and variable components. The fixed component is in the form of monthly salary whereas the variable component is linked to the performance of the Group and individual. The Board is of the opinion that given the confidentiality of and commercial sensitivity attached to remuneration matters and to be in line with the interest of the Company, the remuneration will not be disclosed in dollar terms.

The Board, with the concurrence of the RC, is of the opinion that the remuneration of the Independent Directors is appropriate to the level of contribution, taking into consideration the effort and time spent and responsibilities, the prevailing market conditions and referencing Directors' fees against comparable benchmarks, such that Independent Directors are not over-compensated to the extent that their independence may be compromised.

REPORT ON CORPORATE GOVERNANCE

The breakdown (in percentage terms) of each Director and the top five key management personnel's remuneration for FY 2021, are as follows:

Directors	Salary[1] %	Bonus[1] %	Fees[2] %	Allowances and other benefits %	Total %
$250,000 to $500,000					
Chua Tiang Choon, Keith	86	11	–	3	100
Ang Yee Lim	86	11	–	3	100
Ang Lian Seng	89	11	–	–	100
Below $250,000					
Leck Kim Seng[Note A]	89	11	–	–	100
Allan Chua Tiang Kwang	–	–	100	–	100
Quek Mong Hua	–	–	100	–	100
Lim Jen Howe	–	–	100	–	100

Key Management Personnel	Salary[1] %	Bonus[1] %	Fees[2] %	Allowances and other benefits %	Total %
$250,000 to $500,000					
Lee Siang Choo	100	–	–	–	100
Below $250,000					
Ng Soo Noi	96	4	–	–	100
Teo Tong Loong[Note B]	88	12	–	–	100
Ang Jun Hung[Note C]	96	4	–	–	100
Leck Kim Song[Note D]	93	5	–	2	100

Note A Mr Leck Kim Seng stepped down as an Executive Director on 1 January 2022.

Note B Mr Teo Tong Loong is the son-in-law of the Executive Chairman and Substantial Shareholder, Mr Chua Tiang Choon, Keith; and nephew-in-law of the Non-Executive Director and Substantial Shareholder, Mr Allan Chua Tiang Kwang.

Note C Mr Ang Jun Hung is the son of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim; cousin of the Executive Director, Mr Ang Lian Seng; and nephew of the Executive Director, Mr Leck Kim Seng. Mr Ang Jun Hung was appointed as an alternate director to Mr Ang Yee Lim on 1 January 2022.

Note D Mr Leck Kim Song is the brother of the Executive Director, Mr Leck Kim Seng; uncle of the Executive Director, Mr Ang Lian Seng; and cousin of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim.

In aggregate, the total remuneration paid to the top five key management personnel in FY 2021 is $939,000.

REPORT ON CORPORATE GOVERNANCE

Employees who are the immediate family members of the Directors with remuneration exceeding $100,000 (other than employees under key management personnel) during FY 2021 are as follows:

Executives	Salary[1] %	Bonus[1] %	Fees[2] %	Allowances and other benefits %	Total %
From $100,000 to $150,000					
Ang Lian Tiong	96	4	–	–	100
Ang Pheck Choo	95	4	–	1	100

Mr Ang Lian Tiong is the brother of the Executive Director, Mr Ang Lian Seng; nephew of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim; and nephew of the Executive Director, Mr Leck Kim Seng.

Ms Ang Pheck Choo is the sister of the Executive Director, Mr Ang Lian Seng; niece of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim; and niece of the Executive Director, Mr Leck Kim Seng.

Notes:
1 *Salary and bonus percentages shown are inclusive of CPF.*
2 *Fees for FY 2021 are subject to shareholders' approval at the forthcoming AGM.*

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.

The Board is responsible for the governance of risk. It ensures that the Management maintains a sound system of risk management and internal controls to safeguard the Company's shareholders' interests and the Group's assets and to determine the nature and extent of significant risks which the Board is willing to take in achieving its strategic objectives.

The Group has carried out an enterprise risk assessment to identify key risks within the business as well as appropriate measures to control and mitigate these risks within the Group's policies and strategies. With the results of the enterprise risk assessment, Management considered and instituted controls to mitigate any significant exposure to the Group. The effectiveness of the controls is assessed regularly through the Group's ongoing internal audit reviews as well as the annual Control Self-Assessment ("CSA") exercise. The CSA is established to assist Management and the Board in obtaining assurance on the adequacy and effectiveness of the system of internal controls. On a yearly basis, the respective department and business unit heads are required to review, assess and report on the adequacy and effectiveness of key mitigating internal controls under their responsibilities.

The internal auditors ("IA") performed two internal audit reviews for the financial year ended 31 December 2021 in accordance with the internal audit plan approved by the AC. There were no significant internal control or risk management systems weaknesses highlighted by the IA during its course of audit. The related internal audit reports were endorsed by the AC and provided to the relevant department or business unit heads to implement the required improvement measures. Implementation of the required improvement measures is monitored.

In addition, no major control and risk weaknesses on financial reporting were highlighted by the external auditor in the course of the statutory audit.

The Board is of the view that the system of internal control of the Group provides reasonable, but not absolute, assurance against material financial misstatements or loss. The system also ensures the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practices and the identification and containment of business risks. However, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

REPORT ON CORPORATE GOVERNANCE

Based on the internal controls and risk management framework established and maintained by the Group, work performed by the IA and external auditor and reviews performed by the Management, the Board with the concurrence of the AC, is satisfied that the risk management and internal control systems which address the Group's financial, operational, compliance and information technology controls risks, during the financial year are adequate and effective.

The Board has received assurance from:

(a) the Executive Directors and the Group Chief Financial Officer that the financial records have been properly maintained and the financial statements for FY 2021 give a true and fair view of the Company's operations and finances; and

(b) the Executive Directors and other key management personnel that the Group's risk management and internal control systems are adequate and effective.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The AC comprises the following three members, all of whom are Non-Executive Directors and the majority, including the Chairman of the AC, are independent:

- Mr Lim Jen Howe (Chairman and Independent Non-Executive Director)
- Mr Quek Mong Hua (Member and Independent Non-Executive Director)
- Mr Allan Chua Tiang Kwang (Member and Non-Executive Director)

The Chairman of the AC, Mr Lim Jen Howe, is by profession a practicing Public Accountant and is a founding partner of Messrs Thong & Lim, Chartered Accountants of Singapore. He has more than 35 years of experience in finance and accounting. The other members of the AC are experienced in law, business and financial management.

The AC met three times during the year. The AC met with the internal and external auditors without the presence of Management during FY 2021.

The AC is guided by its own written Terms of Reference setting out its authority and duties. During the financial year, the AC has performed the functions as set out in the Code including the following:

- reviewed the scope of work of the external auditor;
- reviewed the scope of work of the IA;
- reviewed the audit plans and discussed the results of the findings and evaluation of the Group's system of internal controls;
- reviewed interested party transactions of the Group and the procedures set up to monitor and report on such transactions;
- met with the Company's external auditor and IA without the presence of Management once;
- reviewed the independence of external auditor;
- reviewed the half and full year financial results announcements, as well as the annual financial statements of the Group before submission to the Board for approval;
- reviewed the Company's procedures for detecting fraud and whistleblowing matters; and
- reviewed the major acquisitions and disposals of the Company.

The AC makes recommendation to the Board on (i) the proposal to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors. The AC has also conducted a review of the cost effectiveness and the non-audit services provided by the auditor to the Group during the year and are satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the auditor before recommending the auditor's re-appointment.

The AC has recommended to the Board the nomination of Messrs Baker Tilly TFW LLP for re-appointment as external auditor of the Company at the forthcoming AGM. The audit partner of the external auditor is rotated every five years, in accordance with the requirements of the Listing Manual. In appointing the audit firms for the Group, the AC is satisfied that the Company has complied with Listing Rules 712 and 715. In addition, the AC is satisfied that the Company has complied with Rule 717 of the Listing Manual regarding the audit of the foreign subsidiaries.

REPORT ON CORPORATE GOVERNANCE

The aggregate amount of fees paid and/or payable to the external auditor amounted to approximately $158,000 for audit services and $26,000 for non-audit services rendered by the external auditor.

The AC has full access to and co-operation from Management and has full discretion to invite any Director or officer to attend its meetings, and has been given reasonable resources to enable it to discharge its functions.

The AC also takes measures to keep abreast of the changes to accounting standards and issues which have a direct impact on financial statements.

The Company has implemented a whistleblowing policy whereby accessible channels are provided for employees of the Group to raise concerns about possible improprieties in financial reporting, fraudulent acts and other irregularities, and to ensure that arrangements are in place for independent investigations of such matters and timely implementation of appropriate preventive and corrective actions. The AC is responsible for oversight and monitoring of whistleblowing and the AC reviews all whistleblowing complaints, if any, at its meetings to ensure independence thorough investigation and appropriate follow-up actions are taken. The Company will treat all information received as confidential and will protect the identity of all whistleblowers from reprisal. It is also committed to ensuring that whistleblowers will be treated fairly and protected against detrimental or unfair treatment for whistleblowing in good faith. The details of the whistleblowing Policy together with the dedicated whistleblowing communication channels (such as emails address and telephone contacts) have been made available to all employees. There was no reported incident pertaining to whistleblowing during FY 2021 and until the date of this Annual Report.

The Board recognises the importance of providing accurate and relevant information to shareholders on a timely basis to ensure that the shareholders have a balanced and understandable assessment of the Group's performance.

In discharging its responsibility of providing accurate relevant information on a timely basis to shareholders in compliance with statutory and regulatory requirements, the Board provides timely release of the Group's financial results, which discloses a balanced and understandable assessment of the Group's performance, position and prospects.

The Board takes steps to ensure compliance with legislative and regulatory requirements, including requirements under the Listing Rules, where appropriate.

On a monthly basis, the Management will update the Board on the Group's financial performance of each business unit. Such reports compared the Group's actual performance against the budget and results of the previous year. The Group's financial performance will also be discussed during the board meetings on a quarterly basis. They also highlight key business indicators and major issues that are relevant to the Group's performance from time to time, in order for the Board to make balanced and informed assessments of the Group's performance, position and prospects.

The AC does not comprise former partners or directors of the Company's existing audit 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.

Internal audit

The Group has outsourced its internal audit function to Yang Lee & Associates ("YLA"). YLA, the outsourced internal auditor, is a professional service firm that specialises in the provision of Internal Audit, Enterprise Risk Management and Sustainability Reporting advisory services. The firm was set up in the year 2005 and currently maintains an outsourced internal audit portfolio of SGX-ST listed companies across different industries including distribution, manufacturing, services, food & beverage, retail and property development industries. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with sufficient expertise in corporate governance, risk management, internal controls and other relevant disciplines.

REPORT ON CORPORATE GOVERNANCE

The key objectives of the internal audit function are as follows:

- review the Group's key business segments in the different territories in which they operate, on a risk-oriented process based audit;
- appraise Management and report to the AC concerning the adequacy and effectiveness of the system of internal controls; and
- assist the Group to accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

The IA reports directly to the Chairman of the AC. An internal audit plan is submitted to the AC for approval prior to the commencement of the audit work and the IA plans its internal audit schedules in consultation with the Management.

YLA is guided by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors in carrying out the internal audit review.

The AC ensures that the Management provides good support to the IA and provides it with access to documents, records, properties and personnel when requested in order for the IA to carry out its function accordingly. The IA also has unrestricted access to the AC on internal audit matters. The AC reviews and endorses the internal audit plan and internal audit reports of the Group. Any material non-compliance or failures in the internal controls and recommendations for improvements are reported to the AC. The AC will review the adequacy and effectiveness of the internal audit function annually.

Based on the review of IA, the AC believes that the IA has adequate resources to perform its function effectively and objectively and to meet the needs of the Group in its current business environment.

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.

Shareholders are given the opportunity to participate actively during the AGM. The Group believes in effective and fair communication with shareholders and is committed to hearing shareholders' views and addressing their concerns. The Company's Constitution allows all shareholders to vote at any general meeting of the Company either personally or by proxy or by attorney or in the case of a corporation, by a representative. The Company's Constitution does not allow a shareholder to vote in absentia such as via mail, electronic mail or facsimile.

Shareholders are also informed of the rules and voting procedures governing general meeting during the AGM.

The Company attends to the queries of the shareholders promptly. Resolutions to be passed at general meetings are always separate and distinct in terms of issue and are consistent with the Code's recommendation that companies avoid 'bundling' resolutions unless the resolutions are interdependent and linked so as to form one significant proposal.

All directors attend the general meetings of shareholders, and the external auditor will also be present to assist in addressing queries from shareholders relating to the conduct of audit and the preparation and content of the auditor's report.

Minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the meeting and responses from the Board or the Management, are available to shareholders at SGXNet as soon as practicable.

REPORT ON CORPORATE GOVERNANCE

The Company does not have a dividend policy however the Board takes into various factors including the following when recommending or declaring the dividend in respect of any particular year or period:

- The level of the Group's cash and retained earnings.
- The Group's actual and projected financial performance.
- The Group's projected levels of capital expenditure and other investment plans.
- The Group's working capital requirements and general financing condition.

The Company has proposed a one-tier tax exempt final dividend of 0.75 Singapore cents per ordinary share in respect of FY 2021, subject to shareholders' approval at the forthcoming AGM.

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.

The Group has followed closely the requirements in the Listing Manual in disclosing material information through SGXNET relating to its business and operations. The Group recognises the importance of maintaining transparency and accountability to its shareholders. In line with the continuing disclosure obligations of the Company pursuant to the Listing Rules and the Companies Act 1967 of Singapore, the Group is committed to providing shareholders with adequate, timely and relevant information pertaining to the Group's business developments, financial performance and other factors which could have a material impact on the Company's share price. The Company does not practice selective disclosure of information. The Company communicates with shareholders and the investing community through the timely release of announcements via SGXNET.

To promote a better understanding of shareholders' views, the Board actively encourages shareholders to participate during the Company's general meetings. At these meetings, shareholders are given the opportunity to voice their views and raise issues either formally or informally. These meetings provide excellent opportunity for the Board to engage with shareholders to solicit their feedback. Notices for general meetings together with relevant documents (such as annual report, letter to shareholders or circular) will be published on the Company's website at http://www.abr.com.sg and on the SGXNet at https://www.sgx.com/securities/company-announcements.

In view of the current COVID-19 situation in Singapore, the forthcoming AGM to be held in respect of FY 2021 will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions prior to the AGM and voting by appointing the Chairman of the AGM as proxy at the AGM, will be put in place for the AGM to be held on 29 April 2022.

While safeguarding its commercial interests, the Company discloses price sensitive information on an immediate basis where required under the Listing Rules. Material information on the Group is released to the public through the Company's announcements via the SGXNET.

The Company will put all resolutions to vote by poll at general meetings and an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages will be made on the same day.

The Company makes timely disclosure of material and price sensitive information to help investors make informed decisions.

If shareholders have any query on investor relations, they may send the query to investor-relations@abr.com.sg

REPORT ON CORPORATE GOVERNANCE

ENGAGEMENT WITH STAKEHOLDERS

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.

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include employees, contractors and suppliers, government and regulators, community, and shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders.

Stakeholders who wish to know more about the Group such as our business, industry, performance or sustainability practices can visit our website at www.abr.com.sg

ADDITIONAL INFORMATION

INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that transaction is conducted on an arm's length basis and is not prejudicial to the interests of the shareholders.

During FY 2021, there were no interested person transactions amounting to more than $100,000.

DEALINGS IN SECURITIES

The Board has adopted Rule 1207(19) of the Listing Manual applicable to the Directors as well as executives in relation to dealings in the Company's securities. Directors and executives are also expected to observe insider trading laws at all times when dealing in the Company's securities. Directors and relevant employees of the Company are reminded at the appropriate time, that dealings in the Company's shares during the period commencing one month before the announcement of the Company's half year and full year financial results, and ending on the date of announcement of the results, are prohibited. An officer should also not deal in the Company's securities on short-term considerations.

MATERIAL CONTRACTS

There were no material contracts of the Group and of the Company involving the interests of the Executive Chairman, the Managing Director (both of whom are deemed to be in the position of the Chief Executive Officer), each other Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Chua Tiang Choon, Keith, Mr Ang Lian Seng and Mr Ang Yee Lim are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 April 2022 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

NAME OF DIRECTOR	MR CHUA TIANG CHOON, KEITH	MR ANG LIAN SENG	MR ANG YEE LIM
Date of Appointment	18 February 2002	4 May 2001	25 May 2004
Date of last re-appointment	12 June 2020	28 April 2021	25 April 2019
Age	68	57	70
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Chua Tiang Choon, Keith for re-appointment as Executive Director of the Company. The Board have reviewed and concluded that Mr Chua Tiang Choon, Keith possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Ang Lian Seng for re-appointment as Executive Director of the Company. The Board have reviewed and concluded that Mr Ang Lian Seng possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr. Ang Yee Lim for re-appointment as Executive Director of the Company. The Board have reviewed and concluded that Mr. Ang Yee Lim possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive Jointly responsible with the Managing Director, Mr Ang Yee Lim, to oversee ABR Group's overall business operations in the region, formulate long-term strategies and spearhead the Group's business expansion plans.	Executive Overseeing the Company's operations.	Executive Jointly responsible with the Executive Chairman, Mr Chua Tiang Choon, Keith, to oversee ABR Group's overall business operations in the region, formulate long-term strategies and spearhead the Group's business expansion plans.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman	Executive Director and a member of Remuneration Committee	Managing Director
Professional qualifications	B.B.A. University of Singapore	Bachelor of Business Administration	NIL
Working experience and occupation(s) during the past 10 years	Executive Chairman of ABR Holdings Limited	Executive Director in ABR Holdings Limited	Managing Director of ABR Holdings Limited
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 300,000 ordinary shares Deemed interest: 56,925,858 ordinary shares	Direct interest: 2,300,000 ordinary shares	Direct interest: 103,929,801 ordinary shares
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	Brother of the Non-Executive Director and Substantial Shareholder, Mr Allan Chua Tiang Kwang Brother of the Substantial Shareholder, Mr Chua Tiang Chuan Father-in-Law of Teo Tong Loong, Group Business Development Director of ABR Holdings Limited	Nephew of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim Cousin of Group Investment Manager and Alternate Director to Mr Ang Yee Lim, Mr Ang Jun Hung Nephew of Director, Mr Leck Kim Seng Nephew of General Manager, Mr Leck Kim Song Brother of the General Manager, Ms Ang Pheck Choo	Uncle of the Executive Director, Mr Ang Lian Seng Father of Group Investment Manager and Alternate Director to Mr Ang Yee Lim, Mr Ang Jun Hung Cousin of Director, Mr Leck Kim Seng Cousin of General Manager, Mr Leck Kim Song Uncle of the General Manager, Ms Ang Pheck Choo
Conflict of Interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

REPORT ON CORPORATE GOVERNANCE

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION (cont'd)

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST: (cont'd)

NAME OF DIRECTOR	MR CHUA TIANG CHOON, KEITH
Other Principal Commitments* Including Directorships#	Past (for the last 5 years) • KJ Coffees Singapore Pte Ltd • Asian Venture Philanthropy Network Limited • Caregivers Alliance Limited • The Community Foundation of Singapore • National Council of Social Service • T.T.N. Realty (Pte) Ltd Present • ABR (HK) Limited • Alby Commercial Enterprises Pte Ltd • Alby (Private) Limited • Bistro Europa Pte Ltd • Cine Art Pictures Pte Ltd • Copycare Music (SEA) Pte Ltd • Crest Travel & Tours Pte Ltd • Europa Entertainment Pte Ltd • Europa Lounge and Restaurant Pte Ltd • Hippopotamus Restaurants Pte Ltd • Europa Specialty Restaurants (S) Pte Ltd • Europa Ridley's (1992) Pte Ltd • Food Creations Pte Ltd • Gold Gardenia Hairdressing Salon Pte Ltd • J C & T Equities (Pte) Ltd • ABR Property Investments Pte Ltd • Kechapi Pte Ltd • Lawry's PRC Investment Pte Ltd • Lawry's (Singapore) Limited • Lord Security (S) Pte Ltd • Eat In Progress Pte Ltd (fka Orchard 501 Café Pub Pte Ltd) • ABR Swensen's Pte Ltd • Sovereign Books (Singapore) Pte Ltd • Swensen's of Singapore (1996) Pte Ltd • Team-Up Investment (HK) Limited • Team-Up Overseas Investment Pte Ltd • T.T.N. Holdings (Pte) Ltd • Univesters Equity (Pte) Ltd • A.O. Action love Ltd (fka World Evangelical Fellowship Ltd) • All Best Foods Pte Ltd • Asia Philanthropic Ventures Pte Ltd • CWR Care and Counselling Asia Ltd • Ashoka: Innovators For The Public (Singapore) Limited • Maranatha GJC Holdings Pte Ltd • ABR Land (S) Pte Ltd • ABR Land Australia Pty Ltd • Chili Api Catering Pte Ltd • Chili Padi Nonya Catering Pte Ltd • Chili Padi Nonya Restaurant Pte Ltd • Chili Padi Holdings Pte Ltd • Peppercorn Concepts Private Limited (fka North Street 5 Private Limited) • National Heritage Board, NMS Advisory Board • Opportunity International (S) Pte Ltd • Caring For Life Limited

* "Principal Commitments" has the same meaning as defined in the Code.

