



# PLATES OF PROGRESS

A MENU FOR CULINARY EVOLUTION: BITE BY BYTE

ANNUAL REPORT 2023

# / CONTENTS

<b>01</b>	Corporate Profile
<b>02</b>	Message from the Executive Chairman & Managing Director
<b>04</b>	Financial Highlights
<b>06</b>	Our Brands
<b>13</b>	Our Properties
<b>14</b>	Sustainability Report
<b>42</b>	Board of Directors
<b>44</b>	Key Management
<b>45</b>	Group Structure
<b>46</b>	Corporate Information
<b>47</b>	Corporate Governance and Financial Report





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 & MANAGING DIRECTOR



*From left to right*  
**Chua Tiang Choon, Keith**  
*Executive Chairman*

**Ang Yee Lim**  
*Managing Director*

## **Dear Shareholders,**

We are pleased to present the Annual Report and Financial Statements for ABR Holdings Limited ("ABR" or the "Group") for the financial year ended 31 December 2023 ("FY2023").

In a year that brought some semblance of normalcy after the COVID19 pandemic, we extend our heartfelt gratitude to our shareholders, customers, and stakeholders for their unwavering support. Your trust in us has been instrumental in navigating the challenges and embracing opportunities that have come our way.

### **Financial Review:**

Despite the headwinds of rising food costs, human resources, rental costs, and inflation, we are proud to report a robust financial performance for FY2023. The Group's revenue rose to S\$116.9 million, marking an increase of 15% compared to the previous year of S\$101.7 million. This growth reflects our resilience and adaptability in a dynamic business environment.

Profit before tax also witnessed a commendable rise, reaching S\$4.2 million, representing a 50% increase over S\$2.8 million in FY2022. After factoring in tax and other adjustments, the Group achieved a net profit attributable to owners of the Company of \$3.5 million, underscoring our commitment to delivering sustainable value to our stakeholders.

### **Business Review:**

Our Food & Beverage segment continued to evolve with the rollout of new concepts and brands amidst the challenges posed by the pandemic's aftermath. While facing pressures from escalating costs, particularly in labor and food, we remained steadfast in our commitment to innovation and customer satisfaction. We introduced exciting new offerings, such as the Swensen's Ice Cream 'Nuggets' and the new brands MoreBatter and Restaurant Fiz, garnering positive responses from our patrons. Our strategic focus on diversifying revenue streams, including through food delivery platforms and innovative product bundles, has positioned us well for sustained recovery in the post-pandemic era.

In the Property segment, the Group commemorates a decade since diversification, reinforcing property development and management as a core pillar alongside its F&B business. The Group progresses steadily on Baywind Residences, a joint venture development of 24 apartments in Lorong N Telok Kurau, slated for completion in Q4 2025. Notably, despite regulatory shifts, all units were successfully sold.

**Accolades:**

We are humbled that our commitment to excellence has once again been recognized by industry peers and consumers alike. Swensen's was awarded the Platinum Award in the Family Restaurant category for the sixth consecutive year, a great encouragement given to from public votes. We would like to thank our dedicated staff team for their quality service and passion in delivering joy to our customers, the recognition of 21 Excellent Service Award (EXSA) affirms their exceptional performance. Our heritage brand, Chilli Padi Nonya Restaurant, was honoured as the Runner-up for Best Asian Restaurant in Restaurant Association of Singapore's (RAS) Epicurean Star Awards 2023, reaffirming our dedication to culinary excellence.

**Giving Back:**

ABR continues in our commitment to support local communities through our philanthropic initiatives, collaborating with partners such as The Art Faculty (TAF), Glyph, Asian Women's Welfare Association (AWWA), Tan Tock Seng Hospital (TTSH) and Club Rainbow to make a positive impact. National Volunteer & Philanthropy Centre (NVPC) has once again conferred ABR for Company of Good 2023's Champion of Good Award, since launch in 2017, acknowledging our ongoing commitment to corporate social responsibility and community engagement.

**Sustainability:**

As a leader in the F&B industry, sustainability remains at the forefront of our business strategy. We are committed to incorporating sustainable practices across our operations, from sourcing carbon-neutral ingredients to promoting employee wellbeing. We adopt Singapore Exchange (SGX) recommended approach to sustainability reporting and work alongside best practices to ensure we achieve Singapore Climate Action Plan. Our partnership with DBS for the Better World Café exemplifies our commitment to environmental stewardship and social responsibility.

**Dividends:**

In recognition of our performance, the Board is proposing a final tax-exempt (1-tier) cash dividend of 1.00 Singapore cents per share for FY2023, subject to approval at the upcoming Annual General Meeting. Together with the interim dividend, this brings the total dividend payout for the year to 1.25 Singapore cents per share.

**Outlook:**

As we look ahead to FY2024, we remain cautiously optimistic amidst the ongoing recovery from the pandemic. While challenges persist, we are confident in our ability to adapt and thrive in a changing landscape. With a focus on innovation, operational excellence, and customer satisfaction, we are well-positioned to capitalize on emerging opportunities and deliver sustainable value for our stakeholders.

**Acknowledgements:**

We extend our heartfelt thanks to the Board of Directors for their guidance and leadership.

We would like to further acknowledge the immense contribution of Mr Quek Mong Hua and Mr Lim Jen Howe for their service as Independent Directors.

Our gratitude also goes to our dedicated staff, whose unwavering commitment has been instrumental to our success. To our shareholders, customers, and partners, we express our sincere appreciation for your continued support and trust.

As we embark on the journey ahead, we remain steadfast in our commitment to excellence, innovation, and responsible business practices. Together, we will continue to shape a brighter future for ABR Holdings Limited.

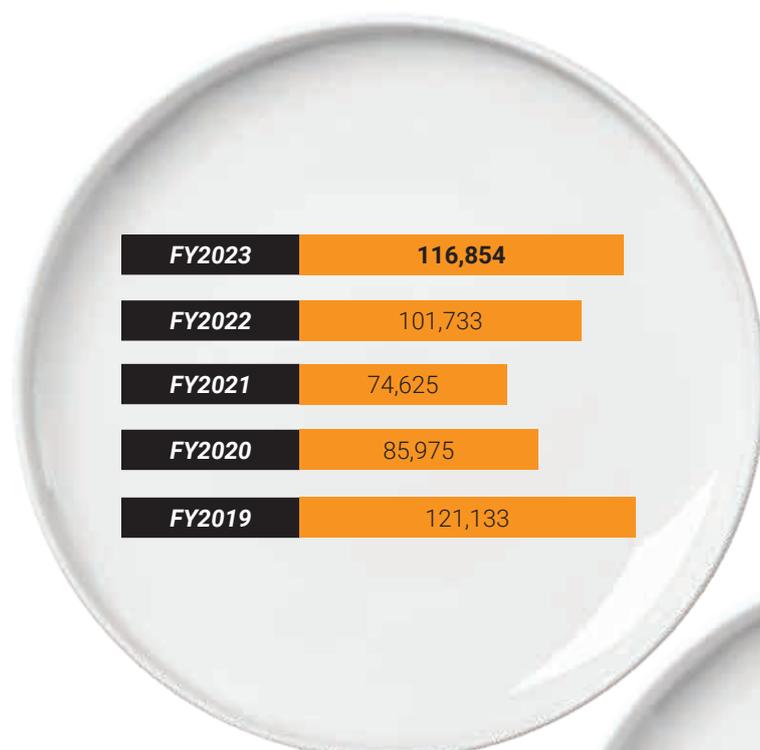
**Chua Tiang Choon, Keith**  
Executive Chairman

**Ang Yee Lim**  
Managing Director

# / FINANCIAL HIGHLIGHTS

## For the Year (\$'000)

	<b>FY2023</b>	<b>FY2022</b>	<b>Change</b>
Revenue	<b>116,854</b>	101,733	14.9%
Profit Before Tax	<b>4,165</b>	2,773	50.2%
Profit for the Year	<b>3,572</b>	2,514	42.1%
Profit Attributable to Owners of the Company	<b>3,535</b>	2,433	45.3%



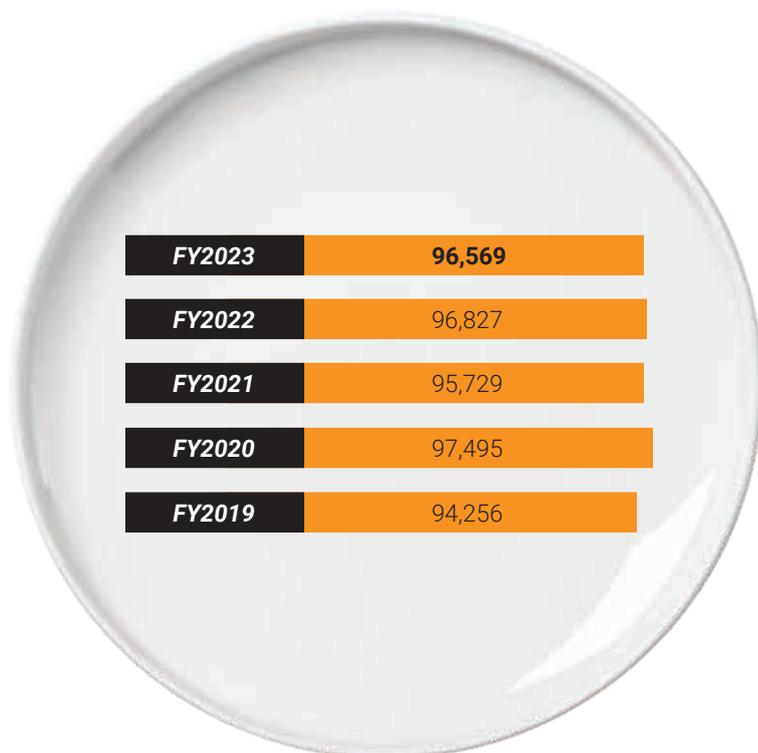
**FY2023**  
Revenue (\$'000)  
**116,854**

**FY2023**  
Profit Before Tax (\$'000)  
**4,165**



### At Year End (\$'000)

	<b>FY2023</b>	<b>FY2022</b>	<b>Change</b>
Total Assets	<b>171,376</b>	165,690	3.4%
Equity Attributable to Owners of the Company	<b>96,569</b>	96,827	(0.3%)
Total Equity	<b>96,992</b>	97,256	(0.3%)
Total Liabilities	<b>74,384</b>	68,434	8.7%
Cash and Cash Equivalents	<b>26,496</b>	32,856	(19.4%)



**FY2023**  
Shareholders' Equity (\$'000)  
**96,569**

Earnings per Share	<b>FY2023</b>	<b>FY2022</b>
	<b>Basic : 1.76 cents</b> <b>Diluted : 1.76 cents</b>	Basic : 1.21 cents Diluted : 1.21 cents

Dividend per Share	<b>FY2023</b>	<b>FY2022</b>
	<b>Interim : 0.25 cents</b> <b>Final : 1.00 cent</b>	Interim : 0.25 cents Final : 0.75 cents

Net Asset Value per Share	<b>FY2023</b>	<b>FY2022</b>
	<b>48.0 cents</b>	48.2 cents

## / OUR BRANDS

**SWENSEN'S**

*Earle*  
SWENSEN'S



### *'Nugget' Ice Cream*

Swensen's strikes again! This time with a new bite-sized addition to their novelty ice cream line, **'Nugget' Ice Cream!** A boxful of bite-sized treats, beautifully battered like you'd imagine, but better! Crunch into these golden 'Nuggets' to reveal a creamy and delightfully icy core of Swensen's signature vanilla ice cream.

### *Ketupat Ice Cream Cake*

Reviving traditions with a fun, contemporary twist, Swensen's reimagines the ubiquitous ketupat for joyous Iftar celebrations this Ramadan. The giant woven parcel that envelopes a refreshing icy core of fragrant pandan kaya ice cream.

### *Carnation Strawberry Ice Cream Cake*

Pretty in pink, shaped like a carnation bloom, the new Mother's Day Carnation Strawberry Ice Cream Cake improves upon the beloved strawberry ice cream of Swensen's. The cake is loaded with chunky bits of strawberries for a gratifying mouthfeel.

### *Ultra Burger Series*

Introducing the new Ultra Burger Series – Ultra-Tasty, Ultra-Smashed, leaving you Ultra-Satisfied! Indulge your taste buds with our groundbreaking Ultra Burger Series, where taste, texture, and tantalizing flavors collide! Savor the deliciousness of our expertly crafted smashed burgers, each bite bursting with delectable ingredients that will take your burger experience to a whole new level.

### *Crumble Ice Cream Cake Series*

Unveiling our Crumble Ice Cream Cake Series, where each cake boasts a delectable crumble base, elevating the experience to new heights. Whether you choose the PB&O Crumble Ice Cream Cake, featuring velvety peanut butter swirls atop an Oreo cookie crumble, or the SCC Crumble Ice Cream Cake, with its iconic Sticky Chewy Chocolate ice cream and chocolate ganache crumble base, these creations are an upgrade to your sweet cravings.



### *GastroBeats*

Swensen's participated in GastroBeats 2023 event to reinvigorate the brand and introduce novelty ice cream line.

### *Jumptopia*

Partnering with Kiztopia, Swensen's participated in on-site activation with branded giant inflatable and serving up Swensen's Express at Jumptopia Playful Wonders @ MBS Sands Expo®.

### *Accolades*

Swensen's was conferred the Platinum Award in the Family Restaurant category of the Reader's Digest Trusted Brands 2023.



**Gastrobeats**

Earle Swensen's participated in GastroBeats 2023 to leverage the festival's platform to increase brand exposure among its target audience. Participating in GastroBeats would provide Earle Swensen's with an opportunity to engage with festival-goers in a fun and interactive environment, further strengthening its brand presence in the local market. Throughout the year, the restaurant continues to captivate customers with innovative and crave-worthy food options inspired by the success at GastroBeats.

**Onward Slider set**

Slide into this National Day with a local twist on our beloved sliders! Fusion of flavors inspired with some of Singapore's local favorite dishes – Nasi Lemak and Satay. A fitting tribute to the diverse culinary heritage of our nation.

**Nasi Lemak Ayam Burger**

Celebrate this Ramadan with our Nasi Lemak Ayam Burger. This burger combines the juicy goodness of a classic burger patty with the fragrant aroma of one of Singapore's favorite dish. Consists of brioche bun, battered chicken leg patty, cucumber, lemak mayo and topped with fragrant sambal chilli.

**Earle's Steak Sandwich**

Juicy slices of tenderloin, caramelized onions and tangy ranch sauce, all nestled on a perfectly grilled sourdough slice.

**Oklahoma Burger**

Simplicity at its best form. Soft brioche buns embrace the succulent beef patty, sliced jack cheese and sweet caramelized onions.

Each bite is a harmony of flavors that capture the essence of the Oklahoma state.

**Mushroom Burger**

Indulge in the succulent richness of a juicy beef patty harmoniously complemented by the deeply satisfying, caramelized flavors of sautéed mushrooms. With each bite, savor the perfect marriage of tender meatiness and earthy umami, creating a symphony of taste that tantalizes the palate and leaves you craving for more.



## / OUR BRANDS

...  
more  
better



### Launch

The more batter fried chicken has arrived in Singapore! Chicflix season one featuring juicy Korean boneless chicken thighs. Chicflix: Chicken brand that follows Netflix with different seasons. Dive into Season One, which spotlights the nation of Korea. The im-peck-able selection showcases six flavoursome choices – Seaweed, Honey Garlic, Cheesy Gochujang, White Slaw, Ginger Soy, and Gochujang that are just more batter than the rest.



### Majulah SG58 Set

Celebrating Singapore's 58th birthday with delightful Nasi Lemak Fried Chicken, a reminiscent of the traditional flavors found in Nasi Lemak rice and Salted Egg Fried Chicken, an intense and creamy indulgence.

### Spicy Series

Turning up the heat with latest spicy fried chicken flavours – Buldak Spicy, Buldak Cheese, Buldak Corn Cheese, Spicy Slaw and Ghost Pepper.

### K-Solo Rice Box

Going solo with the new K-Solo Rice Box with fluffy Japanese seaweed rice to pair with the more batter fried chicken!

### GastroBeats

more batter participated in GastroBeats 2023 event to introduce the brand.



## / PLATES OF PROGRESS



### *Chilli Padi Nonya Restaurant Joo Chiat*

Newly renovated restaurant with its captivating ambience and new look aims to exude a sense of tradition and nostalgia while still maintaining a contemporary touch. The restaurant invites patrons to experience its refreshed atmosphere and enjoy the rich heritage of Peranakan cuisine in a setting that promises memorable moments and unforgettable flavors.

### *Chilli Padi Confinement*

Participated in Mothercare Baby Fair for the first time to increase brand exposure within the pre-natal community. Establish connections with new partners such as Mount Alvernia Hospital and My Queen's confinement centre.

### *Chilli Api Catering*

Expansion of the central kitchen to improve efficiency on operations to increase order fulfilment capacity.

### *Chilli Padi Nonya Catering*

Cross brand marketing with DBS Better World Café at MBFC. Feature Swensen's products and Tip Top curry puffs at the cafeteria targeted to increase revenue. Increase value proposition of the cafeteria by allowing DBS staffs access to products across the brands under ABR Holdings.



## / OUR BRANDS

# SEASON

EST. 1975



### *Season Confectionary & Bakery (Malaysia)*

Established in 1975, Season Confectionary and Bakery has continued to be the predominant bakery for the Johor Bahru area and beyond.

### *Core Focus Areas*

In 2023, coming out of the pandemic the year before, we have continued to focus on stability and consistency with our operations. Further focus has been placed in marketing and product development.

### *Product Range*

In 2023, we introduced further new products, to coincide with festive periods such as Halloween Cake, and western delights such as Choux pastries.

With the new products, we have also revamped our packaging designs, such as a floral-fauna design for our kueh lapis to reflect the beauty of the Malaysian rainforest, and a minimalist sandwich packaging for our torn bread.

### *Challenges & Prospects*

As we reflect on the past year, there has been persistent challenges, from market fluctuations to supply chain disruptions, and as such we have been mindful to efficiently manage our cost structures and put in place relevant business continuity plans.

Competition has significant increased which has placed greater pressure on our team to continuous reflect on and enhance our value proposition to our customers. We acknowledge the benefits that this will bring our customers with greater choice and more importantly, it pushes us to continuously improve and innovate.

We remain committed to our core values of excellence, integrity, and sustainability, as we navigate the dynamic landscape of the market.





*Operations Review and Development*

Tip Top traces its roots to a humble curry puff kiosk in the heartlands of Singapore, Ang Mo Kio. More than 4 decades on, one of Singapore's favourite curry puff brands has since expanded from the heartlands, shopping malls as well as the airport. Our single kiosk concept which is popular with our target markets – has proven to be a cost-efficient business model that reduces rental costs and manpower costs. To further improve on the business model, we will review our inventory management and logistics for timely delivery of products.

STB reported that tourism has recovered strongly in 2023, and the trajectory in 2024 is expected to be higher, bringing in an estimated tourism receipt of between S\$26 billion and S\$27.5 billion. Although the outlet at Changi Terminal 3 had ceased operations, a change in business operating hours to 24/7 for the outlet in Changi Terminal 1 yielded a 80% jump in the topline. It is vital to stay nimble, look out for opportunities and adapt quickly to the everchanging business landscape.

*Product Development*

Refreshing offerings – to retain the loyalty of our customers, we will work with various new and existing vendors and we have to new offerings such as sotong balls, satay balls and seafood wantons.

For the festive seasons, Tip Top will serve up creative platters perfect for family gatherings and private parties.



Product R&D – as a testament of our love for food, we will continue to innovate and create new products such as carrot stick, Lo Mai kai, interesting tasty fillings for puffs – hai bee hiam, and chilli crab. As a team, we will organise tasting sessions regularly and brainstorm for new food items.

*Moving Forward – Opportunities and Challenges  
Brand Building and Online Presence*

We will continue to scour the digital horizon for opportunities to promote our brand and engage with our customers through digital platforms and social media.

Since the uplifting of COVID-19 measures, demand from delivery platforms has taken a slight dip. However, this lifestyle concept is here to stay and we will remain committed to this revenue stream by innovating and offering value bundles.

At this juncture, we are pleased to report that we have committed to an outlet targeted to open in Q2 of 2024 which will increase our topline. Constantly on the lookout for new attractive locations, we will endeavour to reach out to landlords and strategic partners on a regular basis.

## / OUR BRANDS

fiz



### *Restaurant Fiz*

Fiz is a tasting menu-only restaurant that opened in June 2023, serving contemporary Southeast Asian cuisine that is purposefully vast in scope and represents food cultures across the region.

This approach is Chef-Owner Hafizzul Hashim's homage to the beauty of Southeast Asia. He draws from the knowledge of societies, funnelled through a series of menus that convey the warmth and comfort of communal dining.

The result is a contemporary gastronomic experience in a thoughtful space inspired by the architectural features found in places of faith around Southeast Asia.

### *Initiation*

The main focus in the initial months has been to achieve consistency in our product, service and the entire customer experience.

We were also privileged to host events for product launches, private celebrations, themed menus and corporate functions.

### *Challenges*

The industry faces challenges arising from increases in operating costs and consumers' changing spending habits. In response, we launched a Select Experience in December 2023 that offers a shorter menu and a lower price point. We also underwent a small renovation to allow more flexibility in our dining room for smaller groups of diners.

### *Reviews and Accolades*

The restaurant was privileged to have consistently achieved positive reviews amongst diners. More notably, we were featured as a recommended/best new restaurant by publications such as Vogue Magazine, The Peak, Portfolio, Lifestyle Asia and Tatler Singapore.

### *Prospect & Outlook*

We remain optimistic about FY2024, as we embark to focus more on refining our experience and ensuring it remains responsive and suitable for our customers in the evolving F&B climate.



# / OUR PROPERTIES



## OUR PROPERTY DEVELOPMENTS

2023 marks the 10th year since the Group diversified, adding Property Development as a second core pillar, alongside the food and beverage business. The Group continuously evaluates new opportunities, whilst continuously managing the portfolio of property assets and developments.

### *Baywind Residences*

The Group's joint venture development of 24 apartments located at Lorong N Telok Kurau has been progressing steadily according to plans, with target Temporary Occupation Permit (TOP) in 2024.

Despite changes in regulations for buyers, all remaining 25% of units were sold in year 2023.

### *Pavilion Square*

In 2018, the Group announced its minority investment into a property development project in Kuala Lumpur.

The project, named Pavilion Square, is situated on over 2 acres in Malaysia's most vibrant retail and entertainment Districts, and is anticipated to be a mix of residential and corporate suites set in two separate blocks.

### *Pavilion Genting Highlands*

The Group made a minority investment into Sering Manis Sdn. Bhd. in 2017, which owns a parcel of freehold land in Pahang, Malaysia slated for redevelopment.

The Pavilion Genting Highlands project will consist of, a Pavilion retail and cultural boulevard, an ECO Recreational Park, a wellness and healthcare center, luxury villas and resort apartments and hotels.



# / SUSTAINABILITY REPORT

## CONTENTS

<b>AT A GLANCE</b>	<b>15</b>
Board Statement	15
Our Business	16
Sustainability Performance	16
Reporting Scope	16
Sustainability Governance at ABR	16
<b>REPORTING FRAMEWORK</b>	<b>17</b>
<b>POLICY, PRACTICE AND PERFORMANCE REPORTING</b>	<b>18</b>
Sustainability Reporting Processes	18
Materiality Assessment	18
Performance Tracking and Reporting	19
Stakeholder Engagement	19
<b>KEY SUSTAINABILITY FACTORS</b>	<b>20</b>
Total Customer Satisfaction	21
Sustainable Business Performance	22
Water Conservation	22
Energy Conservation and GHG Emissions Reduction	22
Responsible Waste Management	26
Occupational Health and Safety	26
Talent Retention and Development	27
Diversity and Equal Opportunity	28
Ongoing Community Engagement	29
Commitment to Consistent Quality and Food Safety	31
Robust Corporate Governance Framework	32
Targets and Performance Highlights	33
<b>APPENDICES</b>	<b>35</b>
Supporting the SDGs	35
Supporting the TCFD	36
GRI Content Index	39

# / SUSTAINABILITY REPORT

## AT A GLANCE

### Board Statement

ABR Holdings Limited, (“**ABR**” or the “**Company**”, and together with its subsidiaries, the “**Group**” or “**We**”) reaffirm its commitment to sustainability with the publication of this sustainability report (“**Report**”). For this Report, we provide insights into the way we do business, while highlighting under the pillars of environmental, social, governance and economic performance (collectively referred to as “**Sustainability Factors**”). Having considered the Group’s sustainability issues as part of its strategic formulation and business strategies, the Board of Directors (“**Board**”) determined the key Sustainability Factors and overseen the management and the monitoring of the key Sustainability Factors.

This Report communicates our support towards the United Nations’ Sustainable Development Goals (“**SDGs**”). We work closely with stakeholders in our value chain and their inputs drive our sustainability focus on our key Sustainability Factors and the SDGs as follows:



# / SUSTAINABILITY REPORT

## Our Business

Details of the brand names operated under our Group can be found in the 'Our Brand' section of this Annual Report.

## Sustainability Performance

An overview of the key sustainability performance in financial year ("FY") 2023 is as follows:

Sustainability Pillar	Performance Indicator	Sustainability Performance	
		FY2023	FY2022
Economic	Number of outlets (Swensen's)	25	25
Environmental	Water consumption intensity (Cu M/revenue S\$'000)	1.18	1.19
	Total greenhouse gas ("GHG") emissions (Scope 1 and 2) (tonnes CO <sub>2</sub> e)	6,782	6,006 <sup>1</sup>
	GHG emissions intensity (tonnes CO <sub>2</sub> e/revenue S\$'000)	0.058	0.059 <sup>1</sup>
Social	Number of reported incidents of non-compliance with employment laws	–	–
	Number of workplace fatalities	–	–
	Number of high consequence work-related injuries <sup>2</sup>	–	–
	Number of recordable work-related injuries	24	30
	Number of recordable work-related ill-health <sup>3</sup>	–	1
	Average training hours per female employee	7.6	4.0 <sup>1</sup>
	Average training hours per male employee	7.6	2.8 <sup>1</sup>
Governance	Number of reported incidents of unlawful discrimination against employees <sup>4</sup>	–	–
	Number of incidents of serious offence <sup>5</sup>	–	–

## Reporting Scope

This Report is applicable for the Group's FY from 1 January to 31 December 2023 ("FY2023" or "Reporting Period"). This Report delineates the sustainability performance of ABR for FY2023 and forms part of ABR's Annual Report FY2023. We provided information on areas which has the greatest sustainability impact together with our performances in FY2023.

This Report covers food and beverage ("F&B") entities which contributes to approximately 100% (FY2022: 100%) of our F&B revenue for the Group during the Reporting Period:

S/N	Entity
1	ABR Holdings Limited
2	All Best Foods Pte Ltd
3	21 Tanjong Pagar Pte Ltd
4	Food Creations Pte Ltd
5	Chilli Padi Holding Pte Ltd and its subsidiaries
6	Season Confectionary & Bakery Sdn Bhd
7	Season's Café Sdn Bhd

## Sustainability Governance at ABR

The Board oversees and manages the direction, approach and performance of sustainability of ABR. As part of our continual efforts to upgrade the knowledge of our directors on sustainability reporting and to meet the requirement of listing rule 720 (7) of Singapore Exchange Securities Trading Limited ("SGX-ST"), we confirm that all our directors attended one of the approved sustainability training courses.

<sup>1</sup> Figure is restated as a correction.

<sup>2</sup> High-consequence work-related injuries refer to injuries from which the worker cannot recover or cannot recover fully to pre-injury health status within six months.