These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)

REPORT ON CORPORATE GOVERNANCE

MR ANG LIAN SENG	MR ANG YEE LIM
Past (for the last 5 years) • Season Confectionary & Bakery (KL) Sdn Bhd • KJ Coffees Singapore Pte Ltd • Food Glossary Pte. Ltd. Present • Alpha Lion Pte Ltd • Bistro Europa Pte Ltd • Cine Art Pictures Pte Ltd • Europa Entertainment Pte Ltd • Europa Lounge and Restaurant Pte Ltd • Hippopotamus Restaurants Pte Ltd • Europa Ridley's (1992) Pte Ltd • Europa Specialty Restaurants (S) Pte Ltd • Food Creations Pte Ltd • ABR Property Investments Pte Ltd • Lawry's PRC Investment Pte Ltd • Lawry's (Singapore) Limited • Eat In Progress Pte Ltd (fka Orchard 501 Café Pub Pte Ltd) • Oishi Japanese Pizza Pte Ltd • ABR Swensen's Pte Ltd • Seng Cheng Development Pte Ltd • SSCB Pte Ltd • Swensen's of Singapore (1996) Pte Ltd • Willman Pte Ltd • ABR (HK) Limited • Season's Café Sdn Bhd • Season Confectionary & Bakery Sdn Bhd • Swensen's Ice Cream Company (Australia) Pty Ltd • Swensen's (Malaysia) Sdn Bhd • Team-Up Investments (HK) Limited • Win Win Food (Shenzhen) Co. Ltd. • E.Y.F. (S) Pte Ltd • Kitchen Alchemy Pte Ltd • EY. Food (SH) Pte. Ltd. • EY. Food (BJ) Pte. Ltd. • TT Hara Food Pte Ltd • All Best Foods Pte Ltd • ABR Land Sdn Bhd • Chinoiserie Wine Bar and Discotheque Pte Ltd • ABR Land (S) Pte Ltd • ABR Land Australia Pty Ltd • Permai Puncakmas Sdn Bhd • ABR CCH Land Sdn Bhd • Chilli Padi Holding Pte. Ltd. • Chilli Api Catering Pte. Ltd. • Chilli Padi Nonya Catering Pte. Ltd • Chilli Padi Nonya Restaurant Pte. Ltd. • E. Khidmat Integriti Sdn Bhd • All Best Realty Pte Ltd • PT ABR Bintan Investments • Peppercorn Concepts Private Limited (fka North Street 5 Private Limited) • Baywind Properties Pte. Ltd.	Past (for the last 5 years) • Season Confectionary & Bakery (KL) Sdn Bhd Present • Team-Up Overseas Investment Pte Ltd • ABR (HK) Limited • Bintang Putaran Sdn Bhd • Jujur Lengkap Sdn Bhd • Season's Café Sdn Bhd • Season Confectionary & Bakery Sdn Bhd • Swensen's (Malaysia) Sdn Bhd • Team-Up Investments (HK) Limited • C.H.Y Regalia Limited • Great Spot Limited • E.Y.F. (S) Pte Ltd • Kitchen Alchemy Pte Ltd • EY. Food (SH) Pte Ltd • EY. Food (BJ) Pte Ltd • TT Hara Food Pte Ltd • All Best Foods Pte Ltd • ABR Land Sdn Bhd • Gospel Theatre (Singapore) Ltd • ABR Land (S) Pte Ltd • ABR Land Australia Pty Ltd • Sering Manis Sdn Bhd • ABR CCH Land Sdn Bhd • ABR Property Investments Pte Ltd • Permai Puncakmas Sdn Bhd • Ang & Sons Investment Company Limited • E. Khidmat Integriti Sdn Bhd • All Best Realty Pte. Ltd. • Goodwill Influx Sdn Bhd

REPORT ON CORPORATE GOVERNANCE

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION (cont'd)

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.

NAME OF DIRECTOR	MR CHUA TIANG CHOON, KEITH	MR ANG LIAN SENG	MR ANG YEE LIM
(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	No
(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	No
(c) Whether there is any unsatisfied judgment against him?	No	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	No
(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	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	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	No
(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	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	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or 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 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 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	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	No

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2021.

In the opinion of the directors:

(i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 53 to 125 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 31 December 2021 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date; and

(ii) 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.

Directors

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

Chua Tiang Choon, Keith	(Executive Chairman)
Ang Yee Lim	(Managing Director)
Ang Lian Seng	(Executive)
Allan Chua Tiang Kwang	(Non-executive)
Lim Jen Howe	(Independent and non-executive)
Quek Mong Hua	(Independent and non-executive)
Ang Jun Hung	(Alternate director to Ang Yee Lim) (Appointed on 1 January 2022)

Arrangement to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, 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.

Directors' interest in shares or debentures

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

	Number of ordinary shares					
	Direct interest			Deemed interest		
Name of directors	**At 1.1.2021**	**At 31.12.2021**	**At 21.1.2022**	**At 1.1.2021**	**At 31.12.2021**	**At 21.1.2022**
The Company						
Chua Tiang Choon, Keith	300,000	300,000	300,000	56,925,858	56,925,858	56,925,858
Allan Chua Tiang Kwang	300,000	300,000	300,000	56,925,858	56,925,858	56,925,858
Ang Yee Lim	101,580,201	103,929,801	103,929,801	–	–	–
Ang Lian Seng	2,300,000	2,300,000	2,300,000	–	–	–
Leck Kim Seng*	300,000	300,000	300,000	–	–	–
Lim Jen Howe	300,000	300,000	300,000	–	–	–
Quek Mong Hua	300,000	300,000	300,000	40,000	40,000	40,000

* Resigned on 1 January 2022

DIRECTORS' STATEMENT

Directors' interest in shares or debentures (cont'd)

The deemed interests of Mr Chua Tiang Choon, Keith and Mr Allan Chua Tiang Kwang in the shares of the Company are by virtue of their shareholdings in Alby (Private) Limited, which in turn holds shares in Kechapi Pte Ltd. At 31 December 2021, Kechapi Pte Ltd holds 56,925,858 shares in the Company.

Mr Chua Tiang Choon, Keith, Mr Allan Chua Tiang Kwang and Mr Ang Yee Lim, by virtue of their interests of not less than 20% of the issued share capital of the Company, are deemed to have an interest in the whole of the share capital of the Company's wholly-owned subsidiary corporations, and in the shares of the following subsidiary corporations that are not wholly-owned by the Group:

	Number of ordinary shares	
	At 1.1.2021	**At 31.12.2021**
ABR (HK) Limited	8,001	8,001
Cine Art Pictures Pte Ltd	55,000	55,000
Kitchen Alchemy Pte Ltd	255,000	255,000
Oishi Japanese Pizza Pte Ltd	925,000	925,000
Team-Up Overseas Investment Pte Ltd	70,000	70,000
Chilli Padi Holding Pte Ltd	2,768,848	2,768,848

Material contracts

There are no material contracts of the Group and of the Company involving the interests of the Executive Chairman, the Managing Director (both of whom are deemed to be in the position of the Chief Executive Officer), each other director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

Share options

No options to take up unissued shares of the Company or its subsidiary corporations were granted during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations whether granted before or during the financial year.

There were no unissued shares of the Company or its subsidiary corporations under option at the end of the financial year.

DIRECTORS' STATEMENT

Audit Committee

The Audit Committee comprises three members, two of whom are independent directors. The members of the Audit Committee during the year and at the date of this statement are:

Lim Jen Howe (Chairman)
Quek Mong Hua
Allan Chua Tiang Kwang

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Act and performed the following functions:

(a) reviewed the independence and objectivity of the external auditor;

(b) reviewed the financial statements of the Company and of the Group for the financial year ended 31 December 2021 and the independent external auditor's report thereon;

(c) reviewed the overall scope of the audit work carried out by the independent external auditor and also met with the independent external auditor to discuss the results of their audit and their evaluation of the internal accounting control system and internal control procedures;

(d) reviewed the overall scope and timing of the work to be carried out by the internal auditors and also met with the internal auditors to discuss the results of their internal audit procedures; and

(e) reviewed interested person transactions.

The Audit Committee is satisfied with the independence and objectivity of the independent auditor and has recommended to the Board that Baker Tilly TFW LLP be nominated for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Chua Tiang Choon, Keith	Ang Yee Lim
Director	Director

1 April 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABR HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of ABR Holdings Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 53 to 125, which comprise the statements of financial position of the Group and of the Company as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity 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)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's 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 is sufficient and appropriate to provide a basis for our opinion.

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 period. 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 assessment of goodwill and trademarks

Description of key audit matter:

Management performs an impairment assessment of goodwill and trademarks annually, or more frequently if there are indications of impairment. As disclosed in Note 14 to the financial statements, the carrying values of goodwill and trademarks totalled $13,684,000 (2020: $13,684,000) at 31 December 2021 and have been allocated to the cash-generating unit ("CGU"). The recoverable amount of the CGU is estimated by management and used to compare against its carrying amount. In estimating the recoverable amount, value in use calculations were undertaken where management estimated the expected future cash flows from the CGU and a suitable discount rate in order to determine the present value of the cash flows.

We consider the impairment assessment of goodwill and trademarks to be a key audit matter because of the significance of these assets and the element of judgement and estimates applied by management in forecasting and discounting future cash flows for the impairment assessment as disclosed in Note 3 to the financial statements. Details of the impairment assessment of goodwill and trademarks are disclosed in Note 14 to the financial statements.

Our audit procedures and response:

We have obtained the value in use assessment prepared by management and assessed the reasonableness of key inputs and assumptions applied by management with a focus on forecast revenue and appropriateness of discount rate and growth rate. We cross-checked and compared management's cash flow forecast to current and past years' financial performance of the CGU including the impact arising from COVID-19 pandemic and the anticipated changes in the business and economic environment for the next five years. We involved our valuation specialists in assessing the reasonableness of the discount rate used. We have also considered the sensitivity of key estimates on the impairment assessment. We have reviewed the Group's disclosures of the application of judgement and key assumptions applied in estimating the CGU's cash flows and the adequacy of the disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABR HOLDINGS LIMITED

Report on the Audit of the Financial Statements (cont'd)

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report 2021 but does not include the financial statements and our auditor's report thereon.

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 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, 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 Directors 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 a 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's 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 auditor's 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.

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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABR HOLDINGS LIMITED

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Group 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 directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we 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 period and are therefore the key audit matters. We describe these matters in our auditor's 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.

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 those subsidiary corporations incorporated in Singapore of 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 auditor's report is Low See Lien.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

1 April 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

		Group	
	Note	2021 $'000	2020 $'000
Revenue	4	**74,625**	85,975
Cost of sales		**(43,707)**	(50,026)
Gross profit		**30,918**	35,949
Other income	5a	**12,340**	13,857
Interest income	5b	**397**	528
Expenses			
Selling, distribution and outlet expenses		**(24,807)**	(27,063)
Administrative expenses		**(14,500)**	(14,086)
Other expenses		**(1,669)**	(919)
Finance costs	6	**(985)**	(1,242)
Share of results of equity-accounted investees, net of tax		**(558)**	(473)
Profit before tax	7	**1,136**	6,551
Income tax credit/(expense)	9	**866**	(413)
Profit for the year		**2,002**	6,138
Other comprehensive loss:			
Items that are or may be reclassified subsequently to profit or loss			
Currency translation differences		**(247)**	(228)
Other comprehensive loss for the year, net of tax		**(247)**	(228)
Total comprehensive income for the year		**1,755**	5,910
Profit/(loss) attributable to:			
Owners of the Company		**2,487**	5,977
Non-controlling interests		**(485)**	161
Profit for the year		**2,002**	6,138
Total comprehensive income/(loss) attributable to:			
Owners of the Company		**2,253**	5,751
Non-controlling interests		**(498)**	159
Total comprehensive income for the year		**1,755**	5,910
Earnings per share for the year attributable to owners of the Company			
Basic (cents)	10	**1.24**	2.97
Diluted (cents)	10	**1.24**	2.97

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

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2021

		Group		Company	
	Note	2021 $'000	2020 $'000	2021 $'000	2020 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	**17,785**	17,370	**5,941**	5,696
Right-of-use assets	12	**23,662**	25,856	**20,475**	23,144
Investment properties	13	**3,934**	4,080	**853**	890
Intangible assets	14	**15,516**	15,816	**–**	–
Investments in subsidiaries	15	**–**	–	**51,821**	50,698
Interests in equity-accounted investees	16	**20,593**	19,615	**500**	–
Financial asset at FVOCI	17	**35**	35	**35**	35
Financial assets at FVTPL	18	**6,372**	3,223	**6,372**	3,223
Loans to subsidiaries	19	**–**	–	**10,872**	10,594
Loans to equity-accounted investees	20	**8,561**	4,541	**4,144**	–
Deferred tax asset	27	**250**	–	**250**	–
Other asset	21	**–**	1,237	**–**	1,237
Total non-current assets		**96,708**	91,773	**101,263**	95,517
Current assets					
Inventories	22	**2,560**	2,382	**1,747**	1,526
Trade and other receivables	23	**7,617**	8,794	**4,896**	5,226
Cash and cash equivalents	24	**42,059**	53,050	**22,507**	23,270
Total current assets		**52,236**	64,226	**29,150**	30,022
Total assets		**148,944**	155,999	**130,413**	125,539

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

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2021

		Group		Company	
	Note	2021 $'000	2020 $'000	2021 $'000	2020 $'000
EQUITY AND LIABILITIES					
Equity					
Share capital	25	**43,299**	43,299	**43,299**	43,299
Other reserves	26	**(2,077)**	(1,843)	**–**	–
Accumulated profits		**54,507**	56,039	**48,796**	41,080
Equity attributable to owners of the Company		**95,729**	97,495	**92,095**	84,379
Non-controlling interests		**2,271**	4,369	**–**	–
Total equity		**98,000**	101,864	**92,095**	84,379
Non-current liabilities					
Provision	29	**968**	1,122	**699**	817
Borrowings	30	**3,787**	5,000	**3,787**	5,000
Lease liabilities	31	**12,873**	13,822	**11,194**	12,115
Deferred tax liabilities	27	**1,837**	2,389	**–**	44
Total non-current liabilities		**19,465**	22,333	**15,680**	17,976
Current liabilities					
Trade and other payables	28	**11,908**	12,229	**10,088**	10,248
Provisions	29	**1,622**	1,526	**1,025**	949
Borrowings	30	**1,289**	84	**1,213**	–
Lease liabilities	31	**12,199**	12,905	**10,273**	11,759
Other liabilities	32	**4,392**	4,145	**–**	127
Tax payable		**69**	913	**39**	101
Total current liabilities		**31,479**	31,802	**22,638**	23,184
Total liabilities		**50,944**	54,135	**38,318**	41,160
Total equity and liabilities		**148,944**	155,999	**130,413**	125,539

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Total equity $'000	Equity attributable to owners of the Company $'000	Share capital $'000	*Other reserves $'000	Accumulated profits $'000	Non-controlling interests $'000
Group						
Balance at 1.1.2021	101,864	97,495	43,299	(1,843)	56,039	4,369
Profit/(loss) for the year	2,002	2,487	–	–	2,487	(485)
Other comprehensive loss						
Currency translation differences	(224)	(211)	–	(211)	–	(13)
Share of other comprehensive loss of equity-accounted investees	(23)	(23)	–	(23)	–	–
Other comprehensive loss for the year, net of tax	(247)	(234)	–	(234)	–	(13)
Total comprehensive income/(loss) for the year	1,755	2,253	–	(234)	2,487	(498)
Distributions to owners of the Company						
Tax exempt final dividend of 1.75 cents per share for the financial year ended 31.12.2020	(3,517)	(3,517)	–	–	(3,517)	–
Tax exempt interim dividend of 0.25 cents per share for the financial year ended 31.12.2021	(502)	(502)	–	–	(502)	–
Dividend paid to non-controlling interests	(1,600)	–	–	–	–	(1,600)
Total distributions to owners of the Company	(5,619)	(4,019)	–	–	(4,019)	(1,600)
Balance at 31.12.2021	**98,000**	**95,729**	**43,299**	**(2,077)**	**54,507**	**2,271**

* An analysis of "Other reserves" is presented in Note 26.