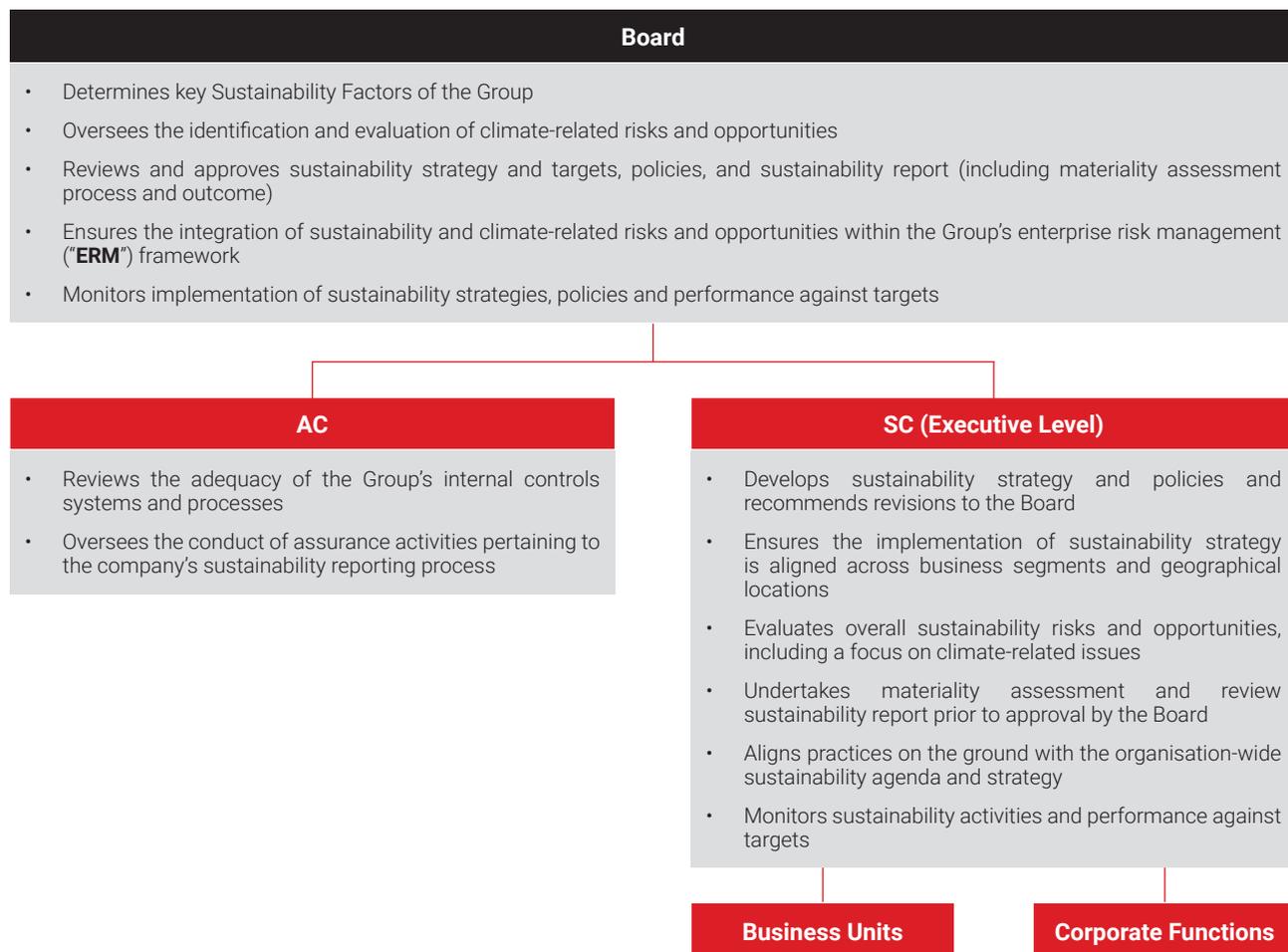
<sup>3</sup> Work-related ill health cases refer to negative impacts on health arising from exposure to hazards at work.

<sup>4</sup> An unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to a company.

<sup>5</sup> A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than SGD 100,000 and is punishable by imprisonment for a term of not less than two years, which is being or has been committed against a company by its officers or employees.

The Chairman of the Board leads an executive level Sustainability Committee (“SC”) in monitoring and managing our sustainability practices while keeping the Board updated of key developments. The SC is further supported by selected employees from the key business units and corporate functions in consolidating necessary performance data for this Report.

Besides the SC, the Board is also supported by the Audit Committee (“AC”) on specific sustainability matters under its terms of reference. Our sustainability governance structure and the responsibilities of component parties are detailed as follows:



As we are still refining our sustainability related metric measuring, tracking and target setting mechanism, we will link key executives’ remuneration to sustainability performance when the mechanism is more mature and stable.

### REPORTING FRAMEWORK

This Report is prepared in accordance with Mainboard Listing Rules 711A and 711B of the SGX-ST. This Report is also prepared with reference to the Global Reporting Initiative (“GRI”) standards for the Reporting Period. We chose to report using the GRI Standards as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures.

Our climate-related disclosures are produced based on the 11 recommendations of the Taskforce on Climate-related Financial Disclosures (“TCFD”).

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped our sustainability efforts to the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 (“UN Sustainability Agenda”). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all countries – developed and developing – in a global partnership. We incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy. We relied on internal data monitoring and verification to ensure accuracy for this Report. An internal review on sustainability reporting is incorporated into the risk-aligned internal audit rotational plan and we will also work towards external assurance for our future sustainability reports.

We welcome our stakeholders to provide feedback on this Report and our sustainability performance by writing to our dedicated email account of [sustainability@abr.com.sg](mailto:sustainability@abr.com.sg).

# / SUSTAINABILITY REPORT

## POLICY, PRACTICE AND PERFORMANCE REPORTING

Our sustainability reporting policy (“**SR Policy**”) covers the sustainability strategies and processes in place to identify and monitor key Sustainability Factors and serves as a point of reference to how we conduct our sustainability reporting. Under this SR Policy, we review our key Sustainability Factors from time to time, taking into account the feedback that we receive from our engagement with our stakeholders as well as considering relevant internal and external developments.

### Sustainability Reporting Processes

A sustainability report is published annually in accordance with our SR Policy. Under our SR policy, our sustainability reporting process begins with an understanding of the Group’s context. This is followed by the ongoing identification and assessment of the Group’s sustainability-related impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of key Sustainability Factors disclosed in this Report.

Process involved are shown in the chart below:



### Materiality Assessment

We consistently refine our management approach to effectively respond to the dynamic shifts within the business landscape. Aligned with the GRI standards, a cornerstone of our commitment is the undertaking of annual materiality assessment to ensure ongoing relevance and materiality of sustainability issues are addressed and disclosed within this Report.

The scope of materiality assessment encompasses both positive and negative, actual and potential impacts that may arise, and are based on: (i) the likelihood of occurrence; and (ii) their significance on the economy, environment, social aspects and contribution to sustainable development.

**Performance Tracking and Reporting**

We track the progress of our key Sustainability Factors by identifying, monitoring and measuring the relevant data points. In addition, we set performance targets that are aligned with our business strategies to ensure that we remain focused in our path to sustainability. We aim to consistently enhance our performance-monitoring and data collection processes.

**Stakeholder Engagement**

Through a stakeholder mapping exercise, we identified key stakeholder groups which we prioritise our engagements with. These include entities or individuals that have an effect on or are affected by the Group and our activities.

Our efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprises communities, customers, employees, regulators, shareholders and suppliers. As a Group, we actively engage our key stakeholders regularly through both formal and informal communication channels as follows:

Stakeholder	Communication Frequency	Communication Channel	Key Concern of Stakeholder
Communities	Ongoing	Corporate giving and philanthropy activities	<ul style="list-style-type: none"> <li>Corporate social responsibility</li> <li>Environmental initiatives</li> </ul>
	Ongoing	Engagement with community projects and charities	
	Ongoing	Open feedback channels	
Customers	Ongoing	Guest satisfaction surveys	<ul style="list-style-type: none"> <li>Customer health and safety</li> <li>Customer service</li> </ul>
	Ongoing	Open feedback channels	
Employees	Regularly	Induction programme for new employees	<ul style="list-style-type: none"> <li>Career development and training opportunities</li> <li>Work-life balance</li> <li>Job security</li> <li>Remuneration</li> <li>Workplace health and safety</li> </ul>
	Regularly	Training and development programmes	
	Annually	Career development performance appraisals	
	Regularly	Recreational and wellness activities	
	Regularly	E-mails and meetings	
Regulators	Ongoing	Meetings and dialogue sessions	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Workplace health and safety</li> <li>Food safety and hygiene</li> <li>Environmental compliance</li> </ul>
	Regularly	Membership in industry associations such as Singapore Institute of Directors, Singapore Business Federation and Restaurant Association of Singapore	
Shareholders	Regularly	SGXNet	<ul style="list-style-type: none"> <li>Sustainable business performance</li> <li>Market valuation</li> <li>Dividend payment</li> <li>Corporate governance</li> <li>Environmental initiatives</li> </ul>
	Annually	Annual General Meeting	
	As required	Extraordinary General Meeting	
Suppliers	Ongoing	Supplier evaluation	<ul style="list-style-type: none"> <li>Quality, safety and hygiene of sources</li> <li>Demand volatility</li> </ul>
	Ongoing	Established channel of communications	

Through the above channels and interactions, we seek to identify material issues relevant to our key stakeholders, thereby promote more effective communications and respond to their concerns.

# / SUSTAINABILITY REPORT

## KEY SUSTAINABILITY FACTORS

In FY2023, we conducted a stakeholder engagement session and materiality assessment<sup>6</sup> to understand the concerns and expectations of our key stakeholders. Through this session and assessment, factors with significant impacts to the sustainability of our business were updated. In this Report, we also reported on our progress in managing these factors and set related targets to improve our performance.

Our key Sustainability Factors are presented in the table below:

S/N	Sustainability Factor	SDG	Key Stakeholder
<b>Economic</b>			
1	Total Customer Satisfaction	Decent work and economic growth	<ul style="list-style-type: none"> <li>Customers</li> <li>Suppliers</li> </ul>
2	Sustainable Business Performance	Decent work and economic growth	<ul style="list-style-type: none"> <li>Employees</li> <li>Regulators</li> <li>Shareholders</li> </ul>
<b>Environmental</b>			
3	Water Conservation	Clean water and sanitation	<ul style="list-style-type: none"> <li>Communities</li> <li>Shareholders</li> </ul>
4	Energy Conservation and GHG Emissions Reduction	Affordable and clean energy	<ul style="list-style-type: none"> <li>Communities</li> <li>Shareholders</li> </ul>
5	Responsible Waste Management	Responsible consumption and production	<ul style="list-style-type: none"> <li>Communities</li> <li>Regulators</li> <li>Shareholders</li> </ul>
<b>Social</b>			
6	Occupational Health and Safety	Good health and well-being	<ul style="list-style-type: none"> <li>Employees</li> <li>Regulators</li> </ul>
7	Talent Retention and Development	Quality education	Employees
8	Diversity and Equal Opportunity	Reduced inequalities	Employees
9	Ongoing Community Engagement	Sustainable cities and communities	Communities
10	Commitment to Consistent Quality and Food Safety	Peace, justice and strong institutions	<ul style="list-style-type: none"> <li>Customers</li> <li>Regulators</li> <li>Suppliers</li> </ul>
<b>Governance</b>			
11	Robust Corporate Governance Framework	Peace, justice and strong institutions	<ul style="list-style-type: none"> <li>Regulators</li> <li>Shareholders</li> </ul>

Please refer to the appendix 'Supporting the SDGs' section in this Report on our efforts in addressing these goals.

We update the key Sustainability Factors on an annual basis to reflect changes in business operations, environment, stakeholders' feedback and sustainability trends. The details of each key Sustainability Factor are presented as follows:

<sup>6</sup> The Company engaged both internal and external stakeholders of employees and suppliers for the purposes of the materiality assessment.

### **Total Customer Satisfaction**

We are committed to retain and build a loyal customer base to achieve long-term sustainability by maximising customers' experiences. As an established 'family-friendly' F&B brand, we constantly strive to build brand loyalty among our diverse customers and grow our business across multi-generational groups.

### Wide Brand and Menu Item Offering

Over the past four decades, we expanded our menu offerings to provide a wide spectrum of localised cuisines and seasonal menu items that cater to our customers' preference. We aspire to create memorable dining experiences for all customers. We prioritise research and development ("**R&D**") by launching distinct products and revised menu items in response to dynamic consumer trends regularly. Such initiatives implemented include:

- Swensen's ground-breaking Ultra Burger Series, smashed burgers handcrafted with succulent smashed beef patty and delectable ingredients, tucked inside a soft, toasted brioche;
- Swensen's Ramadan Specials including Satay Ayam with Rice, mouth-watering IMPOSSIBLE Satay Pizza and Ramadan Iftar Platter for sharing;
- Impressively true-to-life 'Nugget' Ice Cream, bite-sized addition to Swensen's Ice Cream that are artfully moulded and coated with crispy cereal bits; and
- Our iconic heritage brand 'Tip Top' is renowned for delicious traditional curry puffs, inspired by local Asian flavours. Our puffs are made with a special blend of 18 spices, premium potatoes and ingredients. Starting out with our signature handmade curry chicken puff, our menu item has since expanded to include Sardine, Nonya Beef Rendang, Chilli Crab as well as flaky puff.

### Convenience for our Customers

In order to increase accessibility for all customers and raise brand awareness, we adopt a multi-locational strategy by setting up outlets at various strategic locations. Swensen's has an extensive network of outlets for customers across Singapore, both within city centres and at popular heartland malls. As at 31 December 2023, we operate a total of 25 Swensen's outlets (FY2022: 25 outlets).

### Provide Safe and Quality Products

We strictly adhere to market standards and best practices in our operations to ensure quality and safety in our products and services. For further details on how we maintain product safety and consistency in quality, refer to '*Commitment to Consistent Quality and Food Safety*' section of this Report.

### Delivering Excellent Service

We strive to meet and exceed our customer's expectations by not only providing a wide variety of quality food, but also excellent customer service at our restaurant outlets.

During the Reporting Period, our Group was awarded by the Restaurant Association of Singapore with a total of 21 Excellent Service Awards, comprising 4 Star awards, 4 Gold awards and 13 Silver awards in recognition of excellent service delivery. In recognition for going the extra mile for the customer, Jimson Crisostomo Castro, Senior Restaurant Manager of ABR, won the Outstanding Service Team of the Year, the highest-tier service award by the Changi Airport Group.

### Build Loyalty Through Membership Programme

To enhance brand loyalty amongst our customers, we connect with our customers through our Swensen's Cool Rewards Membership and Chilli Padi's Spicy Rewards. To further strengthen our customer engagement channels, we launched our Telegram customer relationship management chatbot in May 2023.

In recognition of our efforts in brand building, Swensen's was recognised in the Platinum Category for the Reader's Digest Trusted Brands 2023, Company of Good's Champion of Good 2023 and the Singapore Retailers Association's Excellent Service Award 2023.

# / SUSTAINABILITY REPORT

## Sustainable Business Performance

We are committed to provide value to various stakeholders through relevant and meaningful ways to enable a more sustainable future. Details of our financial performance can be found in the financial contents and audited financial statements of this Annual Report.

## Water Conservation

We recognise the importance of managing our water consumption efficiently and avoid the depletion of valuable water resources. Accordingly, we are committed to the responsible usage of water resources through enhancing our water consumption efficiency.

We rely on water resources to run our operations primarily in the following areas:

- Preparation of our products such as soup base;
- Dishwashing; and
- Kitchen cleaning.

Besides our internal efforts on water conservation, Swensen partnered with Public Utilities Board (“PUB”) on their annual Singapore World Water Day campaign every March since 2019, to rally the nation in order to show our gratitude for the water resources and promote efficient usage of water. PUB’s water conservation message is promoted through in-store materials and social media platform.

Key statistics on water consumption during the Reporting Period are as follows:

Resource	Unit of Measurement	FY2023	FY2022
Water consumption	Cu M	138,155	120,587
Water consumption intensity	Cu M/revenue S\$’000	1.18	1.19

For the Reporting Period, while our total water consumption increased as a result of increase in business activities, our water consumption intensity reduced slightly as we intensified our water conservation efforts. We shall continue our water conservation efforts by tracking water consumption, observe fluctuation patters and take corrective actions if required.