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Total equity $'000	Equity attributable to owners of the Company $'000	Share capital $'000	*Other reserves $'000	Accumulated profits $'000	Non-controlling interests $'000
Group						
Balance at 1.1.2020	98,466	94,256	43,299	(1,617)	52,574	4,210
Profit for the year	6,138	5,977	–	–	5,977	161
Other comprehensive (loss)/income						
Currency translation differences	(271)	(269)	–	(269)	–	(2)
Share of other comprehensive income of equity-accounted investees	43	43	–	43	–	–
Other comprehensive loss for the year, net of tax	(228)	(226)	–	(226)	–	(2)
Total comprehensive income/(loss) for the year	5,910	5,751	–	(226)	5,977	159
Distributions to owners of the Company						
Tax exempt final dividend of 1.0 cent per share for the financial year ended 31.12.2019	(2,010)	(2,010)	–	–	(2,010)	–
Tax exempt interim dividend of 0.25 cents per share for the financial year ended 31.12.2020	(502)	(502)	–	–	(502)	–
Total distributions to owners of the Company	(2,512)	(2,512)	–	–	(2,512)	–
Balance at 31.12.2020	101,864	97,495	43,299	(1,843)	56,039	4,369

* An analysis of "Other reserves" is presented in Note 26.

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Total equity $'000	Share capital $'000	Accumulated profits $'000
Company			
Balance at 1.1.2021	84,379	43,299	41,080
Net profit and total comprehensive income for the year	11,735	–	11,735
Tax exempt final dividend of 1.75 cents per share for the financial year ended 31.12.2020	(3,517)	–	(3,517)
Tax exempt interim dividend of 0.25 cents per share for the financial year ended 31.12.2021	(502)	–	(502)
	(4,019)	–	(4,019)
Balance at 31.12.2021	**92,095**	**43,299**	**48,796**
Balance at 1.1.2020	80,014	43,299	36,715
Net profit and total comprehensive income for the year	6,877	–	6,877
Tax exempt final dividend of 1.0 cent per share for the financial year ended 31.12.2019	(2,010)	–	(2,010)
Tax exempt interim dividend of 0.25 cents per share for the financial year ended 31.12.2020	(502)	–	(502)
	(2,512)	–	(2,512)
Balance at 31.12.2020	84,379	43,299	41,080

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

		Group	
	Note	2021 $'000	2020 $'000
Cash flows from operating activities			
Profit before tax		**1,136**	6,551
Adjustments for:			
Depreciation and amortisation		**16,937**	19,775
Allowance for impairment on loans to a joint venture		**124**	207
Property, plant and equipment written off		**105**	436
Impairment loss on property, plant and equipment		**86**	173
Loss on disposal of property, plant and equipment, net		**11**	90
Share of results of equity-accounted investees, net of tax		**558**	473
Fair value gain on call option		**–**	(428)
Fair value gain on financial assets at fair value through profit or loss		**(1,853)**	(88)
Modification gain on derecognition of right-of-use assets		**(26)**	(51)
Loss on derecognition of call option		**1,237**	–
Modification loss on payable to NCI		**156**	–
Deemed finance costs		**91**	166
Interest portion on lease liabilities		**792**	1,065
Interest expenses on borrowings		**102**	11
Interest income		**(397)**	(528)
Dividend income		**(78)**	(13)
Operating cash flows before movements in working capital		**18,981**	27,839
Changes in working capital:			
Inventories		**(179)**	301
Trade and other receivables		**1,325**	566
Trade and other payables		**(322)**	(1,288)
Provisions		**(96)**	(272)
Currency translation differences		**(69)**	(235)
Cash generated from operations		**19,640**	26,911
Income tax paid		**(631)**	(576)
Net cash generated from operating activities		**19,009**	26,335
Cash flows from investing activities			
Interest received		**57**	247
Dividend received		**78**	13
Purchase of property, plant and equipment	11	**(3,481)**	(1,056)
Proceeds from disposal of property, plant and equipment		**34**	25
Purchase of financial assets at fair value through profit or loss		**(1,296)**	(3,136)
Investment in equity-accounted investees	16	**(500)**	–
Loans to equity-accounted investees		**(5,375)**	(1,552)
Net cash used in investing activities		**(10,483)**	(5,459)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	Group 2021 $'000	Group 2020 $'000
Cash flows from financing activities			
Interest expenses on borrowings paid	30	**(102)**	(11)
Interest portion on lease liabilities paid	31	**(792)**	(1,065)
Payment of lease liabilities	31	**(13,069)**	(15,037)
(Repayment of)/proceeds from borrowings	30	**(6)**	4,808
Funds withdrawn from/(placed in) non-liquid deposits		**21**	(3)
Dividends paid to shareholders		**(4,019)**	(2,512)
Dividend paid to non-controlling interests		**(1,600)**	–
Net cash used in financing activities		**(19,567)**	(13,820)
Net (decrease)/increase in cash and cash equivalents		**(11,041)**	7,056
Cash and cash equivalents at beginning of financial year		**52,923**	45,861
Effect of exchange rate fluctuations on cash and cash equivalents		**71**	6
Cash and cash equivalents at end of financial year	24	**41,953**	52,923

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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

1 CORPORATE INFORMATION

The Company (Co. Reg. No. 197803023H) is incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 41 Tampines Street 92, Singapore 528881.

The principal activities of the Company are the manufacture of ice cream, the operation of Swensen's ice cream parlours cum restaurants, operation of other specialty restaurants and investment holding.

The principal activities of the subsidiaries are shown in Note 15.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are expressed in Singapore dollar ("$"), which is the Company's functional currency and all financial information presented in Singapore dollar are rounded to the nearest thousand ("$'000") except when otherwise indicated. The financial statements have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of cash and cash equivalents, trade and other receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. In addition, the Group has also early adopted the Amendment to SFRS(I) 16 COVID-19 – Related Rent Concessions beyond 30 June 2021. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company except as disclosed below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of preparation (cont'd)

New and revised standards that are adopted (cont'd)

The Group has elected to early adopt the Amendment to SFRS(I) 16 COVID-19 – Related Rent Concessions beyond 30 June 2021 which provides practical relief for lessees in accounting for rent concessions. Under the practical expedient, the lessees are not required to assess whether a rent concession is a lease modification and instead are permitted to account for them as if they were not lease modifications, if all of the following conditions are met:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
(b) any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
(c) there is no substantive change to other terms and conditions of the lease.

The Group has elected to apply this practical expedient to all leases. As a result of applying the practical expedient, rent concessions of $1,152,000 was recognised as other income in the profit or loss during the year. The amendment has no impact on accumulated profits at 1 January 2021.

New or revised SFRS(I) and SFRS(I) INT issued at the reporting date but not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 December 2021 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

2.2 Revenue recognition

Revenue from sale of food and beverage and service charges

The Group sells food and beverage and also provides servers in its full-service restaurants. Revenue is recognised at the point when the food and beverage have been served or upon delivery to customers. The amount of revenue recognised is based on the food and beverage listed prices, net of sales discounts. Service charge is recognised based on a fixed predetermined percentage over the net sales amount. Payment of the transaction price is either due immediately at the point the customer purchases the food and beverage, or on credit terms where upon initial recognition of revenue, a receivable is recognised as the consideration is unconditional and only the passage of time is required before the payment is due. No element of financing is deemed present as the consideration is repayable on demand.

Royalty income

The Group licenses its trademark and grants franchise rights/licences and in exchange receives royalty income. The Group grants its customer the right to use the trade name and in return, receives sales-based royalty based on the customer's sales. No element of financing is deemed present as the consideration is repayable on demand. Upon initial recognition of revenue, a receivable is recognised as the consideration is unconditional because only the passage of time is required before the payment is due.

Interest income

Interest income is recognised using the effective interest method.

Rental income

Lease payments from operating leases are recognised on a straight-line basis over the lease term.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue recognition (cont'd)

Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

Management fee income

The Group provides management services to cafeterias in Singapore. Such services are recognised over time as performance obligations are satisfied based on the period in the contracts. Payment of the transaction is either due immediately, or on credit terms where upon initial recognition of revenue, a receivable is recognised as the consideration is unconditional and only the passage of time is required before the payment is due. No element of financing is deemed present as the consideration is repayable on demand.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. Goodwill is accounted for in accordance with the accounting policy for goodwill stated in Note 2.4. In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as gain from bargain purchase in profit or loss on the date of acquisition.

Contingent consideration transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration (other than measurement period adjustment) are recognised in profit or loss.

Non-controlling interests ("NCI") are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the owners of the Company. They are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Basis of consolidation (cont'd)

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition date fair value or, when applicable, on the basis specified in another standard.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

2.4 Goodwill

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

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 combinations. 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, 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 subsequent periods.

On disposal of a subsidiary, associated company or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate or joint venture is described in Note 2.9.

2.5 Property, plant and equipment

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses, except for freehold land, restaurant supplies, crockery and cutlery that are not subject to depreciation. The cost of property, plant and equipment initially recognised includes its purchase price, and any cost that is 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.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. When restaurant supplies, crockery and cutlery are replaced, the costs of replacement are expensed off.

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.5 Property, plant and equipment (cont'd)

Depreciation is calculated on a straight-line method to allocate the depreciable amounts of all property, plant and equipment over their estimated useful lives. The estimated useful lives are as follows:

	Years
Building and structural improvements	15 – 50
Leasehold property	50
Leasehold improvements	1 – 10
Furniture, fixtures and fittings	3 – 10
Plant and equipment	1 – 12
Motor vehicles	5 – 12

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2.6 Investment properties

Investment properties comprise buildings and land that are held to earn rental income and/or for capital appreciation or for a currently indeterminate use and land held by the lessee as a right-of-use asset that is held to earn rental income, for long-term capital appreciation or for a currently indeterminate use. Investment properties comprise land, completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recorded at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful life as follows:

	Years
Buildings	40 – 50
Land	30

The residual values, useful lives and depreciation method of investment properties are reviewed and adjusted as appropriate, at the end of the reporting period. The effects of any revision are included in profit or loss when the changes arise.

Cost includes expenditure that is directly attributable to the acquisition of the investment properties.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as addition and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvement is charged to profit or loss when incurred.

On the disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 Intangible assets

(i) Goodwill (see Note 2.4)

(ii) Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets are not capitalised and the expenditure is charged against profits in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss and other comprehensive income in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. The Group's intangible assets with indefinite useful lives are trademarks and knowhow.

Amortisation for intangible assets with finite lives is recognised in profit or loss on a straight-line method over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives are as follows:

	Years
Customer relationships	10
Customer contracts	2.5
Favourable leases	2
Franchise rights/licence	20

2.8 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less any accumulated impairment losses. On disposal of the investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Associated companies and joint ventures

An associated company is an entity over which the Group has significant influence but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist generally when the Group holds 20% or more but not exceeding 50% of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associated companies and joint ventures ("equity-accounted investees") are accounted for in the consolidated financial statements using the equity method of accounting, less impairment losses, if any.

Investments in equity-accounted investees are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the post-acquisition profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

Distributions received from equity-accounted investees are adjusted against the carrying amount of the investment. When the Group's share of losses in an equity-accounted investee equals or exceeds its interest in the equity-accounted investee, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the equity-accounted investee.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the equity-accounted investee recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately as income in the Group's profit or loss.

Where a group entity transacts with an equity-accounted investee of the Group, unrealised gains are eliminated to the extent of the Group's interest in the equity-accounted investee. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred.

In the Company's financial statements, investments in equity-accounted investees are carried at cost less accumulated impairment loss. On disposal of investments in equity-accounted investees, the differences between the disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 Impairment of non-financial assets (other than goodwill and other indefinite-life intangible assets)

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an 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.

Recoverable amount is the higher of fair value less costs to sell and 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is recognised in other comprehensive income up to the amount of any previous revaluation.

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 previously recognised impairment for an asset other than goodwill is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.11 Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVTPL").

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Financial assets (cont'd)

Classification and measurement (cont'd)

The classification is based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

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

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement

(i) Debt instruments

Debt instruments include fixed deposits, cash and bank balances, loans receivables, trade receivables and other receivables (excluding prepayments, tax recoverable and grant receivable). The Group's debt instruments are measured as follows:

Amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

(ii) Derivatives

Derivatives are classified and measured as financial assets at fair value through profit or loss. Movements in fair values are recognised in profit or loss in the period in which it arises and presented in "other income".

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Financial assets (cont'd)

Subsequent measurement (cont'd)

(iii) Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other income".

For equity investments which are not held for trading or not a contingent consideration recognised by an acquirer in a business combination, the Group may make an irrevocable election (on an investment by investment basis) to designate equity investments as at FVOCI.

The Group has designated certain of its equity investments that are not held for trading as FVOCI at initial recognition. Gains and losses arising from changes in fair value of these equity investments classified as FVOCI are presented as "fair value gains/losses" in other comprehensive income and accumulated in fair value reserve and will never be reclassified to profit or loss. On disposal of an equity investment, the difference between the carrying amount and sales proceed amount would be recognised in profit or loss except for equity investment designated at FVOCI which would be recognised in other comprehensive income. Fair value reserve relating to the disposed asset would be transferred to retained earnings upon disposal. Dividends from equity investments are recognised in profit or loss and presented in "other income". Equity investments classified as FVOCI are not subject to impairment assessment.

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECL").

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Offset

Financial assets and liabilities are offset and the net amount presented on the statements of financial position when, and only when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs, other direct costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

2.13 Cash and cash equivalents in the statement of cash flows

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, deposits with financial institutions which are subject to insignificant risk of change in value and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and excludes pledged deposits.

2.14 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.15 Borrowing costs

Borrowing costs, which comprise interest and other costs incurred in connection with the borrowing of funds, are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the asset is substantially completed for its intended use or sale. All other borrowing costs are recognised in the profit or loss using the effective interest method.

2.16 Financial liabilities

Financial liabilities are recognised on the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments.

Financial liabilities are initially recognised at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, derivatives are measured at fair value. Other financial liabilities (except for the financial guarantees) are measured at amortised cost using the effective interest method.

For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in profit or loss. Net gains or losses on derivatives include exchange differences. A financial liability is derecognised when the obligation under the liability is extinguished.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are initially recognised at their fair values plus transaction costs. Financial guarantees are classified as financial liabilities.

Subsequent to initial measurement, the financial guarantees are measured at the higher of the amount initially recognised less cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 *Revenue from Contracts with Customers* and the amount of expected loss computed using the impairment methodology under SFRS(I) 9 *Financial Instruments*.

2.18 Leases

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

When a Group entity is the lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.18 Leases (cont'd)

When a Group entity is the lessee (cont'd)

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset as follows:

	Years
Food and beverage outlets	1 to 5
Plant and machinery	12.5
Office spaces, production rooms, store rooms and warehouses	3
Leasehold land	4.5

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statements of financial position.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.10.

As a practical expedient, SFRS(I) 16 *Leases* permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease component as a single arrangement. The Group has applied this practical expedient to all its leases.

When a Group entity is the lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct cost 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.18 Leases (cont'd)

When a Group entity is the lessor (cont'd)

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Initial direct cost incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term.

When a contract includes both lease and non-lease components, the Group applies SFRS(I) 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

2.19 Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable or recoverable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided using the liability method, on all temporary differences at the end of the reporting period arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting nor taxable profit or loss.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associated companies and interests in joint arrangements, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on currently enacted or substantively enacted tax rates at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20 Provisions for other liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

The Group recognises the estimated costs of dismantlement, removal or restoration of assets arising from the acquisition or use of assets (Note 2.18). This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value.

Changes in the estimated timing or amount of the expenditure or discount rate is adjusted against the cost of the related assets unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

2.21 Employee benefits

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

Such state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Employee leave entitlement

Employee entitlements to annual leave and long-service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the end of the reporting period.

2.22 Foreign currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements of the Group and the Company are presented in Singapore dollar, which is the Company's functional currency.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 Foreign currencies (cont'd)

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign operations and borrowings and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the foreign currency translation reserve within equity in the consolidated financial statements. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rates at the end of the reporting period;
(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
(iii) All resulting exchange differences are recognised in the foreign currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

On disposal of a foreign group entity, the cumulative amount of the currency translation reserve relating to that particular foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

2.23 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

2.24 Dividends

Interim dividends are recorded during the financial year in which they are declared payable.

Final dividends are recorded in the Group's financial statements in the period in which they are approved by the Company's shareholders.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.25 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statements of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments. Alternatively, the grant may be presented in the statements of financial position by deducting the grant in arriving at the carrying amount of the asset.

Where the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

3 CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical judgement in applying the entity's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, management has made the following judgement that has the most significant effect on the amounts recognised in the financial statements.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of food and beverage outlets, plant and machinery, office spaces, production rooms, store rooms, warehouses and leasehold land, the following factors are considered to be most relevant:

- If there are significant penalties to terminate the lease, the Group will typically be reasonably certain not to terminate the lease;
- Otherwise, the Group considers other factors including its historical lease periods and the costs and business disruption required to replace the leased asset.

As at 31 December 2021, potential future cash outflows of $14,985,000 (2020: $16,083,000) (undiscounted) have not been included in the lease liability because it is not reasonably certain that the lease will be extended.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment assessment of goodwill and intangible assets with indefinite useful life

Management performs an impairment assessment of goodwill and intangible assets with indefinite life annually, or more frequently if there are indications of impairment. The recoverable amount of the cash-generating unit ("CGU") is estimated by management and used to compare against its carrying amount. In estimating the recoverable amount, value in use calculations were undertaken where management estimated the expected future cash flows from the CGU and a suitable discount rate in order to determine the present value of the cash flows.

Forecasting and discounting future cash flows for the impairment assessment involves an element of judgement and requires management to make certain assumptions and apply estimates. Details of the impairment assessment and the carrying values of the Group's goodwill and intangible assets at the end of the reporting period are disclosed in Note 14. Any changes in the assumptions made and discount rate applied could affect the impairment assessment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

3 CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Key sources of estimation uncertainty (cont'd)

Impairment of non-financial assets (other than goodwill and other indefinite-life intangible assets)

At each reporting date, the Group and Company assess whether there are any indications of impairment for all non-financial assets. The Group and Company also assess whether there is any indication that an impairment loss recognised in prior periods for a non-financial asset, other than goodwill, may no longer exist or may have decreased.

If any such indication exists, the Group and Company estimate the recoverable amount of that asset. An impairment loss exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. An impairment loss recognised in prior periods shall be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Where value in use calculations are undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit and a suitable discount rate in order to determine the present value of the cash flows. The carrying values of the Group's and Company's property, plant and equipment and right-of-use assets are disclosed in Note 11 and Note 12. The carrying values of the Group's intangible assets with finite lives are disclosed in Note 14. The carrying values of the investments in subsidiaries are disclosed in Note 15. The carrying values of the interests in equity-accounted investees are disclosed in Note 16. Changes in assumptions made and discount rate applied could affect the carrying values of these assets.

Calculation of allowance for impairment for financial assets at amortised cost

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions with consideration on the impact of COVID-19 pandemic and how these conditions will affect the Group's ECL assessment. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on receivables and loans is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of receivables and loans. Details of ECL measurement and carrying values of trade receivables, other receivables and loans at reporting date are disclosed in Note 36.

Estimating the incremental borrowing rate for leases

The Group uses the incremental borrowing rate to measure the lease liabilities because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs such as market interest rates, where available and made certain entity-specific estimates, such as the Company and the subsidiaries' stand-alone credit rating. Any change in estimation of incremental borrowing rate may have a significant impact to the determination of lease liabilities and right-of-use assets at the commencement date of new leasing transactions. The carrying amount of lease liabilities and right-of-use assets are disclosed in Note 31 and Note 12.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

4 REVENUE

	Group	
	2021 $'000	2020 $'000
At a point in time		
Sales and service charges – Food and beverage	**74,454**	85,796
Over time		
Royalty income	**171**	179
	74,625	85,975

5a OTHER INCOME

	Group	
	2021 $'000	2020 $'000
Rental income	**268**	272
Dividend income	**78**	13
Special Employment Credit and Wage Credit Scheme	**435**	652
Management fee income	**348**	348
Fair value gain on call option	**–**	428
Fair value gain on financial assets at fair value through profit or loss	**1,853**	88
Modification gain on derecognition of right-of-use assets	**26**	51
Jobs Support Scheme ("JSS")*	**4,883**	6,137
Other government grant income**	**2,742**	2,487
Foreign exchange gain, net	**94**	192
Rent concessions (Note 2.1)	**1,152**	2,858
Others	**461**	331
	12,340	13,857

* JSS grant income of $4,883,000 (2020: $6,137,000) was recognised during the financial year. Under the JSS, the Singapore Government will cofund gross monthly wages paid to each local employee through cash subsidies. The JSS is a temporary scheme introduced in the Singapore Budget 2020 and had been extended up to 2021 by the Government.

** Included within other government grant income are rental relief and property tax rebates of $2,152,000 (2020: $1,881,000) received from the Singapore Government to help businesses deal with the impact from COVID-19 pandemic.

5b INTEREST INCOME

	Group	
	2021 $'000	2020 $'000
Interest from deposits with banks	**57**	247
Interest on loans to joint ventures (Note 20)	**340**	281
	397	528

6 FINANCE COSTS

	Group	
	2021 $'000	2020 $'000
Deemed finance costs	**91**	166
Banker's acceptance interests (Note 30)	**2**	3
Interest expense on bank loan (Note 30)	**100**	8
Interest expense on lease liabilities (Note 31)	**792**	1,065
	985	1,242

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

7 PROFIT BEFORE TAX

Profit before tax is arrived at after charging:

		Group	
	Note	2021 $'000	2020 $'000
Audit fees payable to:			
– auditor of the Company		**158**	160
– other auditors**		**26**	27
Fees for non-audit services payable to:			
– auditor of the Company		**26**	27
– other auditors**		**–***	–*
Amortisation of intangible assets	14	**300**	305
Cost of inventories included in cost of sales		**18,724**	23,416
Depreciation of property, plant and equipment	11	**2,756**	3,288
Depreciation of right-of-use assets	12	**13,720**	15,997
Depreciation of investment properties	13	**161**	185
Government grant expense***		**–**	86
Remuneration of the directors of the Company:	8		
– salaries, fees and benefits-in-kind		**1,376**	1,322
– contribution to defined contribution plans		**33**	31
Remuneration of the directors of the subsidiaries:			
– salaries, fees and benefits-in-kind		**263**	402
– contribution to defined contribution plans		**9**	36
Remuneration of key management personnel (non-directors):			
– salaries and related costs		**1,011**	1,098
– contribution to defined contribution plans		**78**	92
Remuneration of staff:			
– salaries and related costs		**26,096**	27,467
– contribution to defined contribution plans		**2,406**	2,371
Loss on disposal of property, plant and equipment, net		**11**	90
Impairment loss on property, plant and equipment	11	**86**	173
Allowance for impairment on amounts due from equity-accounted investees	20	**6**	–
Bad debts written off		**1**	–
Rental expenses	12	**1,534**	1,305
Allowance for inventory obsolescence		**–**	8
Write-offs:			
– property, plant and equipment		**105**	436
– inventories		**102**	38
Allowance for impairment on trade receivables	23	**–**	60
Loss on derecognition of call option		**1,237**	–
Modification loss on payable to NCI		**156**	–
Allowance for impairment on loans to a joint venture	20	**124**	207

* Amount less than $1,000

** Include independent member firms of the Baker Tilly International network.

*** Government grant expense relates to the property tax rebates received from the Singapore Government that were transferred to tenants in the form of rent rebates during the financial year and rental waivers provided to eligible tenants as part of the qualifying conditions of the cash grant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

8 REMUNERATION BANDS OF DIRECTORS OF THE COMPANY

Number of directors of the Company in remuneration bands:

	Group	
	2021	**2020**
$250,000 to below $500,000	**3**	3
Below $250,000	**4**	4
	7	7

9 INCOME TAX (CREDIT)/EXPENSE

	Group	
	2021 $'000	**2020 $'000**
Tax expense attributable to profits is made up of:		
– current income tax provision	**12**	608
– deferred tax (Note 27)	**(499)**	(205)
	(487)	403
(Over)/under provision in respect of previous financial years		
– current income tax	**(83)**	18
– deferred tax (Note 27)	**(296)**	(8)
	(866)	413

The income tax expense on the results of the financial year differs from the amount of income tax determined by applying the Singapore statutory rate of income tax to profit before tax due to the following factors:

	Group	
	2021 $'000	**2020 $'000**
Profit before tax	**1,136**	6,551
Income tax expense at statutory rate of the respective entities	**105**	919
Statutory stepped income exemption	**(12)**	(99)
Income not subject to tax	**(1,591)**	(1,195)
Expenses not deductible for tax purposes	**528**	704
Effect of tax incentive and tax rebate	**(115)**	(115)
(Over)/under provision in preceding financial years	**(379)**	10
Deferred tax asset not recognised	**502**	105
Effect of results of equity-accounted investees presented net of tax	**118**	113
Others	**(22)**	(29)
	(866)	413

The statutory income tax rate applicable is 17% (2020: 17%) for companies incorporated in Singapore, 24% (2020: 24%) for companies incorporated in Malaysia and 16.5% (2020: 16.5%) for companies incorporated in Hong Kong.

Subject to the satisfaction of the conditions for group relief, tax losses of $1,491,000 (2020: $860,000) and capital allowances of $40,000 (2020: $140,000) arising in the current year are transferred within entities in the Group under the group relief system. These tax losses and capital allowances are transferred at no consideration.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

9 INCOME TAX (CREDIT)/EXPENSE (cont'd)

At the end of the reporting period, the Group has potential tax benefits arising from unabsorbed tax losses of approximately $11,517,000 (2020: $8,585,000), and unabsorbed capital allowances of approximately $1,962,000 (2020: $1,814,000), that are available for carry-forward to offset against future taxable income of the companies in which the tax losses and capital allowances arose, subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Deferred tax assets on the following temporary differences have not been recognised in the financial statements at the end of the reporting period:

	Group	
	2021 **$'000**	**2020** **$'000**
Unabsorbed tax losses	**11,517**	8,585
Unabsorbed capital allowances	**1,806**	1,682
	13,323	10,267

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

10 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2021 **$'000**	**2020** **$'000**
Profit for the year attributable to owners of the Company	**2,487**	5,977

	2021	**2020**
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	**200,996**	200,996
Basic earnings per share (cents)	**1.24**	2.97
Diluted earnings per share (cents)	**1.24**	2.97

Basic earnings per share is calculated by dividing profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

As at 31 December 2021 and 2020, diluted earnings per share is similar to basic earnings per share as there were no dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

11 PROPERTY, PLANT AND EQUIPMENT

	Freehold land $'000	Buildings and structural improvements $'000	Leasehold property $'000	Leasehold improvements $'000	Furniture, fixtures and fittings $'000	Plant and equipment $'000	Motor vehicles $'000	Restaurant supplies, crockery and cutlery $'000	Total $'000
Group									
2021									
Cost									
At 1.1.2021	**365**	**12,416**	**2,300**	**15,212**	**6,526**	**17,609**	**2,799**	**685**	**57,912**
Additions	**–**	**–**	**–**	**1,948**	**510**	**992**	**20**	**11**	**3,481**
Disposals/write-off	**–**	**–**	**–**	**(788)**	**(552)**	**(1,125)**	**(290)**	**(30)**	**(2,785)**
Translation	**(6)**	**(27)**	**–**	**(30)**	**(30)**	**(78)**	**(10)**	**–***	**(181)**
At 31.12.2021	**359**	**12,389**	**2,300**	**16,342**	**6,454**	**17,398**	**2,519**	**666**	**58,427**
Accumulated depreciation and impairment losses									
At 1.1.2021	**–**	**6,549**	**1,403**	**12,181**	**4,553**	**13,679**	**2,170**	**7**	**40,542**
Depreciation charge	**–**	**191**	**46**	**863**	**397**	**1,039**	**220**	**–**	**2,756**
Disposals/write-off	**–**	**–**	**–**	**(744)**	**(509)**	**(1,086)**	**(289)**	**(7)**	**(2,635)**
Impairment loss	**–**	**–**	**–**	**44**	**30**	**12**	**–**	**–***	**86**
Translation	**–**	**(13)**	**–**	**(15)**	**(16)**	**(54)**	**(9)**	**–**	**(107)**
At 31.12.2021	**–**	**6,727**	**1,449**	**12,329**	**4,455**	**13,590**	**2,092**	**–***	**40,642**
Net carrying value									
At 31.12.2021	**359**	**5,662**	**851**	**4,013**	**1,999**	**3,808**	**427**	**666**	**17,785**

* Less than $1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

11 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land $'000	Buildings and structural improvements $'000	Leasehold property $'000	Leasehold improvements $'000	Furniture, fixtures and fittings $'000	Plant and equipment $'000	Motor vehicles $'000	Restaurant supplies, crockery and cutlery $'000	Total $'000
Group									
2020									
Cost									
At 1.1.2020	365	12,416	2,300	15,855	6,911	17,665	2,856	716	59,084
Additions	–	–	–	518	67	413	47	11	1,056
Disposals/write-off	–	–	–	(1,161)	(452)	(469)	(103)	(42)	(2,227)
Translation	–	–	–	–*	–*	–*	(1)	–	(1)
At 31.12.2020	365	12,416	2,300	15,212	6,526	17,609	2,799	685	57,912
Accumulated depreciation and impairment losses									
At 1.1.2020	–	6,348	1,357	12,032	4,282	12,764	1,972	–	38,755
Depreciation charge	–	201	46	1,014	504	1,228	295	–	3,288
Disposals/write-off	–	–	–	(933)	(286)	(360)	(97)	–	(1,676)
Impairment loss	–	–	–	68	52	46	–	7	173
Translation	–	–*	–	–*	1	1	–*	–	2
At 31.12.2020	–	6,549	1,403	12,181	4,553	13,679	2,170	7	40,542
Net carrying value									
At 31.12.2020	365	5,867	897	3,031	1,973	3,930	629	678	17,370

* Less than $1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

11 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Leasehold property $'000	Leasehold improvements $'000	Furniture, fixtures and fittings $'000	Plant and equipment $'000	Motor vehicles $'000	Restaurant supplies, crockery and cutlery $'000	Total $'000
Company							
2021							
Cost							
At 1.1.2021	**2,300**	**7,247**	**3,787**	**9,070**	**151**	**652**	**23,207**
Additions	**–**	**337**	**429**	**759**	**–**	**10**	**1,535**
Disposals/write-off	**–**	**(418)**	**(327)**	**(855)**	**(151)**	**(19)**	**(1,770)**
At 31.12.2021	**2,300**	**7,166**	**3,889**	**8,974**	**–**	**643**	**22,972**
Accumulated depreciation and impairment losses							
At 1.1.2021	**1,403**	**5,879**	**2,829**	**7,253**	**147**	**–**	**17,511**
Depreciation charge	**46**	**454**	**200**	**494**	**3**	**–**	**1,197**
Disposals/write-off	**–**	**(405)**	**(293)**	**(829)**	**(150)**	**–**	**(1,677)**
At 31.12.2021	**1,449**	**5,928**	**2,736**	**6,918**	**–**	**–**	**17,031**
Net carrying value							
At 31.12.2021	**851**	**1,238**	**1,153**	**2,056**	**–**	**643**	**5,941**
2020							
Cost							
At 1.1.2020	2,300	7,492	3,841	9,021	254	674	23,582
Additions	–	257	46	299	–	11	613
Disposals/write-off	–	(502)	(100)	(250)	(103)	(33)	(988)
At 31.12.2020	2,300	7,247	3,787	9,070	151	652	23,207
Accumulated depreciation and impairment losses							
At 1.1.2020	1,357	5,762	2,653	6,871	232	–	16,875
Depreciation charge	46	536	238	602	11	–	1,433
Disposals/write-off	–	(419)	(62)	(220)	(96)	–	(797)
At 31.12.2020	1,403	5,879	2,829	7,253	147	–	17,511
Net carrying value							
At 31.12.2020	897	1,368	958	1,817	4	652	5,696

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

11 PROPERTY, PLANT AND EQUIPMENT (cont'd)

At the end of the reporting period, the following property, plant and equipment with net carrying values set out below were pledged to certain financial institutions for banking facilities.

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Freehold land	**359**	365	**–**	–
Buildings and structural improvements	**5,662**	5,867	**–**	–
Leasehold property	**851**	897	**851**	897
Leasehold improvements	**1,453**	245	**–**	–
	8,325	7,374	**851**	897

Reconciliation of property, plant and equipment additions to cash flows arising from investing activities:

	Group	
	2021	**2020**
	$'000	**$'000**
Aggregate cost of property, plant and equipment acquired	**3,481**	1,056
Add: Purchases made in prior financial year paid	**–**	61
Less: Deposit paid in prior financial year	**–**	(61)
Cash payments to acquire property, plant and equipment	**3,481**	1,056

The impairment loss of property, plant and equipment is included in other expenses in the consolidated statement of profit or loss and other comprehensive income.

12 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) The Group and the Company as a lessee

Nature of the Group's and the Company's leasing activities

The Group's and the Company's leasing activities comprise the following:

(i) The Group and the Company lease various food and beverage outlets, plant and machinery, office spaces, production rooms, store rooms and warehouses. The leases have an average tenure of up to five years. These leases are with non-related parties except that the Company leases office space, production and store rooms from a subsidiary;
(ii) The Group makes annual lease payments for a leasehold land; and
(iii) In addition, the Group and the Company lease certain equipment with contractual terms of up to two years. These leases are short-term and/or low value items. The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for these leases.

The Group and the Company have options to purchase certain equipment for a nominal amount at the end of the lease term. The Group's and the Company's obligations are secured by the lessors' title to the leased assets for such leases. No restrictions are imposed on dividends or further leasing.

The maturity analysis of the lease liabilities is disclosed in Note 36(b).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

12 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd)

(a) The Group and the Company as a lessee (cont'd)

Information about leases for which the Group and the Company are a lessee is presented below:

Amounts recognised in Statements of Financial Position

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Carrying amount of right-of-use assets				
Food and beverage outlets	**21,697**	24,157	**20,138**	21,457
Plant and machinery	**295**	337	**–**	–
Office spaces, production rooms, store rooms and warehouses	**1,322**	783	**337**	1,687
Leasehold land	**348**	579	**–**	–
	23,662	25,856	**20,475**	23,144
Additions to right-of-use assets	**12,573**	9,461	**10,739**	7,958

Amounts recognised in Statement of Profit or Loss and Other Comprehensive Income

	Group	
	2021 $'000	2020 $'000
Depreciation charge for the year		
Food and beverage outlets	**12,818**	15,163
Plant and machinery	**37**	37
Office spaces, production rooms, store rooms and warehouses	**633**	565
Leasehold land	**232**	232
Total (Note 7)	**13,720**	15,997
Lease expense not included in the measurement of lease liabilities		
Lease expense – short-term leases	**452**	498
Variable lease payments which do not depend on an index or rate	**1,082**	807
Total (Note 7)	**1,534**	1,305
Rent concessions from lessors (Note 2.1)	**1,152**	2,858
Interest expense on lease liabilities (Note 31)	**792**	1,065

Total Group's and Company's cash flow for leases amounted to $15,395,000 (2020: $17,407,000) and $14,007,000 (2020: $14,873,000) respectively.

As at 31 December 2021, the Group is committed to $6,000 (2020: $132,000) for short-term leases.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

12 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd)

(a) The Group and the Company as a lessee (cont'd)

Future cash outflow which are not capitalised in lease liabilities

Variable lease payments

The leases for food and beverage outlets contain variable lease payments that are based on a percentage of sales generated by the stores ranging from 0.5% to 20% (2020: 0.5% to 32%), on top of the fixed lease payments. Overall, the variable lease payments constitute up to 7% and 7% (2020: 5% and 4%) of the Group's and the Company's entire lease payments respectively. These variable lease payments are recognised to profit or loss when incurred. Such variable lease payments amounted to $1,082,000 and $1,004,000 (2020: $807,000 and $647,000) for the Group and the Company respectively for the financial year ended 31 December 2021.

Extension options

The leases of certain food and beverage outlets contain extension options, for which the related lease payments had not been included in the lease liabilities as the Group and the Company are not reasonably certain to extend the lease. These are used to maximise operational flexibility in terms of managing the assets used in the Group's and the Company's operations. The majority of extension and termination options held are exercisable only by the Group and the Company.

(b) The Group and the Company as a lessor

Nature of the Group's and the Company's leasing activities

The Group and the Company leased out its investment properties to third parties for monthly lease payments. The lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties are disclosed in Note 13.

13 INVESTMENT PROPERTIES

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Cost				
At beginning of financial year	**6,993**	7,109	**1,863**	1,863
Derecognition of right-of-use assets	**–**	(71)	**–**	–
Translation	**15**	(45)	**–**	–
At end of financial year	**7,008**	6,993	**1,863**	1,863
Accumulated depreciation				
At beginning of financial year	**2,913**	2,799	**973**	936
Depreciation charge (Note 7)	**161**	185	**37**	37
Derecognition of right-of-use assets	**–**	(71)	**–**	–
At end of financial year	**3,074**	2,913	**1,010**	973
Net carrying value				
At end of financial year	**3,934**	4,080	**853**	890

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

13 INVESTMENT PROPERTIES (cont'd)

At the end of the reporting period, the following investment properties with net carrying values set out below were pledged to certain financial institutions for banking facilities.

	Group and Company	
	2021 $'000	2020 $'000
Investment properties	**853**	890

The following amounts are recognised in the consolidated statement of profit or loss and other comprehensive income:

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Rental and other income from investment properties	**278**	327	**65**	62
Direct operating expenses arising from investment properties that generated rental income (including depreciation charge)	**(189)**	(274)	**(51)**	(66)
Direct operating expenses arising from investment properties that did not generate rental income (including depreciation charge)	**(72)**	(76)	**–**	–

Based on valuations carried out by external professional valuers, the fair values of the investment properties of the Group and Company on 31 December 2021 are $10,255,000 (2020: $10,502,000) and $2,950,000 (2020: $3,000,000) respectively (Note 37(e)).