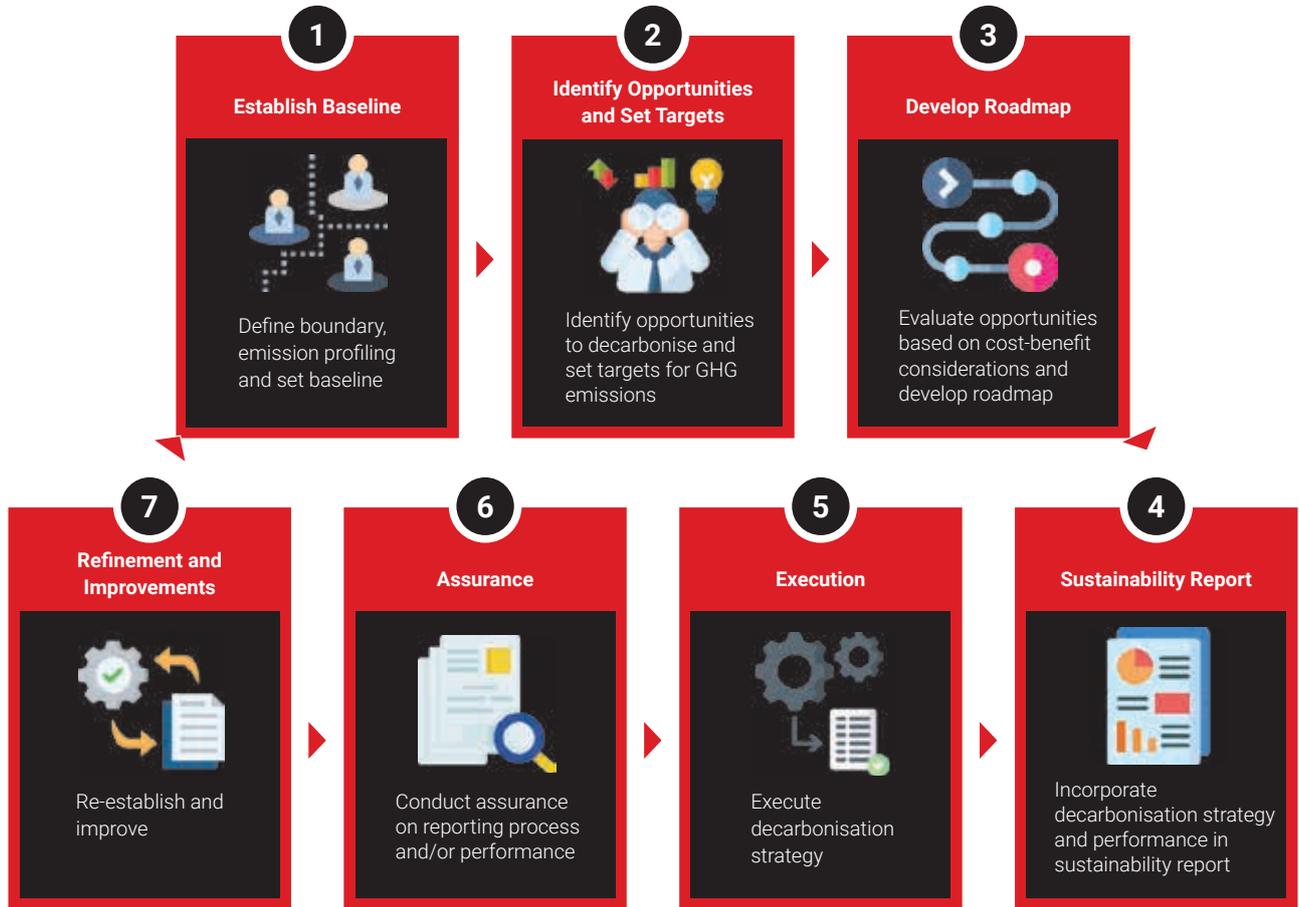
## Energy Conservation and GHG Emissions Reduction

We acknowledge that our energy consumption and the resultant GHG emissions contribute to climate change. Accordingly, we are committed to reduce our carbon footprint whilst open to capitalise on opportunities that may arise as we transit to become a low-carbon organisation.

We aim to reduce our environmental footprints and at the same time, establish operational resilience to deliver long-term and sustainable value to our stakeholders of communities, shareholders, employees, customers and suppliers. We adopt a balanced approach in managing and minimising the impacts arising from our business operations effectively.

Decarbonisation Approach

To achieve our decarbonisation goals, we set up a seven-step continuous circular process for our decarbonisation efforts as follows:



This year, we conducted a GHG emission profiling exercise for our Scope 1, 2 and 3 GHG emissions based on defined organisational boundaries. We track and monitor our Scope 1, 2 and certain categories of Scope 3 GHG emissions closely and are developing mechanism to track our other categories of our scope 3 GHG emissions, where relevant and practicable.

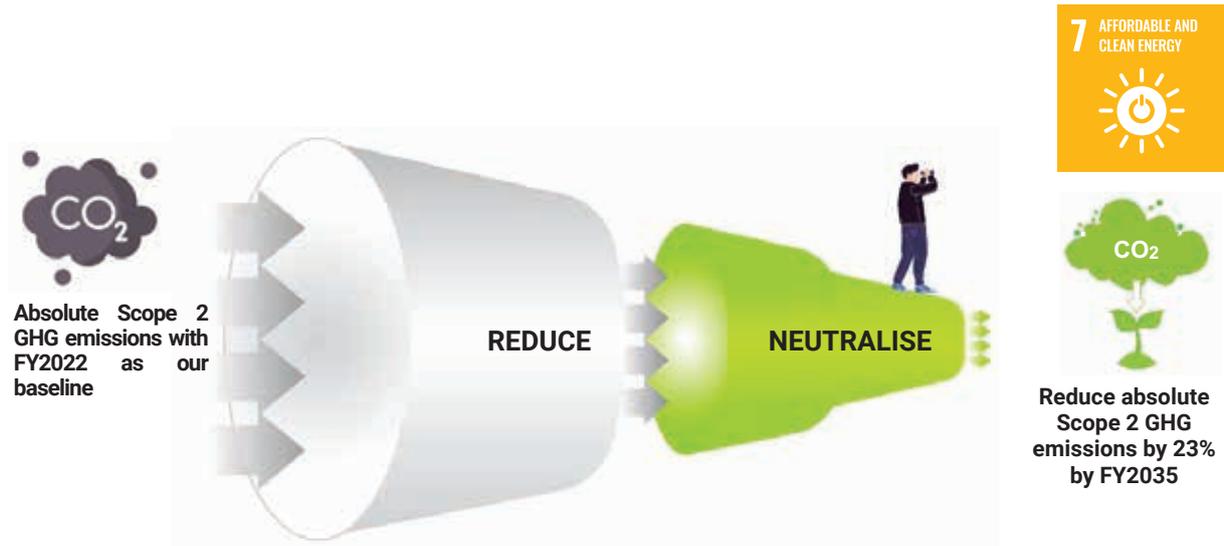
We also developed a climate change transition plan and will refine and improve our climate change transition plan as we progressively implement the plan, by considering changes in business operations, environment and market trends. Progress updates and performance will be provided in our sustainability reports with assurance on the reporting process covered by an internal review.

# / SUSTAINABILITY REPORT

## Climate Change Transition Plan

Our climate change transition plan steers us on our decarbonisation journey. Under this strategy, we commit to reduce our absolute Scope 2 GHG emissions by 23% and by FY2035, with FY2022 with our base year. As we are still analysing our Scope 1 GHG emissions trend, decarbonisation target setting for Scope 1 GHG emissions is deferred till a time when we better understand the trend and how we can better control such GHG emissions. Our climate change transition plan is focused on two strategic levers of reduce and neutralise as follows:

### Climate Change Transition Plan



Details of our strategic levers are as follows:

Lever	Reduce	Neutralise
Description	<ul style="list-style-type: none"> <li>Reduce absolute GHG emissions first within our operations and followed by our supply chain</li> <li>Replace existing energy source with low or zero-carbon sources</li> </ul>	Neutralise unavoidable residual GHG emissions
Focus Area	<ul style="list-style-type: none"> <li>Energy efficiency                             <ul style="list-style-type: none"> <li>Machinery and Equipment</li> <li>Lighting</li> <li>Cooling</li> <li>Electric vehicle</li> </ul> </li> <li>Clean energy</li> </ul>	<ul style="list-style-type: none"> <li>Renewable energy certificates ("REC")</li> <li>Carbon credits</li> </ul>

## / PLATES OF PROGRESS

We track and review spending on energy consumption regularly to control usage and take corrective actions when unusual consumption patterns are observed. We continuously strive to improve our energy use and efficiency through the following initiatives and aspirations:

Lever	Key Initiative	Description
Reduce	Reduction in energy consumption through efficient machinery and equipment	Our initiatives on this front include: <ul style="list-style-type: none"> <li>Regular maintenance of machinery and equipment to optimise energy efficiency;</li> <li>Regular cleaning of filters for air-conditioning systems to reduce air flow resistance; and</li> <li>Adopt greener work practices such as switching off appliances when not in use and enabling power saving modes.</li> </ul>
	Reduction in energy consumption through energy efficient lighting	We use motion sensors in our lighting systems.
	Reduction through replacement of existing vehicles with electric vehicles	Our motor vehicles are currently powered by diesel fuel which emits more carbon dioxide than electric vehicles for each unit of distance travelled. We are considering switching to electric-powered motor vehicles which are cleaner than diesel-powered ones when the need arises.
	Reduction through switching to renewable energy source	We constantly explore opportunities to use clean and/or renewable energy available in the locations that we operate in.
Neutralise	<ul style="list-style-type: none"> <li>REC</li> <li>Carbon credits</li> </ul>	The Group plans to explore the use of REC and carbon credits to offset unavoidable residual GHG emissions when the relevant markets mature.

Energy conservation and GHG emissions management is of paramount concern to the Group. As part of our efforts to mitigate climate change, we are committed to responsible usage of energy and GHG emissions reduction through enhancing our energy efficiency and carbon reduction initiatives.

To run our operations, we rely mainly on the following energy sources:

- Diesel fuel for delivery vehicles;
- City gas for cooking purposes; and
- Electricity for running equipment for refrigeration, lighting, cooling and ventilation.

Key statistics on electricity consumption and GHG emissions during the Reporting Period are as follows:

Performance Indicator	Unit of Measurement	FY2023	FY2022
<b>Energy consumption</b>			
Diesel consumption	litre	<b>234,491</b>	121,602
Diesel consumption intensity	litre/revenue \$'000	<b>2.01</b>	1.20
City gas consumption	kWh	<b>5,546,706</b>	4,798,909
City gas consumption intensity	kWh/revenue \$'000	<b>47.47</b>	47.17
Electricity consumption	kWh	<b>11,787,842</b>	11,170,016
Electricity consumption intensity	kWh/revenue \$'000	<b>101</b>	110

# / SUSTAINABILITY REPORT

Performance Indicator	Unit of Measurement	FY2023	FY2022
<b>GHG emissions</b>			
Direct GHG emissions (Scope 1) <sup>7</sup>	tonnes CO <sub>2</sub> e	1,533	1,102 <sup>1</sup>
Indirect GHG emissions (Scope 2) <sup>8</sup>	tonnes CO <sub>2</sub> e	5,249	4,904
Total GHG emissions (Scope 1 and 2)	tonnes CO <sub>2</sub> e	6,782	6,006 <sup>1</sup>
GHG emissions intensity	tonnes CO <sub>2</sub> e/revenue \$'000	0.058	0.059 <sup>1</sup>

For the Reporting Period, our total GHG emissions increased as a result of an increase in business activities. However, our GHG emissions intensity reduced slightly as we intensified our energy conservation efforts. We shall continue to focus on our energy conservation efforts by tracking our energy consumption and relevant GHG emissions, observe fluctuation patterns and take corrective actions.

During the Reporting Period, we started tracking our Scope 3 GHG emissions<sup>9</sup> arising from employee commuting (category 7):

Category	Coverage	Unit of Measurement	FY2023 <sup>10</sup>
Category 7: Employee commuting	Transportation of employees between their homes and their worksites	tonnes CO <sub>2</sub> e	771

## Responsible Waste Management

Waste generated from our restaurant and manufacturing operations includes food waste and waste oil. We recognise that improper treatment and disposal of waste oil pose harm to human health and the environment. Waste oil generated from operations is disposed via a licensed used oil collector so that it can be properly treated before being recycled through an accredited oil collector.

During the Reporting Period, total waste oil generated amounted to 204,221kg (FY2022: 177,739kg) and 33% of the oil waste is recycled (FY2022: 33%). The increase in oil waste generated correlates with the increase in business activities.

As part of Food Panda's Green Label initiative, Swensen's is proud to be one of the pioneer merchants certified as a Green Label Merchant since 2022. Under this certification, all our Swensen's restaurants are verified by a third party based on pre-set of criteria including conscious food, sustainable packaging, waste reduction, food waste, social welfare, carbon reduction, power supply, awareness and education.

As part of our efforts to minimise waste generated, Swensen's embarked on eco-conscious practices in our restaurants, whereby straws are provided upon request.

## Occupational Health and Safety

We strive to ensure that the health and safety of our employees are taken care of and we are committed to safeguard our employees' health and safety against any potential workplace hazards as it is a basic need of our workers to work in a safe environment. A safe environment also increases productivity so that we can give our best to our customers. A safety committee, safety handbook and safety trainings are in place to ensure a hazard-free workplace.

The Ministry of Manpower ("MOM") and Central Provident Fund ("CPF") Board conduct regular inspections to help business entities comply with the Employment Act and CPF Act. During the Reporting Period, MOM conducted a Workright Inspection for ABR and found zero non-compliance with employment laws (FY2022: none).

In FY2023, we encountered zero workplace fatalities, zero high-consequence work-related injuries<sup>2</sup>, 24 recordable work-related injuries and zero recordable work-related ill-health cases<sup>3</sup> (FY2022: no workplace fatalities, no high-consequence work-related injuries, 30 recordable work-related injuries and 1 recordable work-related ill health case). The recordable work-related injuries are mainly due to minor cuts during kitchen operation. We strengthened the relevant policies and procedures to reinforce workplace safety measures and to further minimise the occurrence of safety incidents.

7 GHG emissions from consumption of diesel and city gas controlled by the company (Scope 1) are calculated based on the 2006 Intergovernmental Panel on Climate Change ("IPCC") Guidelines for National Greenhouse Gas Inventories.

8 GHG emissions from electricity purchased by the company (Scope 2) are calculated using the location-based methods based on the GHG emissions factors published by the relevant local authorities.

9 Scope 3 GHG emissions are calculated using Carbon and Emissions Recording Tool calculation tool.

10 Comparative data is not available as it was not tracked previously.

### Talent Retention and Development

We recognise our role in providing equitable, quality education for our employees. Our employees are the drivers of our business and we believe in creating a respectful, rewarding and safe working environment for our people.

We respect the protection of internationally proclaimed human rights of our employees, support the elimination of all forms of forced labour, especially child labour. We do not tolerate any discrimination in respect of employment and occupation.