Details of investment properties are as follows:

Description	Location	Floor area (Sqm)	Tenure of Lease (Use)
Singapore			
A shop unit located on the first storey of a shopping-cum-residential development known as City Plaza	810 Geylang Road #01-103 City Plaza Singapore 409286	25	Freehold (Rental)
A shop unit located on the second storey of Far East Plaza	14 Scotts Road #02-22 Far East Plaza Singapore 228213	39	Freehold (Rental)
A HDB shop unit with living quarters located within Block 5 Changi Village Road	Block 5 Changi Village Road #01-2001 Singapore 500005	358	85 years from 1 July 1994 (Rental)
Indonesia			
An apartment unit in Ascott Towers Indonesia	Unit 06-23 Jalan Kebon Kacang Raya No.2 Jakarta 10230	159	20 years and is renewable for a further term of 20 years (Rental)
A land plot located at Bintan, Indonesia	Jalan Trikora Kilometer 52 RT.04 RW.02 Kelurahan Malang Rapat Kecamatan Gunung Kijang Kabupaten Bintan Provinsi Kepulauan Riau	19,603	Leasehold 30 years from 18 January 2019

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14 INTANGIBLE ASSETS

	Goodwill $'000	Trademarks $'000	Customer relationships $'000	Others $'000	Total $'000
Group					
2021					
Cost					
At 1.1.2021	**8,303**	**5,381**	**2,797**	**2,217**	**18,698**
Write-off	**–**	**–**	**–**	**(472)**	**(472)**
At 31.12.2021	**8,303**	**5,381**	**2,797**	**1,745**	**18,226**
Accumulated amortisation and impairment losses					
At 1.1.2021	**–**	**–**	**980**	**1,902**	**2,882**
Amortisation charge	**–**	**–**	**280**	**20**	**300**
Write-off	**–**	**–**	**–**	**(472)**	**(472)**
At 31.12.2021	**–**	**–**	**1,260**	**1,450**	**2,710**
Net carrying value					
At 31.12.2021	**8,303**	**5,381**	**1,537**	**295**	**15,516**
2020					
Cost					
At 1.1.2020 and 31.12.2020	8,303	5,381	2,797	2,217	18,698
Accumulated amortisation and impairment losses					
At 1.1.2020	–	–	700	1,877	2,577
Amortisation charge	–	–	280	25	305
At 31.12.2020	–	–	980	1,902	2,882
Net carrying value					
At 31.12.2020	8,303	5,381	1,817	315	15,816

Composition of intangible assets

(i) Goodwill arising on the acquisition of Chilli Padi Holding Pte Ltd and its subsidiaries ("Chilli Padi group").

(ii) Trademarks represent brand names "Chilli Api" and "Chilli Padi" which are registered under the Chilli Padi group.

(iii) Customer relationships refer to the economic benefits that are expected to be derived from non-contractual existing and recurring relationships between Chilli Padi group and its existing customers. These are acquired as part of the acquisition of Chilli Padi group and past transactions provide evidence that the Group is able to benefit from the future recurring revenue from such relationships.

(iv) "Others" comprise customer contracts and favourable lease agreements with respect to Chilli Padi group, knowhow and trade name of "Tip Top" curry puff and exclusive franchise rights of "Swensen's" and "Yogen Fruz".

The Group's franchise rights of "Yogen Fruz" in Singapore is for a period of 20 years from 28 September 2004 to 27 September 2024.

The Group's franchise rights of "Swensen's" in Singapore, Malaysia and Brunei is for a period of 20 years from 1 November 2019 to 31 October 2039.

NOTES TO THE FINANCIAL STATEMENTS

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14 INTANGIBLE ASSETS (cont'd)

Amortisation

The amortisation of intangible assets is included in cost of sales and administrative expenses in the consolidated statement of profit or loss and other comprehensive income.

Impairment assessment for goodwill and indefinite-life intangible assets

For the purposes of impairment assessment, the Group's goodwill and trademarks acquired in a business combination have been allocated to the cash-generating unit ("CGU") identified as the Chilli Padi group.

The recoverable amount of this CGU is based on its value in use, determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGU. The key assumptions used in the estimation of value in use were as follows:

	Group	
	2021	**2020**
	%	**%**
Forecast revenue growth (average over next five years)	**18.9**	3.2
Terminal value growth rate	**0.5**	0.5
Discount rate	**13.9**	13.8

The Group's value in use calculations used cash flow forecasts derived from the most recent financial budgets approved by management covering a five years period. Forecast revenue for the next five years was projected taking into account the average growth levels experienced over the past years including the impact arising from the COVID-19 pandemic and the anticipated changes in the business and economic environment for the next five years.

Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and which is adjusted for the risks specific to the CGU.

At 31 December 2021, the estimated recoverable amount of the CGU is higher than its carrying amount. Management has assessed that the change in the estimated recoverable amount arising from any reasonably possible changes in any of the above key assumptions would not cause the recoverable amount to be materially lower than the carrying value of the CGU.

15 INVESTMENTS IN SUBSIDIARIES

	Company	
	2021	**2020**
	$'000	**$'000**
Unquoted equity shares, at cost		
At beginning of financial year	**47,433**	47,433
Less: Allowance for impairment in value	**(8,045)**	(8,045)
Less: Exercise of put option	**(127)**	–
At end of financial year	**39,261**	39,388
Non-current receivables		
Loan to a subsidiary as at beginning of financial year	**11,310**	9,710
Advances during the financial year	**1,250**	1,600
At end of financial year	**12,560**	11,310
Total	**51,821**	50,698

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15 INVESTMENTS IN SUBSIDIARIES (cont'd)

There is no movement in allowance for impairment in value during the current and prior financial year.

(i) Details of the Company's subsidiaries at 31 December 2021 are as follows:

	Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held by the Group 2021 %	2020 %
Held by the Company					
(a)	Lawry's (Singapore) Ltd	Investment holding and provision of processing, supply, warehousing and distribution activities	Singapore	**100**	100
(b)	ABR (HK) Limited	Manage, obtain and exploit industrial and intellectual rights with respect to the ice cream, fast food and restaurant business	Hong Kong	**99.99**	99.99
(d)	Swensen's of Singapore (1996) Pte Ltd	Dormant	Singapore	**100**	100
(a)	Food Creations Pte Ltd	Provision of services for the manufacture and production of ice cream and related products	Singapore	**100**	100
(a)	Europa Lounge and Restaurant Pte Ltd	Investment holding	Singapore	**100**	100
(d)	Hippopotamus Restaurants Pte Ltd	Dormant	Singapore	**100**	100
(d)	Eat In Progress Pte Ltd (formerly known as Orchard 501 Café Pub Pte Ltd)	Dormant	Singapore	**100**	100
(d)	Europa Entertainment Pte Ltd	Dormant	Singapore	**100**	100
(a)	ABR Swensen's Pte Ltd	Investment holding	Singapore	**100**	100
(d)	Europa Ridley's (1992) Pte Ltd	Dormant	Singapore	**100**	100
(d)	Cine Art Pictures Pte Ltd	Dormant	Singapore	**55**	55
(b)	Team-Up Investments (HK) Limited	Dormant	Hong Kong	**50**	50

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

15 INVESTMENTS IN SUBSIDIARIES (cont'd)

(i) Details of the Company's subsidiaries at 31 December 2021 are as follows: (cont'd)

	Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held by the Group 2021 %	2020 %
Held by the Company (cont'd)					
(d)	Bistro Europa Pte Ltd	Dormant	Singapore	**100**	100
(d)	Europa Specialty Restaurants (S) Pte Ltd	Dormant	Singapore	**100**	100
(a)	ABR Property Investments Pte Ltd	Investment holding	Singapore	**100**	100
(d)	Team-Up Overseas Investment Pte Ltd	Dormant	Singapore	**70**	70
(d)	Oishi Japanese Pizza Pte Ltd	Dormant	Singapore	**84.1**	84.1
(d)	E.Y.F. (S) Pte Ltd	Dormant	Singapore	**100**	100
(a)	Kitchen Alchemy Pte Ltd	Investment holding	Singapore	**51**	51
(a)	All Best Foods Pte Ltd	Manufacturing, retailing of food products and operator of café and snack bars	Singapore	**100**	100
(a)	ABR Land (S) Pte Ltd	Investment holding	Singapore	**100**	100
(c)	ABR Land Australia Pty Ltd	Dormant	Australia	**100**	100
(a)	Chilli Padi Holding Pte Ltd	Investment holding	Singapore	**80**	80
(b)	Permai Puncakmas Sdn. Bhd.	Investment holding	Malaysia	**100**	100
(a)	All Best Realty Pte Ltd	Investment holding	Singapore	**100**	100
Held by the subsidiaries					
Held by Swensen's of Singapore (1996) Pte Ltd					
(b)	Team-Up Investments (HK) Limited	Dormant	Hong Kong	**50**	50

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

15 INVESTMENTS IN SUBSIDIARIES (cont'd)

(i) Details of the Company's subsidiaries at 31 December 2021 are as follows: (cont'd)

	Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held by the Group 2021 %	2020 %
Held by the subsidiaries (cont'd)					
Held by ABR (HK) Limited					
(c)	E.D. Swensen's B.V.	Manage, obtain and exploit industrial and intellectual rights with respect to the ice cream business	The Netherlands	**100**	100
Held by Europa Entertainment Pte Ltd					
(c)	Europa (Beijing) Food & Beverage Management Co., Ltd	Dormant	People's Republic of China	**100**	100
Held by Team-Up Investments (HK) Limited					
(c)	Win Win Food (Shenzhen) Co., Ltd	Dormant	People's Republic of China	**100**	100
Held by Lawry's (Singapore) Ltd					
(d)	Lawry's PRC Investment Pte Ltd	Dormant	Singapore	**100**	100
(b)	Season Confectionary & Bakery Sdn. Bhd.	Manufacturing and retailing of bread, cakes and confectionery	Malaysia	**80**	80
(b)	Season's Café Sdn. Bhd.	Operation of a chain of cafeteria	Malaysia	**80**	80
Held by Season Confectionary & Bakery Sdn. Bhd.					
(b)	Swensen's (Malaysia) Sdn. Bhd.	Ice cream manufacturing and franchising and operator of restaurants	Malaysia	**80**	80
(a)	SSCB Pte Ltd	Commission agents	Singapore	**80**	80
Held by E.Y.F. (S) Pte Ltd					
(c)	EY. Food (SH) Pte Ltd	Dormant	People's Republic of China	**100**	100
(c)	EY. Food (BJ) Pte Ltd	Dormant	People's Republic of China	**100**	100

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

15 INVESTMENTS IN SUBSIDIARIES (cont'd)

(i) Details of the Company's subsidiaries at 31 December 2021 are as follows: (cont'd)

	Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held by the Group 2021 %	2020 %
Held by the subsidiaries (cont'd)					
Held by Kitchen Alchemy Pte Ltd					
(d)	TT Hara Food Pte Ltd	Dormant	Singapore	**12.75**	12.75
Held by All Best Foods Pte Ltd					
(d)	TT Hara Food Pte Ltd	Dormant	Singapore	**75**	75
Held by Chilli Padi Holding Pte Ltd					
(a)	Chilli Api Catering Pte Ltd	Catering service and foodstuff manufacturing	Singapore	**80**	80
(a)	Chilli Padi Nonya Restaurant Pte Ltd	Operation of food and beverage outlets	Singapore	**80**	80
(a)	Chilli Padi Nonya Catering Pte Ltd	Operation of food and beverage outlets	Singapore	**80**	80
(d)	Peppercorn Concepts Pte Ltd (formerly known as North Street 5 Private Limited)	Dormant	Singapore	**80**	80
Held by Europa Lounge and Restaurant Pte Ltd					
(c)	PT ABR Bintan Investments	Investment holding	Indonesia	**1**	1
Held by ABR Property Investments Pte Ltd					
(c)	PT ABR Bintan Investments	Investment holding	Indonesia	**99**	99

(a) Audited by Baker Tilly TFW LLP.
(b) Audited by overseas independent member firms of Baker Tilly International.
(c) Not required to be audited in the country of incorporation.
(d) Exempted from audit in 2021 as company is dormant during the financial year.

(ii) Non-current loans to a subsidiary

During the financial year, the Company advanced non-current interest-free equity loan totalling $1,250,000 (2020: $1,600,000) to a subsidiary to finance the subsidiary's investment in an associated company. The loans are repayable upon occurrence of certain events as stipulated in the loan agreements. The Company has assessed that the settlement of the loans are neither planned nor likely to occur in the foreseeable future as the loans are intended to be a long-term source of additional capital for the subsidiary. As a result, management considers the loan to be in substance part of the Company's net investment in the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

15 INVESTMENTS IN SUBSIDIARIES (cont'd)

(iii) Summarised financial information of subsidiary with material non-controlling interests ("NCI")

The Group has the following subsidiary that has NCI that is considered by management to be material to the Group:

Name of subsidiary	Principal place of business/ Country of incorporation	Ownership held by NCI
Chilli Padi Holding Pte Ltd ("Chilli Padi group")	Singapore	20%

The following are the summarised financial information of the Group's subsidiary with NCI that is considered by management to be material to the Group. The financial information includes consolidation adjustments but before inter-company eliminations.

	Chilli Padi group	
	2021 $'000	**2020 $'000**
Summarised Statement of Financial Position		
Non-current assets	**9,886**	9,709
Current assets	**4,198**	14,864
Non-current liabilities	**(2,197)**	(1,801)
Current liabilities	**(2,429)**	(3,476)
Net assets	**9,458**	19,296
Net assets attributable to NCI	**1,892**	3,859
Summarised Income Statement		
Revenue	**10,638**	19,610
(Loss)/profit before tax	**(2,000)**	3,404
Income tax credit/(expense)	**163**	(325)
(Loss)/profit after tax and total comprehensive (loss)/income	**(1,837)**	3,079
(Loss)/profit allocated to NCI	**(367)**	616
Dividend paid to NCI	**1,600**	–
Summarised Cash Flows		
Cash flows from operating activities	**(738)**	4,658
Cash flows from investing activities	**(602)**	(200)
Cash flows from financing activities	**(8,761)**	(704)
Net (decrease)/increase in cash and cash equivalents	**(10,101)**	3,754

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16 INTERESTS IN EQUITY-ACCOUNTED INVESTEES

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Interests in associated companies	**20,320**	19,615	**–**	–
Interests in joint ventures	**273**	–	**500**	–
	20,593	19,615	**500**	–

(a) Interests in associated companies

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
At beginning of financial year	**9,472**	9,472	**97**	97
Less: Allowance for impairment in value	**–**	–	**(97)**	(97)
At end of financial year	**9,472**	9,472	**–**	–
Group's share of post-acquisition reserves	**(1,318)**	(987)	**–**	–
Translation	**(15)**	–	**–**	–
	8,139	8,485	**–**	–
Non-current receivables				
Loan to an associate as at beginning of financial year	**11,130**	9,567	**–**	–
Advances during the financial year	**1,230**	1,552	**–**	–
Translation	**(179)**	11	**–**	–
At end of financial year	**12,181**	11,130	**–**	–
Total	**20,320**	19,615	**–**	–

During the financial year, the Group has advanced non-current interest-free equity loan totalling $1,230,000 (2020: $1,552,000) through a subsidiary to finance an associated company. The loans are repayable upon occurrence of certain events as stipulated in the loan agreements. The Group has assessed that the settlement of the loans is neither planned nor likely to occur in the foreseeable future as the loans are intended to be a long-term source of additional capital for the associated company. As a result, management considers the loans to be in substance part of the Group's net investment in the associated company.

There is no movement in allowance for impairment in value during the current and prior financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

16 INTERESTS IN EQUITY-ACCOUNTED INVESTEES (cont'd)

(a) Interests in associated companies (cont'd)

The following information relates to associated companies:

Name of associated company	Principal activities	Country of incorporation	Effective equity interest held by the Group 2021 %	2020 %
Held by the Company				
Swensen's Ice Cream Company (Australia) Pty Ltd	Dormant	Australia	**50**	50
Chinoiserie Wine Bar and Discotheque Pte Ltd	Dormant	Singapore	**30**	30
Held by All Best Realty Pte Ltd				
Goodwill Influx Sdn. Bhd. ("Goodwill Influx")	Investment holding	Malaysia	**20**[(1)]	20[(1)]
Held by Permai Puncakmas Sdn. Bhd.				
Sering Manis Sdn. Bhd. ("Sering Manis")	Property developer	Malaysia	**19**[(2)]	19[(2)]

The associated companies are measured using the equity method of accounting.

(1) The investment is part of the Group's corporate strategy to expand into selective property development business.

(2) Management has considered the Group's representation in the board of Sering Manis and terms in the shareholders agreement, and has determined that it has significant influence on Sering Manis even though the Group's shareholding is 19%. The investment is part of the Group's corporate strategy to expand into selective property development business.

The Group's investments in associated companies are summarised below:

	Group 2021 $'000	2020 $'000
Carrying amount:		
Goodwill Influx	**8,623**	8,843
Sering Manis	**11,697**	10,772
	20,320	19,615

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

16 INTERESTS IN EQUITY-ACCOUNTED INVESTEES (cont'd)

(a) Interests in associated companies (cont'd)

Summarised financial information for the material associates based on its FRS financial statements (not adjusted for the Group's share of these amounts) and a reconciliation to the carrying amount of the investment in the consolidated financial statements are as follows:

	Sering Manis		Goodwill Influx	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Loss after tax	**(739)**	(1,276)	**(942)**	(726)
Other comprehensive income/(loss)	**80**	62	**(156)**	159
Total comprehensive loss	**(659)**	(1,214)	**(1,098)**	(567)
Non-current assets	**86,788**	82,046	**113,564**	112,610
Current assets	**3,131**	5,778	**1,311**	8,271
Non-current liabilities	**(90,087)**	(87,315)	**(25,873)**	(26,328)
Current liabilities	**(2,885)**	(2,903)	**(4,463)**	(7,861)
Net (liabilities)/assets	**(3,053)**	(2,394)	**84,539**	86,692
Less: Non-controlling interest	**–**	–	**(41,424)**	(42,479)
	(3,053)	(2,394)	**43,115**	44,213
Group's share of net (liabilities)/ assets based on proportion of ownership interest	**(581)**	(455)	**8,623**	8,843
Goodwill on acquisition	**97**	97	**–**	–
Loans to an associate	**12,181**	11,130	**–**	–
	11,697	10,772	**8,623**	8,843

(b) Interests in joint ventures

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Unquoted equity shares, at cost				
At beginning of financial year	**331**	331	**–**	–
Additions	**500**	–	**500**	–
At end of financial year	**831**	331	**500**	–
Group's share of post-acquisition reserves	**(558)**	(331)	**–**	–
	273	–	**500**	–

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

16 INTERESTS IN EQUITY-ACCOUNTED INVESTEES (cont'd)

(b) Interests in joint ventures (cont'd)

The following information relates to the joint venture companies:

Name of joint venture company	Principal activities	Country of incorporation	Effective equity interest held by the Group 2021 %	2020 %
Held by the Company				
Baywind Properties Pte. Ltd. ("Baywind Properties")	Property developer	Singapore	**50**	50
Held by ABR Property Investments Pte Ltd				
ABR CCH Land Sdn. Bhd. ("ABR CCH Land")	Property developer	Malaysia	**49**	49

The joint venture companies are measured using the equity method of accounting. The activities of the joint ventures provide the Group access into the property investment and development business.

The Group's investments in joint venture companies are summarised below:

	Group 2021 $'000	2020 $'000
Carrying amount:		
Baywind Properties	**273**	–
ABR CCH Land	**–**	–
	273	–

Summarised financial information for the material joint venture company based on its FRS financial statements (not adjusted for the Group's share of these amounts) and a reconciliation to the carrying amount of the investment in the consolidated financial statements are as follows:

	Baywind Properties 2021 $'000	2020 $'000
Interest expense	**305**	–
Loss after tax, representing total comprehensive loss	**458**	–
Current assets	**26,658**	–
Non-current liabilities	**(25,988)**	–
Current liabilities	**(125)**	–
Net assets	**545**	–
Group's share of net assets based on proportion of ownership interest	**273**	–

Included in the current assets and non-current liabilities above are cash and cash equivalents of $614,000 (2020: Nil) and borrowings of $17,700,000 (2020: Nil) respectively.

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16 INTERESTS IN EQUITY-ACCOUNTED INVESTEES (cont'd)

(b) Interests in joint ventures (cont'd)

Financial information of ABR CCH Land (based on the Group's share of those results) are as follows:

	ABR CCH Land	
	2021	**2020**
	$'000	**$'000**
Loss after tax, representing total comprehensive loss	–	85

The Group has not recognised its share of losses of ABR CCH Land amounting to $128,000 (2020: $82,000) during the current financial year because the Group's cumulative share of losses has exceeded its interest in that joint venture and the Group has no obligation in respect of these losses. The Group's cumulative accumulated losses at the end of the reporting period in respect of this joint venture not recognised were $210,000 (2020: $82,000).

17 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	Group and Company	
	2021	**2020**
	$'000	**$'000**
Equity investments designated at FVOCI		
Unquoted equity investment	**35**	35

Unquoted equity investment represents interest in a company in Singapore, which is engaged in pharmaceutical research and development company. This investment is not held for trading. Accordingly, management has elected to designate this investment at fair value through other comprehensive income. It is the Group's strategy to hold this investment for long-term purposes.

The fair value of the unquoted equity investment is determined by reference to recent internal and external changes in the business and market environment that the investee operates in. This fair value measurement is categorised in Level 3 of the fair value hierarchy.

18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	Group and Company	
	2021	**2020**
	$'000	**$'000**
Equity investments measured at FVTPL		
Quoted equity investments in Singapore	**6,372**	3,223

The above equity investments are held for returns through dividend income and fair value gains.

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19 DUE FROM SUBSIDIARIES

(i) Loans to subsidiaries, non-current

	Company 2021 $'000	Company 2020 $'000
Loans to subsidiaries	**16,539**	16,261
Less: Allowance for impairment	**(5,667)**	(5,667)
	10,872	10,594

There is no movement in allowance for impairment during the current and prior financial year.

The non-current loans to subsidiaries are interest-free and unsecured, except for an advance to a subsidiary of $110,000 (2020: $110,000) with an interest of 5% (2020: 5%) per annum. The advance is not expected to be repaid within the next twelve months.

The non-current loans to subsidiaries of $10,762,000 (2020: $10,484,000) have no fixed repayment terms and they are not expected to be repaid within the next twelve months. The loans are carried at cost as the timing of the future cash flows cannot be estimated reliably and as such, it is not practicable to determine the fair values of the loans with sufficient reliability.

(ii) Due from subsidiaries, current

	Company 2021 $'000	Company 2020 $'000
Trade	**4,079**	4,098
Less: Allowance for impairment	**(4,066)**	(4,066)
Note 23	**13**	32
Non-trade	**4,006**	4,651
Less: Allowance for impairment	**(3,876)**	(4,503)
Note 23	**130**	148
	143	180

There is no movement in allowance for impairment (trade) during the current and prior financial year.

Movements in allowance for impairment (non-trade) during the financial year are as follows:

	Company 2021 $'000	Company 2020 $'000
Non-trade		
At beginning of financial year	**4,503**	4,503
Write-back of allowance	**(627)**	–
At end of financial year	**3,876**	4,503

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

20 DUE FROM EQUITY-ACCOUNTED INVESTEES

	Group		Company	
	2021 **$'000**	2020 $'000	**2021** **$'000**	2020 $'000
Non-current				
Loans to joint venture companies	**8,892**	4,748	**4,144**	–
Less: Allowance for impairment	**(331)**	(207)	**–**	–
	8,561	4,541	**4,144**	–
Current				
Due from equity-accounted investees (non-trade)	**1,148**	769	**274**	211
Less: Allowance for impairment	**(214)**	(208)	**(214)**	(208)
Note 23	**934**	561	**60**	3

The Group's non-current loans receivable from joint venture companies (excluding a non-interest bearing loan of $567,000 (2020: $567,000)) bear interest at 2% and 6.72% (2020: 6.72%) per annum, are unsecured and not expected to be repayable within the next twelve months.

The Company's non-current loans receivable from a joint venture company bear interest at 2% (2020: Nil) per annum, are unsecured and not expected to be repayable within the next twelve months.

Interest income on the loans receivable from joint venture companies totalled $340,000 (2020: $281,000) during the financial year. This related party transaction is based on terms agreed between the parties concerned.

Movements in allowance for impairment during the financial year are as follows:

	Group		Company	
	2021 **$'000**	2020 $'000	**2021** **$'000**	2020 $'000
Non-current				
At beginning of financial year	**207**	–	**–**	–
Allowance made (Note 7)	**124**	207	**–**	–
At end of financial year	**331**	207	**–**	–
Current				
At beginning of financial year	**208**	208	**208**	208
Allowance made (Note 7)	**6**	–	**6**	–
At end of financial year	**214**	208	**214**	208

The current amounts due from associated and joint venture companies are non-trade in nature, unsecured, interest-free and repayable on demand.

21 OTHER ASSET

Other asset comprised a call option over the remaining 20% interest in Chilli Padi group. The call option was recognised at its fair value.

Pursuant to the exercise of the put option by the non-controlling shareholder of the Chilli Padi group, the call option was derecognised during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

22 INVENTORIES

	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Ice cream and ingredients	**909**	747	**903**	736
Confectionery and ingredients	**509**	522	**–**	–
Food and beverages	**560**	539	**466**	447
Packaging materials, consumables and merchandise	**582**	574	**378**	343
	2,560	2,382	**1,747**	1,526

Cost of inventories included in cost of sales of the Group and the Company amounted to $18,724,000 (2020: $23,416,000) and $13,952,000 (2020: $12,969,000) respectively.

The Group and the Company wrote off inventories amounted to $102,000 (2020: $38,000) and $66,000 (2020: $18,000) respectively.

23 TRADE AND OTHER RECEIVABLES

	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Trade receivables	**1,775**	1,962	**921**	819
Less: Allowance for impairment	**(82)**	(82)	**–**	–
Due from subsidiaries (Note 19(ii))	**–**	–	**13**	32
	1,693	1,880	**934**	851
Rental and sundry deposits	**3,931**	4,067	**3,246**	3,205
Prepayments	**582**	613	**231**	126
Sundry receivables	**518**	3,292	**340**	2,661
Tax recoverable	**4**	149	**–**	–
	5,035	8,121	**3,817**	5,992
Less: Allowance for impairment	**(45)**	(1,768)	**(45)**	(1,768)
	4,990	6,353	**3,772**	4,224
Due from subsidiaries (Note 19(ii))	**–**	–	**130**	148
Due from equity-accounted investees (Note 20)	**934**	561	**60**	3
	5,924	6,914	**3,962**	4,375
Total	**7,617**	8,794	**4,896**	5,226

(i) Movements in allowance for impairment for trade receivables during the financial year are as follows:

	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
At beginning of financial year	**82**	22	**–**	–
Allowance made (Note 7)	**–**	60	**–**	–
At end of financial year	**82**	82	**–**	–

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

23 TRADE AND OTHER RECEIVABLES (cont'd)

(ii) Movements in allowance for impairment for sundry receivables during the financial year are as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
At beginning of financial year	**1,768**	1,768	**1,768**	1,768
Receivables written off as uncollectible	**(1,723)**	–	**(1,723)**	–
At end of financial year	**45**	1,768	**45**	1,768

Sundry receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

24 CASH AND CASH EQUIVALENTS

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Cash and bank balances	**25,304**	33,230	**17,996**	15,489
Fixed deposits	**16,755**	19,820	**4,511**	7,781
Cash and cash equivalents as per statements of financial position	**42,059**	53,050	**22,507**	23,270
Fixed deposits (pledged)	**(106)**	(106)	**–**	–
Non-liquid bank balance	**–**	(21)	**–**	(21)
As per consolidated statement of cash flows	**41,953**	52,923	**22,507**	23,249

The Group's fixed deposits of $106,000 (2020: $106,000) are pledged to banks for banking facilities granted to the Group.

25 SHARE CAPITAL

	Group and Company			
	2021	**2020**	**2021**	**2020**
	Number of shares		**$'000**	**$'000**
Issued and fully paid ordinary shares				
At beginning and end of financial year	**200,995,734**	200,995,734	**43,299**	43,299

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

26 OTHER RESERVES

	Group	
	2021	**2020**
	$'000	**$'000**
Foreign currency translation reserve	**(1,003)**	(769)
Capital reserve	**826**	826
Option reserve	**(1,900)**	(1,900)
	(2,077)	(1,843)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

26 OTHER RESERVES (cont'd)

Movements in other reserves are as follows:

	Group	
	2021	**2020**
	$'000	**$'000**
Foreign currency translation reserve		
At beginning of financial year	**(769)**	(543)
Net exchange differences on translation of financial statements of foreign subsidiaries	**(32)**	(263)
Translation loss of loan that forms part of net investment in foreign subsidiary	**(179)**	(6)
Share of other comprehensive (loss)/income of equity-accounted investees	**(23)**	43
At end of financial year	**(1,003)**	(769)
Capital reserve		
At beginning and end of financial year	**826**	826
Option reserve		
At beginning and end of financial year	**(1,900)**	(1,900)

Option reserve balance arose from the initial recognition of the NCI put liability in the consolidated financial statements.

Pursuant to the exercise of the put option by the non-controlling shareholder of the Chilli Padi group during the financial year, the option reserve will be presented in other reserves until the completion of the acquisition of the remaining 20% shares in the capital of Chilli Padi Holding Pte Ltd (Note 21 and Note 32).

27 DEFERRED TAX (ASSET)/LIABILITIES

Deferred tax asset and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The movements in the deferred tax account are as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
At beginning of financial year	**2,389**	2,603	**44**	194
Tax credit to				
– Profit or loss (Note 9)	**(795)**	(213)	**(294)**	(150)
– Translation difference	**(7)**	(1)	**–**	–
At end of financial year	**1,587**	2,389	**(250)**	44
Representing:				
Non-current				
Deferred tax asset	**(250)**	–	**(250)**	–
Deferred tax liabilities	**1,837**	2,389	**–**	44
	1,587	2,389	**(250)**	44

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27 DEFERRED TAX (ASSET)/LIABILITIES (cont'd)

Representing:

Deferred tax (asset)/liabilities arising from:

	Group		Company	
	2021 $'000	**2020 $'000**	**2021 $'000**	**2020 $'000**
Accelerated tax depreciation	**986**	1,606	**312**	464
Intangible assets	**1,176**	1,223	**–**	–
Leases	**(170)**	(148)	**(168)**	(151)
Provisions	**(355)**	(360)	**(293)**	(296)
Unabsorbed tax losses and capital allowances	**(118)**	(6)	**(112)**	–
Others	**68**	74	**11**	27
	1,587	2,389	**(250)**	44

At the end of the reporting period, the Group has undistributed earnings amount of $11,064,000 (2020: $10,837,000) of a subsidiary for which deferred tax liabilities have not been recognised. No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax liabilities of $145,000 (2020: $97,000) have not been recognised for withholding and other taxes that will be payable on a subsidiary's earnings from an overseas joint venture when remitted to the subsidiary as the Group has determined that the earnings will not be remitted in the foreseeable future. These unremitted earnings are permanently reinvested and amount to $852,000 (2020: $571,000) at the end of the reporting period.

28 TRADE AND OTHER PAYABLES

	Group		Company	
	2021 $'000	**2020 $'000**	**2021 $'000**	**2020 $'000**
Trade payables	**4,508**	4,481	**2,687**	2,641
Due to subsidiaries, trade	**–**	–	**616**	345
	4,508	4,481	**3,303**	2,986
Other payables	**1,974**	1,544	**1,029**	678
Accrued operating expenses	**3,778**	3,120	**2,360**	2,173
Deferred income	**1,392**	2,828	**1,070**	2,145
Due to subsidiaries, non-trade	**–**	–	**2,326**	2,266
Payable for acquisition of trademarks, and related knowhow and goodwill	**256**	256	**–**	–
	7,400	7,748	**6,785**	7,262
Total	**11,908**	12,229	**10,088**	10,248

The non-trade amounts due to subsidiaries are interest-free, unsecured and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

29 PROVISIONS

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Provision for restoration costs	**1,562**	1,600	**954**	956
Provision for unutilised annual leave	**1,028**	1,048	**770**	810
	2,590	2,648	**1,724**	1,766
Represented by:				
Non-current liabilities	**968**	1,122	**699**	817
Current liabilities	**1,622**	1,526	**1,025**	949
	2,590	2,648	**1,724**	1,766

Movements in provision for restoration costs during the financial year are as follows:

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
At beginning of financial year	**1,600**	1,567	**956**	964
Provision during the financial year	**38**	234	**38**	62
Utilised during the financial year	**(17)**	(187)	**–**	(70)
Reversed during the financial year	**(55)**	(14)	**(40)**	–
Translation	**(4)**	–	**–**	–
At end of financial year	**1,562**	1,600	**954**	956

The provision for restoration costs represents the present value of management's best estimate of the future outflow of economic benefits that will be required to remove leasehold improvements from leased properties. The estimate has been made on the basis of quotes obtained from external contractors. The unexpired term of the leases ranges from less than 1 year to 5 years.

Movements in provision for unutilised annual leave during the financial year are as follows:

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
At beginning of financial year	**1,048**	1,128	**810**	865
Utilised/reversed during the financial year, net	**(20)**	(80)	**(40)**	(55)
At end of financial year	**1,028**	1,048	**770**	810

30 BORROWINGS

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Non-current				
Unsecured				
Bank loan	**3,787**	5,000	**3,787**	5,000
Current				
Unsecured				
Bank loan	**1,213**	–	**1,213**	–
Secured				
Banker's acceptance	**76**	84	**–**	–
	1,289	84	**1,213**	–
	5,076	5,084	**5,000**	5,000

NOTES TO THE FINANCIAL STATEMENTS

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30 BORROWINGS (cont'd)

Bank loan

The bank loan of the Group and the Company is unsecured, bears fixed interest rate of 2% (2020: 2%) per annum and repayable over 48 monthly instalments commencing from January 2022.

Banker's acceptance

The banker's acceptance of $76,000 (2020: $84,000) of a subsidiary is secured by way of fixed charges over the subsidiary's properties with net carrying value of $1,187,000 (2020: $1,241,000), pledge on the subsidiary's fixed deposits, and corporate guarantees from a wholly-owned subsidiary of the Company together with the Company.

The banker's acceptance bears interest at 2.75% (2020: 2.75%) per annum at the end of the reporting period.

The carrying amount of the bank loan and banker's acceptance approximate their fair value at the end of the reporting period.

Reconciliation of movements of liabilities to cash flows arising from financing activities

		Group	
	Banker's acceptance $'000	**Bank loan $'000**	**Total $'000**
2021			
At beginning of financial year	**84**	**5,000**	**5,084**
Changes from financing cash flows:			
– Repayments	**(6)**	**–**	**(6)**
– Interest paid	**(2)**	**(100)**	**(102)**
Non-cash changes:			
– Interest expense (Note 6)	**2**	**100**	**102**
Effect of changes in foreign exchange rates	**(2)**	**–**	**(2)**
At end of financial year	**76**	**5,000**	**5,076**
2020			
At beginning of financial year	276	–	276
Changes from financing cash flows:			
– (Repayments)/proceeds	(192)	5,000	4,808
– Interest paid	(3)	(8)	(11)
Non-cash changes:			
– Interest expense (Note 6)	3	8	11
Effect of changes in foreign exchange rates	–*	–	–
At end of financial year	84	5,000	5,084

* Amount less than $1,000

NOTES TO THE FINANCIAL STATEMENTS

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31 LEASE LIABILITIES

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Represented by:				
Non-current	**12,873**	13,822	**11,194**	12,115
Current	**12,199**	12,905	**10,273**	11,759
	25,072	26,727	**21,467**	23,874

Reconciliation of movements of lease liabilities to cash flows arising from financing activities

	Group	
	2021 $'000	2020 $'000
At beginning of financial year	**26,727**	35,381
Changes from financing cash flows:		
– Payments	**(13,069)**	(15,037)
– Interest paid	**(792)**	(1,065)
Non-cash changes:		
– Interest expense (Note 6 and Note 12)	**792**	1,065
– Additions of new leases	**12,488**	9,064
– Derecognition of leases	**(1,046)**	(2,681)
Effect of changes in foreign exchange rates	**(28)**	–
At end of financial year	**25,072**	26,727

32 OTHER LIABILITIES

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Payable to NCI	**4,392**	–	**–**	–
Put liability/option	**–**	4,145	**–**	127
	4,392	4,145	**–**	127

Group

The payable to NCI represents the consideration of the acquisition of the remaining 20% shares in the capital of Chilli Padi Holding Pte Ltd.

In 2021, the Group adjusted the amortised cost of the payable to NCI to reflect the actual contractual cash flows.

The carrying value of the NCI put liability for the Group at 31 December 2020 represents the present value of the estimated option consideration payable by the Group for the potential future acquisition of the remaining 20% shares of the Chilli Padi group. The put liability is measured at amortised cost determined based on an effective interest rate of 4.1% per annum.

Company

Pursuant to the exercise of the put option by the non-controlling shareholder of the Chilli Padi group during the financial year, the put option on the 20% shares in the Chilli Padi group was derecognised (Note 21).

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33 DIVIDENDS

The directors have proposed a final tax exempt dividend for 2021 of 0.75 cents per share of approximately $1,507,000. These financial statements do not reflect these dividends payable, which if approved at the Annual General Meeting of the Company, will be accounted for in the shareholders' equity as an appropriation of accumulated profits in the financial year ending 31 December 2022.