In addition, we care for our employees' well-being through employee benefits and activities to promote healthy living and work-life balance. The employee benefits include medical insurance coverage, reimbursements for medical consultation in polyclinics and government hospitals as well as dental benefits for all confirmed employees. We promote staff wellness and healthy lifestyle through organising recreational activities such as handicraft activities, bowling and bouldering sessions on a regular basis. We also provide pro-family benefits to eligible confirmed employees which include maternity leave, childcare leave and paternity leave.

To attract and retain talent, we implemented flexible work arrangements for both corporate and operations employees. Such arrangements include telecommuting, flexi-hours, flexi-shift, staggered time, interim work and part-time work. Our employees play a crucial role in the growth of our Group and we believe in continual investment in our employees and maintaining a strong and cohesive workforce. To this end, we invested our efforts in hiring, retaining and nurturing of our people.

Key statistics on new employees hires and employee turnover are as follows:

#### New Hires<sup>11</sup>

Disclosure	FY2023		FY2022	
	Count	Percentage	Count	Percentage
<b>Overall</b>	<b>653</b>	<b>36%</b>	928	69%
<b>Gender</b>				
Male	<b>402</b>	<b>40%</b>	473	69%
Female	<b>251</b>	<b>31%</b>	455	69%
<b>Age</b>				
Below 30	<b>378</b>	<b>49%</b>	547	101%
30 to 50	<b>207</b>	<b>30%</b>	261	52%
Above 50	<b>68</b>	<b>19%</b>	120	41%

#### Turnover<sup>12</sup>

Disclosure	FY2023		FY2022	
	Count	Percentage	Count	Percentage
<b>Overall</b>	<b>589</b>	<b>32%</b>	654	49%
<b>Gender</b>				
Male	<b>296</b>	<b>29%</b>	320	47%
Female	<b>293</b>	<b>37%</b>	334	51%
<b>Age</b>				
Below 30	<b>368</b>	<b>48%</b>	372	69%
30 to 50	<b>146</b>	<b>22%</b>	175	35%
Above 50	<b>75</b>	<b>21%</b>	107	36%

<sup>11</sup> New hires is computed based on the number of new hires over total employees.

<sup>12</sup> Turnover is computed based on the number of turnovers over total employees.

# / SUSTAINABILITY REPORT

During the Reporting Period, our new hire and turnover rates improved due to a refinement in our internal hiring processes, as well as a consolidation and stabilisation of manpower requirements in the F&B industry. Nevertheless, we shall continue to work towards improving our new hire and turnover rates by focusing on the needs of our employees.

During the Reporting Period, there was zero (FY2022: zero) non-compliance incident of manpower related rules and regulations.

## Training and Education

Performance Indicator	FY2023	FY2022
<b>Overall</b>		
Total training hours	6,435	3,134
Average training hours per employee	5.7	3.5
<b>Gender (Male)</b>		
Total training hours	4,830	1,999 <sup>1</sup>
Average training hours per employee	7.0	4.0 <sup>1</sup>
<b>Gender (Female)</b>		
Total training hours	1,605	1,135 <sup>1</sup>
Average training hours per employee	3.6	2.8 <sup>1</sup>

During the Reporting Period, our training hours increased as part of our strategic investment in employees. We shall continue to provide training and development avenues and opportunities to our employees so that our staff can improve and grow organically within the Group.

In addition, assessments are performed regularly to evaluate the performance of employees as this helps to encourage them to take self-initiated enrichment actions to improve themselves. During the Reporting Period, 100% of our employees who are entitled to receiving performance appraisal, were appraised accordingly (FY2022: 100%).

## Diversity and Equal Opportunity

We are committed to provide a work environment that fosters fairness, equality and respect regardless of age, gender, race or nationality for our employees. A diverse workforce supports business sustainability by providing different perspectives and insights to the team which can contribute to increased productivity and profitability as well as building a positive image and reputation for the organisation. The total number of full-time employees as at 31 December 2023 is 1,814 (FY2022: 1,340).

### Gender Diversity (%)

We view gender diversity as an essential element in supporting sustainable development. Key statistics on gender diversity of our employees are as follows:

Disclosure	FY2023		FY2022	
	Male	Female	Male	Female
<b>Overall</b>	56%	44%	51%	49%
<b>Management level</b>				
Management	62%	38%	63%	37%
Non-management	55%	45%	49%	51%
<b>Employment type</b>				
Full-time	61%	39%	55%	45%
Part-time	48%	52%	44%	56%

**Age Diversity (%)**

We maintain a fair and open employment policy through providing fair employment opportunities to both young and mature workers. Key statistics on age diversity of our employees are as follows:

Disclosure	FY2023			FY2022		
	Below 30	30 – 50	Over 50	Below 30	30 – 50	Over 50
<b>Overall</b>	<b>43%</b>	<b>37%</b>	<b>20%</b>	40%	38%	22%
<b>Management level</b>						
Management	<b>18%</b>	<b>62%</b>	<b>20%</b>	9%	64%	27%
Non-management	<b>48%</b>	<b>32%</b>	<b>20%</b>	47%	32%	21%
<b>Employment type</b>						
Full-time	<b>32%</b>	<b>48%</b>	<b>20%</b>	31%	46%	23%
Part-time	<b>60%</b>	<b>21%</b>	<b>19%</b>	61%	19%	20%

During the Reporting Period, we have zero (FY2022: zero) reported incidents of unlawful discrimination against employees<sup>4</sup>.

To maintain a sustainable workforce with a well-balanced age group structure, we look to attract the younger generation by reaching out to vocational institutes with internship programmes, sponsorships, and providing more career advancement opportunities. We strictly adhere to the Tripartite Alliance for Fair and Progressive Employment Practices (“TAFEP”) guidelines and signed the TAFEP Pledge of Fair Employment Practices to adopt the principles of fair employment practices.

We continued to provide employment opportunities to employees with special needs from various programmes such as: (i) Association for Persons with Special Needs; (ii) NorthLight School, a school focused on students with difficulties handling mainstream curriculum; and (iii) Yellow Ribbon Singapore.

**Ongoing Community Engagement**

We recognise that the long-term success of our business is closely knitted to the well-being of the community we operate in. Accordingly, we strive to constantly give back to the community, which contributed to our success over the years, by providing a helping hand to those in need. We partner with various organisations, including government bodies and registered charities to address a variety of causes.

During the Reporting Period, some of our notable community engagement activities include:

**Swensen’s X The Art Faculty (“TAF”) Mooncake Packaging 2023** features an exclusive commissioned artwork created by the talented students from Pathlight School on eco-bags used for mooncake packages. A portion of the sales from the mooncakes was channelled to support TAF.

**SG Care Giving Week** through Glyph, a non-profit organisation with a community comprising of kids and youths from 5 – 16 years old, from low-income, single or dysfunctional families. Alongside Glyph’s aim to provide a holistic education with equal opportunities for these children and youth by running various field trips, workshops and training programmes, ABR partnered with Glyph to organise ice cream related workshops cum plant tours for children between age 6 – 12 from the Glyph community on both 2 and 3 December 2023. ABR staff volunteers and their family members were also involved in this skill-based volunteering activity.

**Club Rainbow Singapore** is a charitable organisation that provides compassionate services to chronically ill children and their families that ABR engaged since 2005. Besides annual sponsorship of Club Rainbow’s fund-raising initiatives, Camp Rainbow and Ride For Rainbows events, ABR also gave out more than 1,000 Swensen’s ice-cream birthday cakes to the children.

# / SUSTAINABILITY REPORT

**Asian Women's Welfare Association ("AWWA") Home Lunches** AWWA Home beneficiaries were hosted by Swensen's @ T3 for lunches during their tours of Jewel and Changi Airport in a collaboration with AWWA, its youth volunteers and Sumitomo Mitsui Trust Bank.



**Ice Cream Mooncakes for Tan Tock Seng Hospital ("TTSH") Frontliners** 6,000 ice cream mooncakes were distributed to frontliners at TTSH in appreciation of their hard work and dedication in September 2023.



### **Commitment to Consistent Quality and Food Safety**

We are committed to deliver the best to our customers by providing quality and safe products for our long-term business sustainability. We adopted stringent food quality and safety management practices throughout our entire business process.

#### Customer Health and Safety

In addition to adhering to Singapore's regulations and voluntary codes, stringent controls and internationally accredited food safety management systems are also implemented to ensure that public health and safety are safeguarded. In our restaurant operations, we maintain a core team of Food Hygiene Officers ("**FHO**"), comprising 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. FHO are certified and underwent training to achieve Workforce Skills Qualifications Conduct F&B Audit.

For our factory, a food safety management system based on hazard analysis critical control point ("**HACCP**") is implemented 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 as to reduce or eliminate the risks. We will continue to review and update the system where necessary and conduct regular audits on the effectiveness of the system. Gaps identified during such audits are followed-up and addressed timely.

As at 31 December 2023, more than 90% (FY2022: more than 90%) of our restaurant outlets and manufacturing facilities achieved Gold Category from Singapore Food Agency ("**SFA**").

#### Halal Certification

Most of our operations<sup>13</sup> in Singapore and Malaysia are Halal-certified by the Majlis Ugama Islam Singapura ("**MUIS**" also known as "Islamic Religious Council of Singapore") and the Jabatan Kemajuan Islam Malaysia ("**JAKIM**" also known as "Department of Islamic Development Malaysia"). Regular audits are conducted to ensure that we are compliant with MUIS and JAKIM requirements for display of Halal certification.

As a Halal certified business, we comply to a stringent supplier assessment process, to ensure that the regulatory requirements such as humane slaughtering of animals are met. Our suppliers must comply with the relevant Halal certification requirements and all products received from our suppliers must be certified by an approved Halal Certifying Body, by MUIS or JAKIM directly.

#### Healthier Dining Programme

As a healthier dining partner of the Health Promotion Board ("**HPB**"), 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 FY2023, healthier choice dishes contributed to 8% (FY2022: 7%) of our sales.

Besides being a pioneer Healthier Dining Partner of HPB since 2014, Swensen's also continued its endorsement in Healthier Children's Meal.

#### Responsible Sourcing and Supplier Evaluation

The sustainability of our supply chain forms a key part of our sustainability. We believe that supply chain evaluations are crucial to ensure the quality and consistency of ingredients sourced. Suppliers are selected after stringent assessments by our centralised procurement team which are conducted based on standardised evaluation criteria. Suppliers are required to hold the relevant certifications such as International Organisation of Standardisation 22000, HACCP and provide official supporting documents for verification by the procurement team. Our suppliers are regularly evaluated post acceptance to ensure continual compliance with food health and safety as well as hygiene standards. The supply chain management team would conduct factory and site visits of key suppliers periodically where practicable.

Visits made ensure that suppliers fulfil our responsible sourcing requirements and to identify ways whereby our teams can engage suppliers to improve our working relationships.

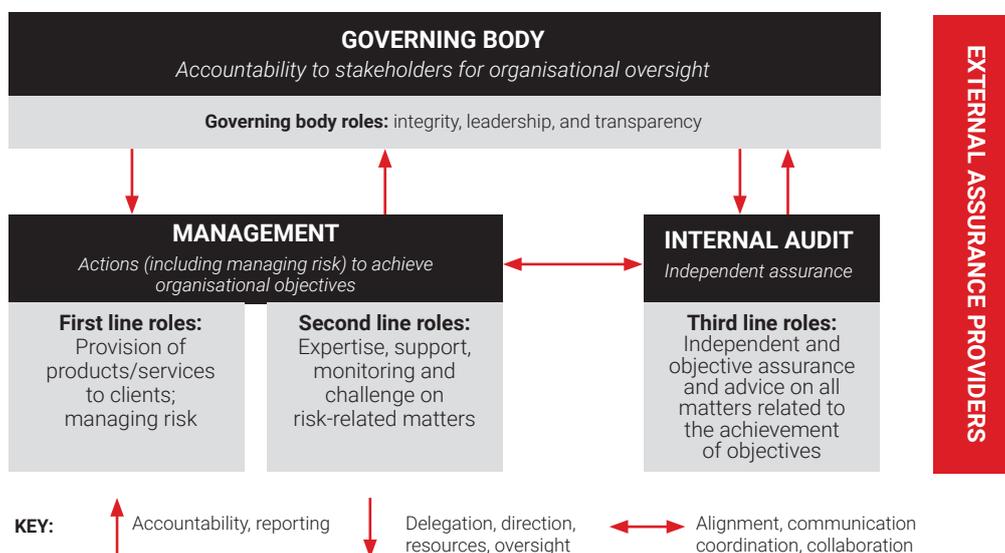
<sup>13</sup> All of our operations in Singapore are Halal Certified with the exception of certain entities under Chilli Padi Holding Pte Ltd.

# / SUSTAINABILITY REPORT

## Robust Corporate Governance Framework

Being a reputable public-listed restaurant chain, maintaining public trust is of utmost priority. The Group 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. During the Reporting Period, there are zero incidents of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations (FY2022: zero incident).

We aligned our corporate governance and risk management approach with the Three Lines Model published by the Institute of Internal Auditors (“IIA”). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first- and second-line roles), internal audit (third-line roles) and the relationship among them are defined as follows:



Source: Three Lines Model of the IIA

An ERM framework is implemented to track and manage the risks to which we are exposed. We regularly assess and review our businesses and operational environment to identify and manage emerging and strategic risks that may impact our sustainability. We believe that it is important to eliminate the risk of undesirable behaviour among employees in order to prevent reputational damage and establish stakeholder trust. With a positive and proactive attitude, we believe that risks faced by the Group could be converted into opportunities and favourable results.

A whistle-blowing 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. In FY2023, there was zero incident of serious offence<sup>5</sup> reported (FY2022: zero incident).

Refer to the Corporate Governance Report of the Annual Report for details for our corporate governance practices.

**Targets and Performance Highlights**

To measure our ongoing sustainability performance and drive continuous improvement, we developed a set of targets related to our key Sustainability Factors. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

Legend	Progress Tracking
○○○	New target
●●●	Target achieved
●●○	On track to meet target
●○○	Not on track, requires review

S/N	Key Sustainability Factor	Target <sup>14</sup>	Performance in FY2023
<b>Economic</b>			
1	Total Customer Satisfaction	<u>On-going and long-term</u> Continue with collaborations and partnerships to maintain customer satisfaction	●●●
2	Sustainable Business Performance	<u>On-going and long-term</u> Maintain or improve our financial performance subject to market conditions	●●●
<b>Environment</b>			
3	Water Conservation	<u>On-going and long-term</u> Maintain or reduce water consumption intensity	●●●
4	Energy Conservation and GHG Emissions Reduction	<u>Short-term</u> <ul style="list-style-type: none"> <li>Maintain or reduce GHG emissions intensity by FY2025 with FY2022 as our baseline</li> </ul> <u>Ongoing and long-term</u> <ul style="list-style-type: none"> <li>Reduce absolute Scope 2 GHG emissions by 23% and by FY2035, with FY2022 as baseline</li> </ul>	○○○
5	Responsible Waste Management	<u>On-going and long-term</u> Maintain or improve the percentage of waste oil recycled	●●●
<b>Social</b>			
6	Occupational Health and Safety	<u>Short-term</u> Reduce the number of recordable work-related injuries	●●●
7	Talent Retention and Development	<u>On-going and long-term</u> Maintain or improve average training hours per employee	●●●
8	Diversity and Equal Opportunity	<u>On-going and long-term</u> Maintain zero reported incident of unlawful discrimination against employees	●●●

<sup>14</sup> Time horizons for target setting are: (1) short-term: before FY2025; (2) medium-term: FY2025 – FY2035; (3) long-term: after FY2035; and (4) ongoing: continuous time horizon.