34 CONTINGENT LIABILITIES

Details and estimates of maximum amounts of contingent liabilities are as follows:

(i) The Company has provided corporate guarantee of RM6 million (approximately $1.9 million) (2020: RM6 million (approximately $2 million)) executed together with a wholly-owned subsidiary to a bank for banking facilities taken by a subsidiary of RM486,000 (approximately $157,000) (2020: RM564,000 (approximately $186,000)) at the end of the reporting period;

(ii) The Company has provided a corporate guarantee of $2 million (2020: $2 million) to a bank for banker's guarantee facility taken by a subsidiary of $570,000 (2020: $570,000) at the end of the reporting period;

(iii) The Company has provided a corporate guarantee of RM4.4 million (approximately $1.4 million) (2020: RM4.4 million (approximately $1.4 million)) to a bank for banking facility taken by a joint venture company. The banking facility has been fully utilised as at the end of the reporting period; and

(iv) The Company has provided a proportionate corporate guarantee of $13.7 million (2020: Nil) to a bank for banking facility taken by a joint venture company. The banking facility taken up by the joint venture company amounted to $20 million at the end of the reporting period.

Management has determined that the fair value of the above financial guarantees provided by the Company is not material to the financial statements and is therefore not recognised in the Group's and Company's financial statements. Management has assessed that the subsidiaries and joint ventures will be able to meet the contractual cash flow obligation and does not expect significant credit losses arising from these financial guarantees.

35 CAPITAL COMMITMENTS

Capital commitments not provided for in the financial statements:

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Share of joint venture's capital commitments in relation to purchase of land for property development	–	11,750	–	11,750
Capital commitment in respect of property, plant and equipment	–	184	–	–

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

36 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Financial instruments at their carrying amounts at the end of the reporting period are as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets				
Financial assets at cost	**12,417**	11,490	**23,322**	21,794
Financial assets at amortised cost	**57,071**	63,850	**31,152**	27,430
Financial asset at FVOCI	**35**	35	**35**	35
Financial asset at FVTPL	**6,372**	4,460	**6,372**	4,460
Financial liabilities				
At amortised cost	**44,888**	45,233	**35,485**	36,977
At fair value	**–**	–	**–**	127

(b) Financial risks management

The Group's overall risk management framework is set by the Board of Directors of the Company which sets out the Group's overall business strategies and its risk management philosophy. The Group's overall risk management approach seeks to minimise potential adverse effects on the financial performance of the Group.

There has been no change to the Group's exposure to these financial risks or the way in which it manages and measures financial risk. Market risk, credit risk and liquidity risk exposures are measured using sensitivity analysis indicated below.

Market risk

Foreign exchange risk

The Group's foreign currency exposure arises mainly from holding cash and short-term deposits denominated in foreign currencies for working capital purposes and purchases that are denominated in currencies other than the respective functional currencies of the Group entities. At the end of the reporting period, such foreign currency balances are mainly in United States Dollars ("USD") and Australian Dollars ("AUD").

It is not the Group's policy to take speculative positions in foreign currencies.

The Group's and the Company's foreign currency exposure is as follows:

	Denominated in		
	USD	**AUD**	**Total**
	$'000	**$'000**	**$'000**
Group			
2021			
Financial assets			
Cash and cash equivalents	**8,993**	**–**	**8,993**
2020			
Financial assets			
Cash and cash equivalents	8,736	2,267	11,003

NOTES TO THE FINANCIAL STATEMENTS

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36 FINANCIAL INSTRUMENTS (cont'd)

(b) Financial risks management (cont'd)

Market risk (cont'd)

Foreign exchange risk (cont'd)

	Denominated in AUD $'000
Company	
2021	
Cash and cash equivalents	–
2020	
Cash and cash equivalents	2,267

The following table demonstrates the sensitivity to a reasonably possible change in USD and AUD exchange rates against the respective functional currencies of the Group's entities, with all other variables held constant, of the Group's and the Company's profit after tax:

	Group Increase/(decrease) in profit after tax		**Company Increase/(decrease) in profit after tax**	
	2021 $'000	**2020 $'000**	**2021 $'000**	**2020 $'000**
USD/SGD				
– strengthened 3% (2020: 3%)	**224**	218	**–**	–
– weakened 3% (2020: 3%)	**(224)**	(218)	**–**	–
AUD/SGD				
– strengthened 3% (2020: 3%)	**–**	56	**–**	56
– weakened 3% (2020: 3%)	**–**	(56)	**–**	(56)

Interest rate risk

The Group's exposure to changes in interest rates relates primarily to the Group's debt obligations and fixed deposits placed with financial institutions. The Group maintains its borrowings in either variable or fixed rate instruments depending on which terms are more favourable to the Group. Borrowings at fixed rate expose the Group and Company to fair value interest rate risk (i.e. the risk that the value of a financial instrument will fluctuate due to changes in market rates). The Group's policy is to manage interest cost using a mix of fixed and floating rate debts. The Group manages its interest rate risk on its interest income by placing the surplus funds in fixed deposits of varying maturities and interest rate terms.

An increase in interest rates by 50 basis points for fixed deposits and borrowings is not expected to have a significant impact on the Group's profit after tax.

Credit risk

The Group's principal financial assets are cash and cash equivalents, trade and other receivables and loans.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

For receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient collateral where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

NOTES TO THE FINANCIAL STATEMENTS

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36 FINANCIAL INSTRUMENTS (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Maximum exposure and concentration of credit risk

At the end of the reporting period, 52% (2020: 36%) and 56% (2020: 36%) of the Group's and Company's trade receivables were due from 5 major debtors. Loans to equity-accounted investees, as disclosed in Note 16 and Note 20, represent a significant portion of the Group's receivables while loans to subsidiaries, as disclosed in Note 15 and Note 19, represent a significant portion of the Company's receivables.

As the Group and Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of financial assets recognised on the statements of financial position and the corporate guarantees provided by the Group and Company to banks as disclosed in Note 34.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	**Basis for recognition and measurement of ECL**
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit-impaired
Contractual payments are more than 120 days past due or there is evidence of credit impairment	Lifetime ECL – credit-impaired
There is evidence indicating that the Company has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information such as future economic and industry outlook, that is available without undue cost or effort.

In particular, when assessing whether credit risk has increased significantly since initial recognition, the Group considers existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations and actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

36 FINANCIAL INSTRUMENTS (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Significant increase in credit risk (cont'd)

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower 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 borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group has determined the default events on a financial asset to be when there is evidence that the borrower is experiencing liquidity issues or when there is a breach of contract, such as a default of payment.

The Group considers the above as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 120 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred, such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

36 FINANCIAL INSTRUMENTS (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Movements in credit loss allowance

There are no movement in the allowance for impairment of financial assets during the financial year for the Group and Company except for the following:

	Due from equity-accounted investees (Non-current) $'000	Due from equity-accounted investees (Current) $'000	Trade receivables $'000	Sundry receivables $'000
Group				
Balance at 1 January 2021	**207**	**208**	**82**	**1,768**
Loss allowance measured:				
Lifetime ECL				
– Significant increase in credit risk	**124**	**6**	**–**	**–**
Receivables written off as uncollectible	**–**	**–**	**–**	**(1,723)**
Balance at 31 December 2021	**331**	**214**	**82**	**45**
Balance at 1 January 2020	–	208	22	1,768
Loss allowance measured:				
Lifetime ECL				
– Simplified approach	–	–	60	–
– Significant increase in credit risk	207	–	–	–
Balance at 31 December 2020	207	208	82	1,768

	Due from subsidiaries (Current) $'000	Due from equity-accounted investees (Current) $'000	Sundry receivables $'000
Company			
Balance at 1 January 2021	**8,569**	**208**	**1,768**
Loss allowance measured/(reversed):			
Lifetime ECL			
– Significant increase in credit risk	**–**	**6**	**–**
– Write-back of allowance	**(627)**	**–**	**–**
Receivables written off as uncollectible	**–**	**–**	**(1,723)**
Balance at 31 December 2021	**7,942**	**214**	**45**
Balance at 1 January 2020 and 31 December 2020	8,569	208	1,768

36 FINANCIAL INSTRUMENTS (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Trade receivables

The Group has applied the simplified approach by using a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions with consideration of the impact of COVID-19 pandemic on the ability of the customers to settle the receivables.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

Credit quality of financial assets

The table below details the credit quality of the Group's and the Company's financial assets:

Group

2021	**12-month or lifetime ECL**	**Gross carrying amount $'000**	**Loss allowance $'000**	**Net carrying amount $'000**
Trade receivables	Lifetime	**1,775**	**(82)**	**1,693**
Other receivables	12-month (Exposure limited)	**3,931**	**–**	**3,931**
	Lifetime	**174**	**(45)**	**129**
Loans to equity-accounted investees	Lifetime	**21,073**	**(331)**	**20,742**
Due from equity-accounted investees (non-trade)	Lifetime	**1,148**	**(214)**	**934**
Cash and cash equivalents	Not applicable (Exposure limited)	**42,059**	**–**	**42,059**

2020	12-month or lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
Trade receivables	Lifetime	1,962	(82)	1,880
Other receivables	12-month (Exposure limited)	4,067	–	4,067
	Lifetime	1,879	(1,768)	111
Loans to equity-accounted investees	Lifetime	15,878	(207)	15,671
Due from equity-accounted investees (non-trade)	Lifetime	769	(208)	561
Cash and cash equivalents	Not applicable (Exposure limited)	53,050	–	53,050

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

36 FINANCIAL INSTRUMENTS (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Credit quality of financial assets (cont'd)

The table below details the credit quality of the Group's and the Company's financial assets: (cont'd)

Company

2021	**12-month or lifetime ECL**	**Gross carrying amount $'000**	**Loss allowance $'000**	**Net carrying amount $'000**
Trade receivables	Lifetime	**921**	**–**	**921**
Other receivables	12-month (Exposure limited)	**3,246**	**–**	**3,246**
	Lifetime	**66**	**(45)**	**21**
Due from subsidiaries	12-month (Exposure limited)	**23,133**	**–**	**23,133**
	Lifetime	**14,051**	**(13,609)**	**442**
Loans to equity-accounted investees	Lifetime	**4,144**	**–**	**4,144**
Due from equity-accounted investees (non-trade)	Lifetime	**274**	**(214)**	**60**
Cash and cash equivalents	Not applicable (Exposure limited)	**22,507**	**–**	**22,507**

2020	12-month or lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
Trade receivables	Lifetime	819	–	819
Other receivables	12-month (Exposure limited)	3,205	–	3,205
	Lifetime	1,780	(1,768)	12
Due from subsidiaries	12-month (Exposure limited)	21,605	–	21,605
	Lifetime	14,715	(14,236)	479
Due from equity-accounted investees (non-trade)	Lifetime	211	(208)	3
Cash and cash equivalents	Not applicable (Exposure limited)	23,270	–	23,270

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

36 FINANCIAL INSTRUMENTS (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Loans to equity-accounted investees and subsidiaries

For the loans to equity-accounted investees and subsidiaries where impairment loss allowance is measured using lifetime ECL, the Group and the Company assessed the latest performance and financial position of the respective counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that the measurement of the impairment loss allowance using lifetime ECL is appropriate.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of the financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

In managing its liquidity, management monitors and reviews the Group's and Company's forecasts of liquidity reserves (comprise cash and cash equivalents and available credit facilities) based on expected cash flows of the respective operating companies of the Group.

The table below summarises the maturity profile of the Group's and the Company's non-derivative financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	2021 $'000			2020 $'000		
	Within 1 year	**Within 2 to 5 years**	**Total**	**Within 1 year**	**Within 2 to 5 years**	**Total**
Group						
Trade and other payables	**10,348**	**–**	**10,348**	9,277	–	9,277
Borrowings	**1,378**	**3,905**	**5,283**	184	5,207	5,391
Lease liabilities	**12,796**	**13,369**	**26,165**	13,588	14,135	27,723
Financial guarantee contracts	**11,400**	**–**	**11,400**	1,400	–	1,400
Other liabilities	**4,392**	**–**	**4,392**	4,235	–	4,235
Company						
Trade and other payables	**9,018**	**–**	**9,018**	8,103	–	8,103
Borrowings	**1,302**	**3,905**	**5,207**	100	5,207	5,307
Lease liabilities	**10,778**	**11,650**	**22,428**	12,337	12,395	24,732
Financial guarantee contracts	**12,127**	**–**	**12,127**	2,156	–	2,156

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

37 FAIR VALUE OF ASSETS AND LIABILITIES

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

(ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(iii) Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Fair value measurements of assets and liabilities that are measured at fair value

The following table presents the level of fair value hierarchy for each class of assets and liabilities measured at fair value on the statements of financial position at the end of the reporting period:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group				
2021				
Financial asset at FVTPL	**6,372**	**–**	**–**	**6,372**
Financial asset at FVOCI	**–**	**–**	**35**	**35**
2020				
Other asset	–	–	1,237	1,237
Financial asset at FVTPL	3,223	–	–	3,223
Financial asset at FVOCI	–	–	35	35
Company				
2021				
Financial asset at FVTPL	**6,372**	**–**	**–**	**6,372**
Financial asset at FVOCI	**–**	**–**	**35**	**35**
2020				
Other asset	–	–	1,237	1,237
Financial asset at FVTPL	3,223	–	–	3,223
Financial asset at FVOCI	–	–	35	35
Other liabilities				
Put option	–	–	127	127

The fair values of the call option and put option are estimated by applying the Black-Scholes option valuation model. The inputs to the Black-Scholes model mainly include the value of the interest, exercise price, dividend yield and expected volatility. The fair value measurement is performed by an external professional valuer engaged by the Group. Management considered the appropriateness of the valuation technique and assumptions applied by the external valuer. This fair value measurement is categorised in Level 3 of the fair value hierarchy. Any significant changes in the inputs to the Black-Scholes model would result in higher or lower fair value measurements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

37 FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

These are current receivables, trade and other payables and current borrowings. The carrying amounts of these financial assets at amortised cost and financial liabilities are reasonable approximation of fair values due to their short-term nature.

The loans to equity-accounted investees of $8,561,000 (2020: $4,541,000) (Note 20) approximate their fair values as there is no significant change in the market interest rate of a similar loan at the end of the reporting period. This fair value measurement based on discounted cash flow analysis is categorised in Level 3 of the fair value hierarchy.

The carrying values of the Group's other liabilities, as disclosed in Note 32 and non-current borrowing as disclosed in Note 30 approximate their fair values at the end of the reporting period as there are no significant changes in the interest rates available to the Group at the end of the reporting period. This fair value measurement is categorised in Level 3 of the fair value hierarchy.

(d) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

Loans to subsidiaries disclosed in Note 15 and Note 19(i) and loans to associated companies disclosed in Note 16(a) do not have fixed repayment terms and fair values are not determinable with sufficient reliability as the timing of future cash flows cannot be estimated reliably. Accordingly, these loans are carried at cost.

(e) Assets not carried at fair value but for which fair value is disclosed

The fair values of the investment properties for disclosure purposes are categorised within Level 3 of the fair value hierarchy.

The fair values of the Group's investment properties were determined based on desktop valuations performed by independent professional valuers using comparison method.

Based on the comparison method, comparison was made to recent sales transactions of comparable properties within the vicinity and elsewhere. Necessary adjustments have been made for differences in location, tenure, size, shape, design and layout, age and condition of buildings, dates of transactions and the prevailing market conditions amongst other factors affecting its value. Any significant changes to the adjustments made to market value for differences in location or condition would result in higher or lower fair value measurement.

These estimated fair values may differ significantly from the prices at which these properties can be sold due to the actual negotiations between willing buyers and sellers as well as changes in assumptions and conditions arising from ongoing development of the COVID-19 pandemic and other unforeseen events. Consequently, the actual results and the realisation of these properties could differ significantly from these estimates.

38 RELATED PARTY TRANSACTIONS

In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties during the financial year on terms agreed by the parties concerned:

	Group	
	2021	**2020**
	$'000	**$'000**
Close family members of key management personnel		
Remuneration:		
– Salaries and related costs	**303**	226
– Contribution to defined contribution plans	**52**	39
Expenses paid on behalf of the Group	**105**	72
Key management personnel		
Expenses paid on behalf of the Group	**199**	548

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

39 SEGMENT INFORMATION

The Group is organised into business units based on its products and services for management reporting purposes. The Group's reportable business segments for current financial year comprises Food and Beverage, Property Investments and Others. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

The segment information provided to management for the reportable segments are as follows:

	Food and beverage $'000	Property investments $'000	Others $'000	Eliminations/ adjustment $'000	Group $'000
2021					
Revenue from external customers	74,581	–	44	–	74,625
Inter-segment revenue	–	–	1,726	(1,726)	–
Total revenue	74,581	–	1,770	(1,726)	74,625
Segment results	3,987	223	(138)	–	4,072
Finance costs	(877)	–	(108)	–	(985)
Share of results of equity-accounted investees	–	(558)	–	–	(558)
Others	–	–	–	(1,393)	(1,393)
Profit before tax	3,110	(335)	(246)	(1,393)	1,136
Income tax credit					866
Profit after tax					2,002
Non-controlling interests					485
Net profit attributable to owners of the Company					2,487
Assets					
Investment in equity-accounted investees	–	20,593	–	–	20,593
Segment assets	100,919	15,675	26,889	(15,382)	128,101
Unallocated assets					250
Total assets					148,944
Liabilities					
Segment liabilities	48,795	19,276	9,512	(32,937)	44,646
Unallocated liabilities					6,298
Total liabilities					50,944
Additions to non-current assets	14,762	–	1,292	–	16,054
Depreciation and amortisation	16,327	161	449	–	16,937
Impairment loss on property, plant and equipment	86	–	–	–	86
Allowance for impairment on loans to a joint venture	–	124	–	–	124
Other non-cash expenses/(income)	96	–	(369)	–	(273)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

39 SEGMENT INFORMATION (cont'd)

	Food and beverage $'000	Property investments $'000	Others $'000	Eliminations/ adjustment $'000	Group $'000
2020					
Revenue from external customers	85,925	–	50	–	85,975
Inter-segment revenue	–	–	1,708	(1,708)	–
Total revenue	85,925	–	1,758	(1,708)	85,975
Segment results	8,867	109	(1,138)	–	7,838
Finance costs	(1,050)	–	(192)	–	(1,242)
Share of results of equity-accounted investees	–	(473)	–	–	(473)
Others	–	–	–	428	428
Profit before tax	7,817	(364)	(1,330)	428	6,551
Income tax expense					(413)
Profit after tax					6,138
Non-controlling interests					(161)
Net profit attributable to owners of the Company					5,977
Assets					
Investment in equity-accounted investees	–	19,615	–	–	19,615
Segment assets	117,047	11,359	22,711	(15,970)	135,147
Unallocated assets					1,237
Total assets					155,999
Liabilities					
Segment liabilities	52,248	17,986	9,284	(32,830)	46,688
Unallocated liabilities					7,447
Total liabilities					54,135
Additions to non-current assets	10,183	–	178	–	10,361
Depreciation and amortisation	19,132	185	458	–	19,775
Impairment loss on property, plant and equipment	173	–	–	–	173
Allowance for impairment on loans to a joint venture	–	207	–	–	207
Other non-cash expenses/(income)	475	–	(350)	–	125

Note: Inter-segment revenues are eliminated on consolidation.

Inter-segment assets and liabilities as included in the respective reportable segments are eliminated to arrive at the total assets and liabilities reported in the consolidated statement of financial position.