# / SUSTAINABILITY REPORT

S/N	Key Sustainability Factor	Target <sup>14</sup>	Performance in FY2023
9	Ongoing Community Engagement	<u>On-going and long-term</u> Continue to engage in community projects and charities.	●●●
10	Commitment to Consistent Quality and Food Safety	<u>On-going and long-term</u> <ul style="list-style-type: none"> <li>• Continue screening major suppliers using our vendor evaluation form</li> <li>• Maintain or improve grading from SFA for all restaurant outlets and manufacturing facilities</li> </ul>	●●●
<b>Governance</b>			
11	Robust Corporate Governance Framework	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> <li>• Maintain zero incident of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations</li> <li>• Maintain zero incident of serious offence</li> </ul>	●●●

**APPENDICES**  
Supporting the SDGs

SDG	Our Effort
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p><u>Occupational Health and Safety</u> We implement measures to ensure a safe and secure working environment for our employees.</p>
 <p>4 QUALITY EDUCATION</p>	<p><u>Talent Retention and Development</u> We invest in training, education and development of our people to enhance our business competencies.</p>
 <p>6 CLEAN WATER AND SANITATION</p>	<p><u>Water Conservation</u> We implement checks and measures to reduce water wastage in our business operations, which in turn help us to achieve sustainable management and efficient use of natural resources.</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p><u>Energy Conservation and GHG Emissions Reduction</u> We implement measures to reduce our energy consumption as not only does it help to improve energy efficiency and reduce GHG emissions, it also helps us to reduce costs incurred to support our business operations.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p><u>Total Customer Satisfaction</u> We place heavy emphasis on customer satisfaction as we understand that a high level of customer satisfaction is essential to the continued success of our business. This also helps to contribute to economic growth as well as the protection and creation of jobs.</p> <p><u>Sustainable Business Performance</u> We contribute to economic growth through creating long-term value for our stakeholders.</p>
 <p>10 REDUCED INEQUALITIES</p>	<p><u>Diversity and Equal Opportunity</u> We create a diverse and inclusive workplace that will bring new perspectives to our business and strengthen our ability to overcome new challenges.</p>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p><u>Ongoing Community Engagement</u> We initiate various campaign to give back to the community we operate in and promote sustainable communities.</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p><u>Responsible Waste Management</u> We implement measures and initiatives to help prevent and reduce waste that is generated from our business operations.</p>
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p><u>Commitment to Consistent Quality and Food Safety</u> We adopt stringent food quality and safety management practices throughout our entire business process to maintain the continued success of our business and promote effective and accountable institutions.</p> <p><u>Robust Corporate Governance Framework</u> We maintain a high standard of corporate governance to safeguard our shareholders' interest, maximise long-term shareholders' value and carry out business with integrity by avoiding corruption in any form.</p>

# / SUSTAINABILITY REPORT

## Supporting the TCFD

We are committed to support the recommendations by the TCFD and disclosed our climate-related financial disclosures in the following key areas as recommended by the TCFD:

### Governance

a. Describe the board's oversight of climate-related risks and opportunities.

The Board oversees the climate-related risks and opportunities and considers climate-related issues in setting the Group's strategic direction, policies and target setting.

b. Describe management's role in assessing and managing climate-related risks and opportunities.

The Chairman of the Board leads the SC in monitoring and managing our sustainability practices while reporting to the Board. The SC includes selected employees from key business units and corporate functions. The responsibilities of the SC cover the areas of developing sustainability strategy and policies, implementation of sustainability strategy, monitoring and reporting of performance data, management of climate-related risks and opportunities.

### Strategy

a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

The climate-related risks and opportunities identified by the Group during the ERM exercise includes the following:

- **Enhanced GHG emissions-reporting obligations** – With rising concerns over the effects of climate change, key stakeholders such as the regulators and shareholders are demanding climate-related information. Failure to comply with enhanced GHG emissions reporting obligations may lead to adverse impacts on the Group's reputation and financial performance. On the other hand, enhanced GHG emissions reporting obligations raise climate awareness amongst our employees and with more defined job responsibilities and training, the Group will be in a better position to use energy resources responsibly and meet the rising needs and expectations of regulators and our shareholders on the environment;
- **Changes in customer preferences** – With rising concerns over the effects of climate change, shifting consumer preferences for sustainable products that are less carbon intensive may arise, especially amongst younger consumers. A failure to adapt to shifting consumer preferences may adversely affect customer satisfaction, demand for our products and the Group's financial performance. In view of this development, the Group identified the opportunity to develop new plant-based products through R&D, hence expand to wider customer base. Refer to section 'Customer Satisfaction' for further details; and
- **Increased severity of extreme weather events** – Weather disruption, rising temperature, global warming and water scarcity arising from climate change may lead to adverse impact on livestock farming and consequentially increase the costs of raw materials. This raises awareness amongst our employees to be more environmentally conscious and reduce our environmental impact through initiatives such as energy efficiency measures and operational optimisation to reduce energy use where practicable.

The Group's assessment on potential implications of the above climate-related risks was undertaken based a range of climate scenarios using the Representative Concentration Pathway ("RCP") adopted by the IPCC.

Scenario	Description
IPCC RCP 2.6/1.5°C	This scenario is in line with Paris Agreement to limit global warming to below 2°C by 2100 as a result of efficiency enhancements and behaviour changes as key mitigation strategy
IPCC RCP 8.5/4°C	The 'business-as-usual' scenario assumes that GHG emissions continue to rise with significant increases in global temperatures of about 4.3°C by 2100, as no concerted efforts are made to reduce GHG emissions.

## / PLATES OF PROGRESS

We selected 1.5°C and > 4 °C warming scenarios for the purpose of our inaugural qualitative climate scenario analysis. The impact of the climate-related risks is analysed on group-wide activities in the short term (before FY2025), medium term (FY2025 – FY2035) and long term (after FY2035) with details as follows:

### Warming Scenario 1: 1.5°C Warming (RCP 2.6)

Risk	Significance of Financial Impact <sup>15</sup>		
	Short Term	Medium Term	Long Term
<b>Key transition risk identified</b>			
Enhanced GHG emissions-reporting obligations	●	●	●
Changes in customer preferences	●	●	●
<b>Key physical risk identified</b>			
Increased severity of extreme weather events	●	●	●

### Warming Scenario 2: > 4°C Warming (RCP 8.5)

Risk	Significance of Financial Impact		
	Short Term	Medium Term	Long Term
<b>Key transition risk identified</b>			
Enhanced GHG emissions-reporting obligations		NA <sup>16</sup>	●
Changes in customer preferences		NA <sup>16</sup>	●
<b>Key physical risk identified</b>			
Increased severity of extreme weather events		NA <sup>16</sup>	●

#### Legend

● Minor    ● Moderate    ● Major

In terms of our business strategy and financial planning based on the scenarios above, we will continue to formulate adaptation and mitigation plans and explore allocating resources towards transitioning to low-carbon practices. We strive to minimise the climate risks associated with our business and will seize opportunities in an effective manner such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. The climate scenario analysis is crucial in providing insights on the potential extent of the climate-related risk exposure to our businesses as well as the potential opportunities.

Through our climate scenario analysis, we concluded that unmitigated climate risks (under warming scenario > 4°C warming) may result in a severe financial impact in the long term. Under the warming scenario 1.5, the vast majority of the impact will be attributable to transition risks from the cost increase from enhanced GHG emissions-reporting obligations. To address the risks and capitalise on opportunities associated with climate change, we will continuously build on our strategy to remain resilient as we progress in our sustainability journey.

<sup>15</sup> Significance of financial impact is determined based on the risk appetite established in accordance with the Group's ERM framework.

<sup>16</sup> Not applicable as this scenario is unlikely in the short and medium-term.

## Risk Management

- a. *Describe the organisation's processes for identifying and assessing climate-related risks.*
- b. *Describe the organisation's processes for managing climate-related risks.*
- c. *Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.*

We updated our Group ERM framework and incorporated climate related considerations. Our ERM framework is updated to encompass risk assessment on a longer-term horizon which is supported by the monitoring of emerging risks. This will help the Group in addressing the long-term impact of climate change. The SC oversees our business units in leveraging on opportunities presented.

## Metrics and Targets

- a. *Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.*

We track, measure and report on our environmental performance, including energy, GHG emissions, water and waste management and disclose related metrics in our sustainability reports. Monitoring and reporting these metrics help us in identifying areas with key climate-related risks and enabling us to be more targeted in our efforts.

- b. *Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.*

To support the climate change agenda, we disclosed our Scope 1 and Scope 2 GHG emissions in this Report and set climate-related targets such as those related to GHG emissions, water and waste management.

We recognised the importance of monitoring our indirect Scope 3 GHG emissions and started tracking and disclosing indirect Scope 3 GHG emissions from employee commuting (category 7) in FY2023. We aim to review our Scope 3 GHG emissions to better track and disclose our material Scope 3 GHG emissions and expand the reporting coverage of our Scope 3 GHG emissions on categories relevant to the Group wherever applicable and practicable.

- c. *Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.*

As a commitment towards mitigating climate change, we set climate-related targets related to water consumption, waste management and GHG emissions. For further details, please refer to Section "Targets and Performance Highlights".

**GRI Content Index**

<b>Statement of use</b>	The Company has reported the information cited in the GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

<b>GRI standard</b>	<b>Disclosure</b>	<b>Location</b>
GRI 2: General Disclosures 2021	2-1 Organisational details	1, 6-13
	2-2 Entities included in the organisation's sustainability reporting	16
	2-3 Reporting period, frequency and contact point	2-3, 16-18
	2-4 Restatements of information	16, 25-26, 28
	2-5 External assurance	17
	2-6 Activities, value chain and other business relationships	6-13, 16
	2-7 Employees	28
	2-8 Workers who are not employees	We have approximately 73 workers who are not employees. They include stewards, interns, drivers, cleaners and contractors.
	2-9 Governance structure and composition	16-17, 42-43
	2-10 Nomination and selection of the highest governance body	53-55
	2-11 Chair of the highest governance body	42, 53
	2-12 Role of the highest governance body in overseeing the management of impacts	16-17, 36
	2-13 Delegation of responsibility for managing impacts	16-17, 36
	2-14 Role of the highest governance body in sustainability reporting	16-17, 36
	2-15 Conflicts of interest	48
	2-16 Communication of critical concerns	32, 60-61
	2-17 Collective knowledge of the highest governance body	16, 48-50
	2-18 Evaluation of the performance of the highest governance body	53-55
	2-19 Remuneration policies	55-57
	2-20 Process to determine remuneration	57
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.

# / SUSTAINABILITY REPORT

GRI standard	Disclosure	Location
	2-22 Statement on sustainable development strategy	2-3, 15
	2-23 Policy commitments	18-19, 32
	2-24 Embedding policy commitments	18-19, 32
	2-25 Processes to remediate negative impacts	32, 59-60
	2-26 Mechanisms for seeking advice and raising concerns	32, 62
	2-27 Compliance with laws and regulations	32, 36-38
	2-28 Membership associations	None
	2-29 Approach to stakeholder engagement	19-20
	2-30 Collective bargaining agreements	None
GRI 3: Material Topics 2021	3-1 Process to determine material topics	18
	3-2 List of material topics	20
	3-3 Management of material topics	21-32
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	36-38
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	32
	205-2 Communication and training about anti-corruption policies and procedures	32
	205-3 Confirmed incidents of corruption and actions taken	32
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	25
	302-2 Energy consumption outside of the organization	25
	302-3 Energy intensity	25
GRI 303: Water and Effluents 2018	303-5 Water consumption	22
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	26
	305-2 Energy indirect (Scope 2) GHG emissions	26
	305-3 Other indirect (Scope 3) GHG emissions	26
	305-4 GHG emissions intensity	26
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	26
	306-3 Waste generated	26

GRI standard	Disclosure	Location
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	27
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	27
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	26
	403-2 Hazard identification, risk assessment, and incident investigation	26
	403-8 Workers covered by an occupational health and safety management system	26
	403-9 Work-related injuries	26
	403-10 Work-related ill health	26
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	28
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	28-29
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	29
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	29-30

## / BOARD OF DIRECTORS



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### **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 appointed to serve as Nominated Member of Parliament on 23 July 2023.

Mr Chua was last re-elected as a director on 29 April 2022.

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### **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 29 April 2022.

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### **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 29 April 2022.

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### **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.



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**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 27 April 2023.



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**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 was 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 a director of Caregivers Alliance Limited.

Mr Lim was last re-elected as a director on 27 April 2023.



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**ANG JUN HUNG**

*Group Strategy and Operations Director/Alternate Director to Ang Yee Lim*

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

Mr Ang joined the Group in August 2019 as Group Investment Manager and was subsequently appointed as Group Strategy and Operations Director in June 2022.

In addition to overseeing the development and execution of the Group's strategic plans and initiatives, he also acts as advisor to the Group's senior leadership on matters pertaining to the overall management of day-to-day operations.

Mr Ang holds a Bachelor's Degree in Politics, Philosophy and Law with Honours from King's College London and an Executive Diploma in Directorship from the Singapore Management University and Singapore Institute of Directors.

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 / CEO, Swensen's | 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.

## **ANTHONY LER**

*Executive Chef | ABR Holdings Limited*

Mr Anthony Ler is responsible for menu creation, menu engineering, kitchen workflow design as well as overseeing franchisee auditing for the Group.

Mr Ler first joined the Company in 1999 as Assistant Outlet Chef and subsequently rose to Executive Chef in 2022.

Prior to joining the Company, Mr Ler had over 18 years of experience in the hotel industry.

## **JONATHAN CHUA**

*Executive R&D Chef*

Mr Chua spearheads product innovation and development across ABR Group, constantly evaluating and revamping existing offerings to meet evolving consumer preferences, and conceptualizing new brands for the company.

Through his strategic vision and culinary expertise, he played a pivotal role in the complete overhaul of Earle's menu, introducing the now-famous smash burgers and delectable all-day brunch offerings.

Mr Chua holds a Bachelor of Science in Business Administration from the University of New York, at Buffalo.

## **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**

*Executive Director | Season Group*

Mr Leck Kim Song is responsible for the management and operations of Season Confectionery & 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*

Ms Ang oversees and manages the business 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 2023 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

<b>48</b>	<b>Report on Corporate Governance</b>
<b>65</b>	<b>Supplemental Information on Directors Seeking Re-election</b>
<b>71</b>	<b>Directors' Statement</b>
<b>74</b>	<b>Independent Auditor's Report</b>
<b>78</b>	<b>Consolidated Statement of Profit or Loss and Other Comprehensive Income</b>
<b>79</b>	<b>Statements of Financial Position</b>
<b>80</b>	<b>Consolidated Statement of Changes in Equity</b>
<b>82</b>	<b>Statement of Changes in Equity</b>
<b>83</b>	<b>Consolidated Statement of Cash Flows</b>
<b>85</b>	<b>Notes to the Financial Statements</b>
<b>141</b>	<b>List of Properties</b>
<b>142</b>	<b>Shareholders' Information</b>
<b>144</b>	<b>Notice of Annual General Meeting</b>
	<b>Proxy Form</b>

# / 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 2023 ("FY2023"), 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 FY2023 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 two 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. All Directors have completed the course on sustainability matters organised by the Singapore Institute of Directors.

Newly appointed 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. For new first-time Directors who do not have prior experience as a director of a public listed company in Singapore, they will be required to attend the mandatory training within one (1) year from their appointment date as prescribed in the Listing Manual of the SGX-ST.

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 FY2023 and the attendance of each Director are as follows:

Director's name	Board		Audit Committee		Remuneration Committee		Nominating Committee	
	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	2	2	NA	NA	NA	NA	1	1
Ang Yee Lim	2	2	NA	NA	NA	NA	NA	NA
Ang Lian Seng	2	2	NA	NA	1	1	NA	NA
Allan Chua Tiang Kwang	2	2	3	3	NA	NA	NA	NA
Quek Mong Hua	2	2	3	3	1	1	1	1
Lim Jen Howe	2	2	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 video conference 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 and video conferencing, 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)

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 judgement 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

As at the date of this report, Mr Lim Jen Howe and Mr Quek Mong Hua have served on the Board for a period exceeding nine years from the date of their first appointments. The two directors' continued appointment as independent directors were sought and approved by the two-tier shareholders' voting on 28 April 2021. The said approval will remain in force until the earlier of the following: (i) the retirement or resignation of the director; or (ii) the annual general meeting to be held on 29 April 2024 for the financial year ended 31 December 2023.

The NC and the Board have performed a rigorous review and are of the view that Mr Lim and Mr Quek continue to demonstrate strong independence in character and judgement in the discharge of their responsibilities as directors of the Company. Their length of service does not in any way interfere with their exercise of independent judgement nor hinder their ability to act in the best interests 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 is of the view that Mr Lim and Mr Quek should continue to be deemed independent notwithstanding having been on the Board for more than 9 years. Mr Lim and Mr Quek have recused themselves from all NC and Board deliberations and decisions relating to their continued independence.

Under Rule 210(5)(d)(iv) of the Listing Rules, Mr Lim and Mr Quek will cease to be independent and will resign from the Board at the conclusion of the AGM of the Company to be held on 29 April 2024. The Board is cognisant of the requirements of the Listing Rules and the Code with regard to board composition and will endeavour to comply accordingly. The Company will release the announcement regarding the appointment of new Independent Directors in due course.

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 being independent, Provision 2.2 of the Code is not satisfied. The Company has three (3) 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 interests 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 judgement with a view to the best interests of the Company, and they are able to exercise objective judgement 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.

The Board takes the following steps to maintain or enhance the efficacy of its composition: (a) annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and (b) annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the potential gaps in the areas of expertise and competencies of the Board. The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.

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 has adopted a Board diversity policy ("Diversity Policy") with NC responsible to review and monitor its implementation. The Board is aware that the Diversity Policy should include the following: (a) the Company's targets to achieve diversity on its board; (b) the Company's accompanying plans and timelines for achieving the targets; (c) the Company's progress towards achieving the targets within the timelines; and (d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the Company.

In the Diversity Policy, emphasis is placed on having an effective blend of competencies, skills, experience and knowledge that will enable the Board to discharge its duties and responsibilities effectively and support good decision making. The Board is of the view that, while it is important to promote board diversity in terms of gender, age and ethnicity, criteria based on an effective blend of competencies, skills, experience and knowledge to strengthen the Board should remain a priority. Under the policy, the NC will consider the benefits of all aspects of diversity with emphasis being placed on having an effective blend of competencies, skills, experience and knowledge in the annual review of Board composition. In identifying suitable candidates for appointment to the Board, the NC will consider candidates on merit against objective criteria and with due regard for the benefits of diversity.

Given the current size of the Board and the nature of business, at present, the Board does not propose to set specific diversity targets to be met. Currently, the Board has not set any specific target for gender diversity but includes female candidates for consideration when identifying candidates to be appointed as directors. Similarly, the Board does not set any specific target for ethnic diversity, age diversity and age limit for its Directors given that directors are selected based primarily on experience and knowledge and their ability to contribute to the Board. However, the Board will strive to have one (1) member with relevant experience in the Group's businesses or markets, one (1) member with professional qualification in finance and accounting; and one (1) member with professional qualification in legal or other professional background or discipline as may be determined by the Board to be necessary and/or beneficial to the Group. The NC and the Board recognise that skill-set and core competencies required of the Board may change over time as the business of the Group develops. For achieving an optimal Board, diversity targets may be set and reviewed from time to time to ensure their appropriateness.

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.

# / REPORT ON CORPORATE GOVERNANCE

## 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.

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)

# / REPORT ON CORPORATE GOVERNANCE

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 Board;
- 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.

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:

- Allan Chua Tiang Kwang
- Chua Tiang Choon, Keith

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.

# / REPORT ON CORPORATE GOVERNANCE

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 FY2023. 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.

## PROCEDURES FOR DEVELOPING 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)

# / REPORT ON CORPORATE GOVERNANCE

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.

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.

# / REPORT ON CORPORATE GOVERNANCE

## 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 FY2023.

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 interests 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 FY2023, 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 interests of the Company, the remuneration will not be disclosed in dollar terms.

The Company is of the view that the disclosure information is sufficient for shareholders to have an adequate appreciation of the remuneration of the directors and the key executives. The company also believes that there is sufficient transparency on the company's remuneration policies, level and mix of remuneration. The procedure for setting remuneration and the relationship between remuneration, performance and value creation are consistent with the intent of principle 8 of the Code.

Nevertheless, the Company is cognisant of the new Listing Rule 1207 (10D) and will disclose the names, exact amounts and breakdown of remuneration paid to each individual director and the CEO by the Company and its subsidiaries in its annual report for the financial year ending 31 December 2024 onwards.

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 FY2023, are as follows:

<b>Directors</b>	<b>Salary<sup>1</sup> %</b>	<b>Bonus<sup>1</sup> %</b>	<b>Fees<sup>2</sup> %</b>	<b>Allowances and other benefits %</b>	<b>Total %</b>
<b>\$250,000 to \$500,000</b>					
Chua Tiang Choon, Keith	73	15	–	12	100
Ang Yee Lim	80	17	–	3	100
Ang Lian Seng	82	18	–	–	100
<b>Below \$250,000</b>					
Allan Chua Tiang Kwang	–	–	100	–	100
Quek Mong Hua	–	–	100	–	100
Lim Jen Howe	–	–	100	–	100

<b>Key Management Personnel</b>	<b>Salary<sup>1</sup> %</b>	<b>Bonus<sup>1</sup> %</b>	<b>Fees %</b>	<b>Allowances and other benefits %</b>	<b>Total %</b>
<b>\$250,000 to \$500,000</b>					
Lee Siang Choo	86	14	–	–	100
<b>Below \$250,000</b>					
Ng Soo Noi	88	12	–	–	100
Teo Tong Loong <sup>Note A</sup>	82	18	–	–	100
Ang Jun Hung <sup>Note B</sup>	82	18	–	–	100
Leck Kim Song <sup>Note C</sup>	84	14	–	2	100

Note A 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 B Mr Ang Jun Hung is the son of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim; and cousin of the Executive Director, Mr Ang Lian Seng.

Note C Mr Leck Kim Song is the 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 FY2023 is \$1,277,000.

# / 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 FY2023 are as follows:

Executives	Salary <sup>1</sup> %	Bonus <sup>1</sup> %	Fees %	Allowances and other benefits %	Total %
<b>From \$100,000 to \$150,000</b>					
Ang Pheck Choo	82	18	–	–	100
Ang Lian Tiong	88	12	–	–	100
Chua Wei De, Jonathan	85	10	–	5	100
Ang Jun Cai	90	10	–	–	100

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

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

Mr Chua Wei De, Jonathan is the son of the Executive Chairman and Substantial Shareholder, Mr Chua Tiang Choon, Keith; and nephew of the Non-Executive Director and Substantial Shareholder, Mr Allan Chua Tiang Kwang.

Mr Ang Jun Cai is the son of the Managing Director and Substantial Shareholder, Mr Ang Yee Lim; cousin of the Executive Director, Mr Ang Lian Seng; and brother of Ang Jun Hung, alternate director to Ang Yee Lim.

Notes:

1 Salary and bonus percentages shown are inclusive of CPF.

2 Fees for FY2023 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 auditor ("IA") performed two internal audit reviews for the financial year ended 31 December 2023 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.

# / REPORT ON CORPORATE GOVERNANCE

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 judgement in decision-making, human error, losses, fraud or other irregularities.

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 FY2023 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 FY2023.

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 whistle-blowing matters; and
- reviewed the major acquisitions and disposals of the Company.

# / REPORT ON CORPORATE GOVERNANCE

The AC makes recommendation to the Board on (i) the proposal to the shareholders on the appointment and removal of external auditor; and (ii) the remuneration and terms of engagement of the external auditor. 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. The AC has also assessed the quality of work carried out by the external auditor based on ACRA's Audit Quality Indicators Disclosure Framework.

The aggregate amount of fees paid and/or payable to the external auditor amounted to approximately \$186,000 for audit services and \$23,000 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 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 FY2023 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. 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 auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

# / REPORT ON CORPORATE GOVERNANCE

## Internal audit

The Group has outsourced its internal audit function to Yang Lee & Associates (“YLA” or the “IA”). YLA, the outsourced internal auditors, 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 relevant qualification such as the Certified Internal Auditor qualification with the Institute of Internal Auditors. The Engagement Team is staffed with professionals with knowledge and experience in internal audit, risk management, and other relevant disciplines.

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-aligned approach;
- 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 internal audits and the IA plans its internal audit schedules in consultation with the Management.

The IA is guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors in carrying out its internal audit reviews.

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.

The AC has reviewed and is satisfied that the IA is independent, adequately resourced, effective and has an appropriate standing within the Company to discharge its responsibilities.

## **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.

# / REPORT ON CORPORATE GOVERNANCE

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.

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 1.00 Singapore cent per ordinary share in respect of FY2023, 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 practise 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>.

The forthcoming AGM in respect of FY2023 will be held, in a wholly physical format, at the Company registered office, on 29 April 2024 ("AGM2024"). There will be no option for shareholders to participate virtually. Arrangements relating to attendance at the AGM2024, submission of questions in advance of, or at, the AGM2024, and voting at the AGM 2024 by shareholders or their duly appointed proxy(ies), are set out in a separate announcement released on SGXNET.

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](mailto: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](http://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 FY2023, 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.

# / SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

## DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Allan Chua Tiang Kwang and Mr Chua Tiang Choon, Keith are Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 April 2024 (“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:–

	MR ALLAN CHUA TIANG KWANG	MR CHUA TIANG CHOON, KEITH
Date of Appointment	18 February 2002	18 February 2002
Date of last re-appointment	28 April 2021	29 April 2022
Age	68	70
Country of principal residence	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 Allan Chua Tiang Kwang for re-appointment as Non-Executive Director of the Company. The Board has reviewed and concluded that Mr Allan Chua Tiang Kwang 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 Chua Tiang Choon, Keith for re-appointment as Executive Director of the Company. The Board has 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.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	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.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Director and a member of Audit Committee	Executive Chairman
Professional qualifications	Master of Business Administration	B.B.A. University of Singapore
Working experience and occupation(s) during the past 10 years	Director of The Alby Group  Businessman	Executive Chairman 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: 300,000 ordinary shares  Deemed interest: 56,925,858 ordinary shares

# / SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	<b>MR ALLAN CHUA TIANG KWANG</b>	<b>MR CHUA TIANG CHOON, KEITH</b>
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	<p>Brother of the Executive Chairman and Substantial Shareholder, Mr Chua Tiang Choon, Keith.</p> <p>Brother of the Substantial Shareholder, Mr Chua Tiang Chuan.</p> <p>Uncle-in-law of the Group Business Development Director and CEO of Swensen's Singapore, Mr Teo Tong Loong.</p>	<p>Brother of the Non-Executive Director and Substantial Shareholder, Mr Allan Chua Tiang Kwang.</p> <p>Brother of the Substantial Shareholder, Mr Chua Tiang Chuan.</p> <p>Father-in-Law of the Group Business Development Director and CEO of Swensen's Singapore, Mr Teo Tong Loong.</p>
Conflict of Interest (including any competing business)	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
Other Principal Commitments* Including Directorships#	Nil	Nominated Member of Parliament
Past (for the last 5 years)	Nil	<ul style="list-style-type: none"> <li>• Team-up Overseas Investment Pte Ltd</li> <li>• The Community Foundation of Singapore</li> <li>• National Council of Social Service</li> </ul>
Present	<ul style="list-style-type: none"> <li>• Kechapi Pte Ltd</li> <li>• Alby (Private) Limited</li> <li>• Alby Commercial Enterprises Pte Ltd</li> <li>• T.T.N. Holdings (Pte) Ltd</li> <li>• T.T.N. Realty (Pte) Ltd</li> </ul>	<ul style="list-style-type: none"> <li>• ABR (HK) Limited</li> <li>• Alby Commercial Enterprises Pte Ltd</li> <li>• Alby (Private) Limited</li> <li>• Bistro Europa Pte Ltd</li> <li>• Cine Art Pictures Pte Ltd</li> <li>• Copycare Music (SEA) Pte Ltd</li> <li>• Crest Travel &amp; Tours Pte Ltd</li> <li>• Europa Entertainment Pte Ltd</li> <li>• Europa Lounge and Restaurant Pte Ltd</li> <li>• Hippopotamus Restaurants Pte Ltd</li> <li>• Europa Specialty Restaurants (S) Pte Ltd</li> <li>• Europa Ridley's (1992) Pte Ltd</li> <li>• Food Creations Pte Ltd</li> <li>• Gold Gardenia Hairdressing Salon Pte Ltd</li> <li>• J C &amp; T Equities (Pte) Ltd</li> <li>• ABR Property Investments Pte Ltd</li> <li>• Kechapi Pte Ltd</li> <li>• Lawry's PRC Investment Pte Ltd</li> <li>• Lawry's (Singapore) Limited</li> <li>• Lord Security (S) Pte Ltd</li> </ul>

\* "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)

# / SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR ALLAN CHUA TIANG KWANG	MR CHUA TIANG CHOON, KEITH
Other Principal Commitments* Including Directorships# (cont'd) Present (cont'd)		<ul style="list-style-type: none"> <li>• Eat In Progress Pte Ltd</li> <li>• ABR Swensen's Pte Ltd</li> <li>• Sovereign Books (Singapore) Pte Ltd</li> <li>• Swensen's of Singapore (1996) Pte Ltd</li> <li>• T.T.N. Holdings (Pte) Ltd</li> <li>• Univesters Equity (Pte) Ltd</li> <li>• A.O. Action love Ltd (fka World Evangelical Fellowship Ltd)</li> <li>• All Best Foods Pte Ltd</li> <li>• Asia Philanthropic Ventures Pte Ltd</li> <li>• CWR Care and Counselling Asia Ltd</li> <li>• Ashoka: Innovators For The Public (Singapore) Limited</li> <li>• Maranatha GJC Holdings Pte Ltd</li> <li>• ABR Land (S) Pte Ltd</li> <li>• ABR Land Australia Pty Ltd</li> <li>• Chili Api Catering Pte Ltd</li> <li>• Chili Padi Nonya Catering Pte Ltd</li> <li>• Chili Padi Nonya Restaurant Pte Ltd</li> <li>• Chili Padi Holding Pte Ltd</li> <li>• Peppercorn Concepts Private Limited</li> <li>• National Heritage Board, NMS Advisory Board</li> <li>• Opportunity International (S) Pte Ltd</li> <li>• Caring For Life Limited</li> <li>• Woodbridge Hospital Charity Fund (WHCF)</li> <li>• Team-up Investments (HK) Limited</li> </ul>

\* "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)

# / SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

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.