Others segment included unallocated Group-level corporate services cost, income from investment holding and franchising.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

39 SEGMENT INFORMATION (cont'd)

Segment results

Performance of each segment is evaluated based on segment profit or loss which is measured in a manner that is consistent with the net profit or loss before tax in the consolidated statement of profit or loss and other comprehensive income. Sales between operating segments are on terms agreed by Group entities concerned.

Segment assets

The amounts provided to management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments except for other asset (Note 21).

Segment liabilities

The amounts provided to management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments other than other liabilities (Note 32), deferred income tax liabilities and current tax payable which are classified as unallocated liabilities.

Geographical information

Revenue and non-current assets information based on the entity's country of domicile and locations in which the entity hold assets are as follows:

	Sales to external customers		Non-current assets	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Singapore	**68,992**	78,310	**55,076**	55,440
Malaysia	**5,633**	7,665	**12,689**	14,570
Rest of Asia	**–**	–	**1,544**	1,595
	74,625	85,975	**69,309**	71,605

Information about major customer

The Group did not have any single customer contributing 10% or more to its revenue for the financial years ended 31 December 2021 and 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

40 CAPITAL MANAGEMENT

The Group manages its capital to ensure it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The directors of the Group review the capital structure on a periodic basis. As part of the review, the directors consider the cost of capital and other sources of funds, including borrowings from banks and third parties.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents.

The capital structure of the Group consists of equity attributable to owners of the Company comprising share capital, other reserves and accumulated profits. The Group's overall strategy remains unchanged from 2020.

	Group	
	2021	**2020**
	$'000	**$'000**
Borrowings (Note 30)	**(5,076)**	(5,084)
Lease liabilities (Note 31)	**(25,072)**	(26,727)
Add: Cash and cash equivalents (Note 24)	**41,953**	52,923
Net cash	**11,805**	21,112
Equity attributable to owners of the Company	**95,729**	97,495
Total capital	**95,729**	97,495

The Group is currently in a net cash position. The Group will continue to be guided by prudent financial policies of which gearing is monitored.

41 SUBSEQUENT EVENT

On 15 March 2022, the Company announced the completion of the acquisition of the remaining 20% shares in the capital of Chilli Padi Holding Pte Ltd ("CPH") at the consideration of $4,391,970 and accordingly, CPH has become a wholly-owned subsidiary of the Company.

42 AUTHORISATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 1 April 2022.

LIST OF PROPERTIES

AS AT 31 DECEMBER 2021

Description	Location	Floor Area (Sqm)	Tenure of Lease (Use)
Singapore			
A shop unit located on the first storey of a shopping-cum-residential development known as City Plaza	810 Geylang Road #01-103 City Plaza Singapore 409286	25	Freehold (Rental)
A shop unit located on the second storey of Far East Plaza	14 Scotts Road #02-22 Far East Plaza Singapore 228213	39	Freehold (Rental)
A shop unit located on the third storey of Thomson Plaza	301 Upper Thomson Road #03-23 & 23A Thomson Plaza Singapore 574408	349	Leasehold 99 years less one day from 15 October 1976 (Food and Beverage outlet)
A HDB shop unit with living quarters located within Block 5 Changi Village Road	Block 5 Changi Village Road #01-2001 Singapore 500005	358	85 years from 1 July 1994 (Rental)
A 4-storey factory building with a basement carpark	41 Tampines Street 92 Singapore 528881	9,780	30 years from 1 July 1993, with a further term of 30 years (Factory, warehouse and office)
Malaysia			
A double storey factory building	No. 1 Jalan Dewani Satu Off Jalan Tampoi Kawasan Perindustrian Temenggong 81100 Johor Bahru	3,420	Freehold (Factory)
A 3-storey terrace shop	No. 82 Jalan Serampang Taman Pelangi 86400 Johor Bahru	178	Freehold (Food and Beverage outlet)
Indonesia			
An apartment unit in Ascott Towers Indonesia	Unit 06-23 Jalan Kebon Kacang Raya No.2 Jakarta 10230	159	20 years and is renewable for a further term of 20 years (Rental)
A land plot located at Bintan, Indonesia	Jalan Trikora Kilometer 52 RT.04 RW.02 Kelurahan Malang Rapat Kecamatan Gunung Kijang Kabupaten Bintan Provinsi Kepulauan Riau	19,603	Leasehold 30 years from 18 January 2019

SHAREHOLDERS' INFORMATION

AS AT 25 MARCH 2022

Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote per Share
No. of Issued shares	:	200,995,734 Ordinary Shares
Treasury shares	:	NIL
No. of subsidiary holdings held	:	NIL

Distribution of Shareholdings as at 25 March 2022

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	6	0.57	247	0.00
100 – 1,000	154	14.67	138,637	0.07
1,001 – 10,000	629	59.90	3,210,737	1.60
10,001 – 1,000,000	251	23.91	12,811,054	6.37
1,000,001 and above	10	0.95	184,835,059	91.96
Total	1,050	100.00	200,995,734	100.00

Substantial Shareholders as at 25 March 2022

	Direct Interest		Indirect Interest	
Name of Substantial Shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**
Ang Yee Lim	103,929,801[1]	51.71	–	–
Kechapi Pte Ltd	56,925,858[2]	28.32	–	–
Alby (Private) Limited	–	–	56,925,858[3]	28.32
Chua Tiang Choon, Keith	300,000	0.15	56,925,858[3]	28.32
Allan Chua Tiang Kwang	300,000	0.15	56,925,858[3]	28.32
Chua Tiang Chuan	–	–	56,925,858[3]	28.32

Notes:–

1. 60,027,000 ordinary shares are held through nominees
2. 30,000,000 ordinary shares are held through nominees
3. Deemed to have interest in 56,925,858 ordinary shares held by Kechapi Pte Ltd

SHAREHOLDERS' INFORMATION

AS AT 25 MARCH 2022

Twenty Largest Shareholders as at 25 March 2022

No.	Name of Shareholders	No. of Shares	%
1	Citibank Nominees Singapore Pte Ltd	60,328,500	30.01
2	Ang Yee Lim	43,902,801	21.84
3	Hong Leong Finance Nominees Pte Ltd	30,000,000	14.93
4	Kechapi Pte Ltd	26,925,858	13.40
5	UOB Kay Hian Pte Ltd	11,458,500	5.70
6	So Tai Lai	3,630,300	1.81
7	DBS Nominees Pte Ltd	2,544,100	1.27
8	Yap Boh Sim	2,310,000	1.15
9	Ang Lian Seng	2,300,000	1.14
10	Yit Teng Yuet	1,435,000	0.71
11	Ong Kheng Ho	495,000	0.25
12	HSBC (Singapore) Nominees Pte Ltd	450,000	0.22
13	Ong Kok Foo	350,000	0.17
14	United Overseas Bank Nominees (Private) Limited	332,200	0.16
15	Ronald Lim Cheng Aun	305,000	0.15
16	Allan Chua Tiang Kwang	300,000	0.15
17	Chua Tiang Choon, Keith	300,000	0.15
18	Leck Kim Seng	300,000	0.15
19	Quek Mong Hua	300,000	0.15
20	Oh Cher Kiat	273,400	0.14
	Total:	**188,240,659**	**93.65**

Based on Shareholders' Information as at 25 March 2022 approximately 18.06% of the total numbers of issued shares of the Company are held by the public and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 43rd Annual General Meeting of the Company will be held by way of electronic means on Friday, 29 April 2022 at 11:00 a.m., to transact the following businesses:

AS ORDINARY BUSINESSES:

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2021 together with the Independent Auditor's Report thereon. ***Resolution 1***

2. To approve the payment of a tax exempt (1-tier) Final Dividend of 0.75 Singapore cents per ordinary share for the financial year ended 31 December 2021. ***Resolution 2***

3. To approve the payment of the Directors' fees of S$205,000 for the financial year ended 31 December 2021 (FY2020: S$205,000). ***Resolution 3***

4. To re-elect Mr Chua Tiang Choon, Keith, the director retiring by rotation pursuant to Article 98 of the Company's Constitution. ***Resolution 4***

   [See Explanatory Note (i)]

5. To re-elect Mr Ang Lian Seng, the director retiring by rotation pursuant to Article 98 of the Company's Constitution. ***Resolution 5***

   [See Explanatory Note (ii)]

6. To re-elect Mr Ang Yee Lim, the director retiring pursuant to Rule 720(5) of the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST"). ***Resolution 6***

   [See Explanatory Note (iii)]

7. To re-appoint Messrs Baker Tilly TFW LLP as Auditor of the Company and to authorise the Directors to fix the Auditor's remuneration. ***Resolution 7***

AS SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following ordinary resolution with or without modifications:

8. **Authority to allot and issue shares** ***Resolution 8***

   "THAT pursuant to Section 161 of the Companies Act 1967 and the Listing Rules of SGX-ST, authority be and is hereby given for the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

   (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

   (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;

   (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues;

NOTICE OF ANNUAL GENERAL MEETING

and (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares pursuant to any Instrument made or granted by the Directors while the authority was in force, provided always that:

(a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per centum (50%) of the Company's total number of issued shares (excluding treasury shares and subsidiary holdings, if any), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro-rata basis to shareholders of the Company does not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any), and for the purpose of this Resolution, the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) shall be the Company's total number of issued shares (excluding treasury shares and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for:

   (i) new shares arising from the conversion or exercise of convertible securities, or

   (ii) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VII of Chapter 8 of the Listing Rules of SGX-ST, and

   (iii) any subsequent bonus issue, consolidation or subdivision of the Company's shares;

(b) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note (iv)]

9. To transact any other business which may be properly transacted at an Annual General Meeting.

FOR AND ON BEHALF OF THE BOARD

Chua Tiang Choon, Keith
Executive Chairman

13 April 2022

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr Chua Tiang Choon, Keith will, upon re-election as Director of the Company, remain as Executive Chairman and a member of the Nominating Committee.

Please refer to pages 42 to 46 of the Corporate Governance Report in the Annual Report 2021 for the detailed information on Mr Chua as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.

(ii) Mr Ang Lian Seng will, upon re-election as Director of the Company, remain as Executive Director and a member of the Remuneration Committee.

Please refer to pages 42 to 46 of the Corporate Governance Report in the Annual Report 2021 for the detailed information on Mr Ang as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.

(iii) Mr Ang Yee Lim will, upon re-election as Director of the Company, remain as Managing Director of the Company.

Please refer to pages 42 to 46 of the Corporate Governance Report in the Annual Report 2021 for the detailed information on Mr Ang as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.

(iv) Ordinary Resolution No. 8 is to empower the Directors, from the date of the passing of Ordinary Resolution No. 8 to the date of the next Annual General Meeting, to issue shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to an amount not exceeding in total 50% of the issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company, with a sub-limit of 20% of the issued shares (excluding treasury shares and subsidiary holdings, if any) for issues other than on a pro-rata basis to shareholders.

Important Notes:

(a) The Annual General Meeting will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

(b) Printed copies of this notice and the accompanying Annual Report and Proxy Form will NOT be sent to members. Instead, these documents will be made available to members solely by electronic means via publication on the Company's website at the URL http://www.abr.com.sg and on the SGXNet at the URL https://www.sgx.com/securities/company-announcements.

(c) To minimise physical interactions and COVID-19 transmission risks, a member will not be able to attend the AGM in person. Alternative arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Annual General Meeting, addressing of substantial and relevant questions prior to the Annual General Meeting and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting, are set out below.

Participation in the AGM via live webcast or live audio feed

(d) All shareholders or their corporate representatives (in the case of shareholders which are legal entities) will be able to participate in the AGM proceedings by accessing a live webcast or live audio feed. To do so, shareholders are required to pre-register their participation in the AGM ("**Pre-registration**") at http://www.abr.com.sg/agm2022 (the "**Registration Link**") by **11:00 a.m. on 27 April 2022** ("**Registration Deadline**") providing their full name and identification number for verification of their status as shareholders (or the corporate representative of such shareholders).

(e) Upon successful registration, each such member or its corporate representative will receive a verification email by **5:00 p.m. on 28 April 2022**. The email will contain the user ID and password as well as the details to access the live audio-video webcast or live audio-only feed of the AGM proceedings. Each authenticated and verified shareholders or its corporate representative will be able to access the live webcast or live audio feed of the AGM proceedings using the user ID and password provided. Shareholders or their corporate representatives must not forward the email to other persons who are not shareholders and who are not entitled to participate in the AGM proceedings. Shareholders or their corporate representatives who have registered by the Registration Deadline but do not receive an email response by **5:00 p.m. on 28 April 2022** may contact the Company by phone at 67862866 or by email to agm2022@abr.com.sg for assistance.

NOTICE OF ANNUAL GENERAL MEETING

Voting by proxy

(f) A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy.

A member of the Company who holds his/her shares through a Relevant Intermediary* (including CPFIS Members or SRS investors) and who wish to exercise his/her votes by appointing the Chairman of the Meeting as proxy should approach his/her Relevant Intermediary (including his/her CPF Agent Bank or SRS Approved Bank) at least 7 working days before the AGM in order to allow sufficient time for their respective relevant intermediaries to, in turn, submit his/her voting instructions by **11:00 a.m. on 27 April 2022**.

"Relevant intermediary" has the same meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

(g) The Chairman of the Meeting, as proxy, need not be a member of the Company.

(h) The proxy form, appointing the Chairman of the Meeting as proxy, must be submitted in the following manner:

(i) if submitted by post, use the self-addressed envelope and be delivered to the Registered Office of the Company at 41 Tampines Street 92, ABR Building, Singapore 528881; or

(ii) if submitted electronically, email to agm2022@abr.com.sg

in either case, by **11:00 a.m. on 27 April 2022**.

Submission of Questions

(i) Shareholders may submit question(s) relating to the items on the agenda of the AGM via one of the following means:

i. during Pre-Registration process;

ii. by email to agm2022@abr.com.sg; or

iii. by mail to the registered office of the Company at 41 Tampines Street 92, ABR Building, Singapore 528881.

All mails and emails should include the full name and identification number of shareholders for authentication purposes. All questions must be submitted by **11:59 p.m. on 20 April 2022**.

(j) The Company will endeavour to address the substantial and relevant questions (as may be determined by the Company in its sole discretion) at least forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms. The responses to such questions from shareholders will be posted on the SGXNet and the Company's website by 11.00 a.m. on **25 April 2022**.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis of the Company (or its agents or service providers) of proxies and/or representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF RECORD DATE AND DIVIDEND PAYMENT DATE

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed from 5:00 p.m. on 10 May 2022 up to (and including) 11 May 2022 for the purposes of determining shareholders' entitlements to the proposed final one-tier tax exempt dividend for the financial year ended 31 December 2021 ("FY2021 Final Dividend") of 0.75 Singapore cents per ordinary share.

The proposed FY2021 Final Dividend, if approved by shareholders at the Annual General Meeting, will be paid on 25 May 2022.

FOR AND ON BEHALF OF THE BOARD

Chua Tiang Choon, Keith
Executive Chairman
13 April 2022

ABR HOLDINGS LIMITED

(Company Registration No.: 197803023H)
(Incorporated in Singapore)

ANNUAL GENERAL MEETING PROXY FORM

IMPORTANT

1. The Annual General Meeting will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. To minimize physical interactions and COVID-19 transmission risks, a member will not be able to attend the Annual General Meeting in person. Alternative arrangements have been put in place to allow members to participate at the Annual General Meeting by (a) observing the Annual General Meeting proceedings via "live" webcast or listening to the Annual General Meeting proceedings via "live" audio feed, (b) submitting questions in advance of the Annual General Meeting, and/or (c) voting by proxy at the Annual General Meeting.
3. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.
4. CPF/SRS Investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Approved Banks at least 7 working days before the AGM to submit their votes by 11:00 a.m. on 27 April 2022.
5. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting.

I/We ______________________________ (Name) NRIC/Passport no. ________________

of ____

being *a member/members of ABR Holdings Limited (the "Company"), hereby appoint the Chairman of the Meeting as *my/our *proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the 43rd Annual General Meeting of the Company to be held by electronic means on Friday, 29 April 2022 at 11:00 a.m. and at any adjournment thereof in the following manner:

No.	Ordinary Resolutions	For#	Against#	Abstain#
1.	Adoption of the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2021 together with the Independent Auditor's Report thereon.			
2.	Approval of payment of a tax exempt (1-tier) Final Dividend of 0.75 Singapore cents per ordinary share for the financial year ended 31 December 2021.			
3.	Approval of payment of Directors' fees of $205,000 for the financial year ended 31 December 2021.			
4.	Re-election of Mr Chua Tiang Choon, Keith as Director.			
5.	Re-election of Mr Ang Lian Seng as Director.			
6.	Re-election of Mr Ang Yee Lim as Director.			
7.	Re-appointment of Messrs Baker Tilly TFW LLP as Auditor.			
8.	Authority to allot and issue shares.			

* *Delete accordingly*

In appointing the Chairman of the Meeting as your proxy to cast your votes For or Against a resolution, please tick within the For or Against box in respect of that resolution. Alternatively, please indicate the number of votes For or Against in the For or Against box in respect of that resolution. If you wish the Chairman of the Meeting as your proxy to Abstain from voting on a resolution, please tick within the Abstain box in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the Meeting as your proxy is directed to Abstain from voting in the Abstain box in respect of that resolution

Dated this ______ day of ________________ 2022

Total number of shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Member(s)/Common Seal

IMPORTANT. Please read notes overleaf.

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Cap. 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2. A MEMBER WILL NOT BE ABLE TO ATTEND the Annual General Meeting in person. A member (whether individual or corporate) MUST APPOINT THE CHAIRMAN OF THE MEETING AS HIS/HER/ITS PROXY to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.

   A member of the Company who holds his/her shares through a Relevant Intermediary* (including CPFIS Members or SRS investors) and who wish to exercise his/her votes by appointing the Chairman of the Meeting as proxy should approach his/her Relevant Intermediary (including his/her CPF Agent Bank or SRS Approved Bank) at least 7 working days before the AGM in order to allow sufficient time for their respective intermediaries to, in turn, submit his/her voting instructions by 11:00 am on 27 April 2022.

   "Relevant intermediary" has the same meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.

4. The proxy form must be submitted in the following manner:

   (a) if submitted by post, use the self-addressed envelope and be delivered to the Registered Office of the Company at 41 Tampines Street 92, ABR Building, Singapore 528881; or

   (b) if submitted electronically, email to agm2022@abr.com.sg

   in either case, by 11:00 am on 27 April 2022.

AFFIX
STAMP

The Company Secretary
ABR HOLDINGS LIMITED
41 Tampines Street 92
ABR Building
Singapore 528881

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the Chairman of the Meeting as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members whose shares are deposited with The Central Depository (Pte) Limited, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 13 April 2022.

ABR
HOLDINGS LIMITED

ABR Holdings Limited

41 Tampines Street 92
ABR Building Singapore 528881
Tel: (65) 6786 2866
Fax: (65) 6788 2226