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

## / SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR ALLAN CHUA TIANG KWANG	MR CHUA TIANG CHOON, KEITH
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

# / SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR ALLAN CHUA TIANG KWANG	MR CHUA TIANG CHOON, KEITH
<p>j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>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</p> <p>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,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No
<p>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?</p>	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 2023.

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 78 to 140 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 2023 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)

## 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:

Name of directors	Number of ordinary shares					
	Direct interest			Deemed interest		
	At 1.1.2023	At 31.12.2023	At 21.1.2024	At 1.1.2023	At 31.12.2023	At 21.1.2024
<b>The Company</b>						
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	104,551,401	104,750,091	104,750,091	–	–	–
Ang Lian Seng	2,300,000	2,300,000	2,300,000	–	–	–
Lim Jen Howe	300,000	300,000	300,000	–	–	–
Quek Mong Hua	300,000	300,000	300,000	40,000	40,000	40,000

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 2023, Kechapi Pte Ltd holds 56,925,858 shares in the Company.

# / DIRECTORS' STATEMENT

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

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 1.1.2023	At 31.12.2023
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

## 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.

## Audit Committee

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

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

# / DIRECTORS' STATEMENT

## **Audit Committee (cont'd)**

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 2023 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  
Director

Ang Yee Lim  
Director

1 April 2024

# / 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 78 to 140, which comprise the statements of financial position of the Group and of the Company as at 31 December 2023, 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 material accounting policy information.

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 2023 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 (2022: \$13,684,000) at 31 December 2023 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.

# / INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABR HOLDINGS LIMITED

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

### **Key Audit Matters (cont'd)**

#### **Impairment assessment of goodwill and trademarks (cont'd)**

*Our audit procedures and response:*

We have obtained the value in use calculations 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 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.

#### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the Annual Report 2023 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.

# / 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)***

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.
- 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.

# / INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ABR HOLDINGS LIMITED

## **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company and by 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 2024

# / CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		Group	
	Note	2023 \$'000	2022 \$'000
<b>Revenue</b>	4	<b>116,854</b>	101,733
Cost of sales		<b>(68,444)</b>	(56,257)
<b>Gross profit</b>		<b>48,410</b>	45,476
Other income	5a	<b>6,411</b>	3,807
Interest income	5b	<b>1,096</b>	649
<b>Expenses</b>			
Selling, distribution and outlet expenses		<b>(31,135)</b>	(28,386)
Administrative expenses		<b>(19,190)</b>	(16,585)
Other expenses		<b>(277)</b>	(407)
Finance costs	6	<b>(2,219)</b>	(1,167)
Share of results of equity-accounted investees, net of tax		<b>1,069</b>	(614)
<b>Profit before tax</b>	7	<b>4,165</b>	2,773
Income tax expense	9	<b>(593)</b>	(259)
<b>Profit for the year</b>		<b>3,572</b>	2,514
<b>Other comprehensive loss:</b>			
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Currency translation differences on consolidation		<b>(1,149)</b>	(990)
Share of other comprehensive loss of equity-accounted investees		<b>(678)</b>	(7)
<b>Other comprehensive loss for the year, net of tax</b>		<b>(1,827)</b>	(997)
<b>Total comprehensive income for the year</b>		<b>1,745</b>	1,517
<b>Profit attributable to:</b>			
Owners of the Company		<b>3,535</b>	2,433
Non-controlling interests		<b>37</b>	81
<b>Profit for the year</b>		<b>3,572</b>	2,514
<b>Total comprehensive income/(loss) attributable to:</b>			
Owners of the Company		<b>1,751</b>	1,478
Non-controlling interests		<b>(6)</b>	39
<b>Total comprehensive income for the year</b>		<b>1,745</b>	1,517
<b>Earnings per share for the year attributable to owners of the Company</b>			
Basic (cents)	10	<b>1.76</b>	1.21
Diluted (cents)	10	<b>1.76</b>	1.21

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

# / STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2023

	Note	Group		Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	11	17,056	16,582	4,554	5,335
Right-of-use assets	12	32,563	23,989	25,566	21,790
Investment properties	13	29,507	30,202	779	816
Intangible assets	14	14,932	15,224	–	–
Investments in subsidiaries	15	–	–	68,894	64,313
Interests in equity-accounted investees	16	21,368	20,627	500	500
Financial asset at FVOCI	17	35	35	35	35
Financial assets at FVTPL	18	5,148	4,352	5,148	4,352
Loans to subsidiaries	19	–	–	12,162	10,562
Loans to equity-accounted investees	20	9,431	9,611	5,219	5,194
Deferred tax assets	26	300	450	200	200
<b>Total non-current assets</b>		<b>130,340</b>	<b>121,072</b>	<b>123,057</b>	<b>113,097</b>
<b>Current assets</b>					
Inventories	21	3,058	3,215	2,033	2,196
Trade and other receivables	22	11,482	8,547	7,169	4,715
Cash and cash equivalents	23	26,496	32,856	4,755	12,120
<b>Total current assets</b>		<b>41,036</b>	<b>44,618</b>	<b>13,957</b>	<b>19,031</b>
<b>Total assets</b>		<b>171,376</b>	<b>165,690</b>	<b>137,014</b>	<b>132,128</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	24	43,299	43,299	43,299	43,299
Other reserves	25	(2,916)	(1,132)	–	–
Accumulated profits		56,186	54,660	52,834	50,346
<b>Equity attributable to owners of the Company</b>		<b>96,569</b>	<b>96,827</b>	<b>96,133</b>	<b>93,645</b>
Non-controlling interests		423	429	–	–
<b>Total equity</b>		<b>96,992</b>	<b>97,256</b>	<b>96,133</b>	<b>93,645</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	26	1,987	1,940	–	–
Provision	28	906	1,121	578	646
Borrowings	29	20,182	22,279	1,288	2,550
Lease liabilities	30	20,829	12,824	14,722	11,732
<b>Total non-current liabilities</b>		<b>43,904</b>	<b>38,164</b>	<b>16,588</b>	<b>14,928</b>
<b>Current liabilities</b>					
Trade and other payables	27	13,251	13,200	10,139	9,720
Provisions	28	1,919	1,625	1,137	1,083
Borrowings	29	2,210	2,202	1,262	1,237
Lease liabilities	30	12,679	12,861	11,716	11,386
Tax payable		421	382	39	129
<b>Total current liabilities</b>		<b>30,480</b>	<b>30,270</b>	<b>24,293</b>	<b>23,555</b>
<b>Total liabilities</b>		<b>74,384</b>	<b>68,434</b>	<b>40,881</b>	<b>38,483</b>
<b>Total equity and liabilities</b>		<b>171,376</b>	<b>165,690</b>	<b>137,014</b>	<b>132,128</b>

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

# / CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Total equity \$'000	Equity attributable to owners of the Company \$'000	Share capital \$'000	*Other reserves \$'000	Accumulated profits \$'000	Non- controlling interests \$'000
<b>Group</b>						
Balance at 1.1.2023	97,256	96,827	43,299	(1,132)	54,660	429
Profit for the year	3,572	3,535	-	-	3,535	37
<i>Other comprehensive loss</i>						
Currency translation differences on consolidation	(1,149)	(1,106)	-	(1,106)	-	(43)
Share of other comprehensive loss of equity-accounted investees	(678)	(678)	-	(678)	-	-
Other comprehensive loss for the year, net of tax	(1,827)	(1,784)	-	(1,784)	-	(43)
Total comprehensive income/(loss) for the year	1,745	1,751	-	(1,784)	3,535	(6)
<i>Distributions to owners of the Company</i>						
Tax exempt final dividend of 0.75 cents per share for the financial year ended 31.12.2022	(1,507)	(1,507)	-	-	(1,507)	-
Tax exempt interim dividend of 0.25 cents per share for the financial year ended 31.12.2023	(502)	(502)	-	-	(502)	-
Total distributions to owners of the Company	(2,009)	(2,009)	-	-	(2,009)	-
<b>Balance at 31.12.2023</b>	<b>96,992</b>	<b>96,569</b>	<b>43,299</b>	<b>(2,916)</b>	<b>56,186</b>	<b>423</b>

\* An analysis of "Other reserves" is presented in Note 25.

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

# / CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

<b>Group</b>	<b>Total equity \$'000</b>	<b>Equity attributable to owners of the Company \$'000</b>	<b>Share capital \$'000</b>	<b>*Other reserves \$'000</b>	<b>Accumulated profits \$'000</b>	<b>Non- controlling interests \$'000</b>
Balance at 1.1.2022	98,000	95,729	43,299	(2,077)	54,507	2,271
Profit for the year	2,514	2,433	–	–	2,433	81
<i>Other comprehensive loss</i>						
Currency translation differences on consolidation	(921)	(879)	–	(879)	–	(42)
Currency translation on liquidation of a subsidiary in profit or loss	(69)	(69)	–	(69)	–	–
Share of other comprehensive loss of equity-accounted investees	(7)	(7)	–	(7)	–	–
Other comprehensive loss for the year, net of tax	(997)	(955)	–	(955)	–	(42)
Total comprehensive income/(loss) for the year	1,517	1,478	–	(955)	2,433	39
<i>Distributions to owners of the Company</i>						
Tax exempt final dividend of 0.75 cents per share for the financial year ended 31.12.2021	(1,507)	(1,507)	–	–	(1,507)	–
Tax exempt interim dividend of 0.25 cents per share for the financial year ended 31.12.2022	(502)	(502)	–	–	(502)	–
Dividend paid to non-controlling interests	(252)	–	–	–	–	(252)
Total distributions to owners of the Company	(2,261)	(2,009)	–	–	(2,009)	(252)
<i>Changes in ownership interests in subsidiaries</i>						
Acquisition of non-controlling interest without a change in control	–	1,649	–	1,900	(251)	(1,649)
Struck-off of a subsidiary with loss of control	–	(20)	–	–	(20)	20
Total changes in ownership interests in subsidiaries	–	1,629	–	1,900	(271)	(1,629)
Total transactions with owners of the Company	(2,261)	(380)	–	1,900	(2,280)	(1,881)
Balance at 31.12.2022	97,256	96,827	43,299	(1,132)	54,660	429

\* An analysis of "Other reserves" is presented in Note 25.

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

# / STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Total equity \$'000	Share capital \$'000	Accumulated profits \$'000
<b>Company</b>			
Balance at 1.1.2023	93,645	43,299	50,346
Net profit and total comprehensive income for the year	4,497	–	4,497
Tax exempt final dividend of 0.75 cents per share for the financial year ended 31.12.2022	(1,507)	–	(1,507)
Tax exempt interim dividend of 0.25 cents per share for the financial year ended 31.12.2023	(502)	–	(502)
	<b>(2,009)</b>	<b>–</b>	<b>(2,009)</b>
<b>Balance at 31.12.2023</b>	<b>96,133</b>	<b>43,299</b>	<b>52,834</b>
Balance at 1.1.2022	92,095	43,299	48,796
Net profit and total comprehensive income for the year	3,559	–	3,559
Tax exempt final dividend of 0.75 cents per share for the financial year ended 31.12.2021	(1,507)	–	(1,507)
Tax exempt interim dividend of 0.25 cents per share for the financial year ended 31.12.2022	(502)	–	(502)
	<b>(2,009)</b>	<b>–</b>	<b>(2,009)</b>
Balance at 31.12.2022	93,645	43,299	50,346

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

# / CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group 2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>			
Profit before tax		4,165	2,773
Adjustments for:			
Allowance for impairment on loans to a joint venture		205	–
Currency translation gain on liquidation of a subsidiary		–	(69)
Depreciation and amortisation		18,695	17,732
Dividend income		(293)	(77)
Fair value gain on financial assets at fair value through profit or loss		(796)	(400)
Impairment loss on property, plant and equipment		–	127
Interest expense on borrowings		1,017	319
Interest income		(1,096)	(649)
Interest expense on lease liabilities		1,202	848
Loss on disposal of property, plant and equipment, net		6	23
Property, plant and equipment written off		36	72
Share of results of equity-accounted investees, net of tax		(1,069)	614
Operating cash flows before movements in working capital		<u>22,072</u>	<u>21,313</u>
Changes in working capital:			
Inventories		157	(655)
Trade and other receivables		(2,535)	(556)
Trade and other payables		153	1,016
Provisions		80	55
Currency translation differences		37	496
Cash generated from operations		<u>19,964</u>	<u>21,669</u>
Income tax paid		(353)	(32)
<b>Net cash generated from operating activities</b>		<u>19,611</u>	<u>21,637</u>
<b>Cash flows from investing activities</b>			
Dividend received		293	77
Interest received		711	276
Loans to equity-accounted investees		(1,154)	(2,411)
Proceeds from disposal of financial assets at fair value through profit or loss		–	3,068
Proceeds from disposal of property, plant and equipment		7	38
Purchase of financial assets at fair value through profit or loss		–	(648)
Purchase of investment properties		–	(26,697)
Purchase of property, plant and equipment	11	(3,873)	(1,927)
<b>Net cash used in investing activities</b>		<u>(4,016)</u>	<u>(28,224)</u>

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

# / CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		Group	
	Note	2023 \$'000	2022 \$'000
<b>Cash flows from financing activities</b>			
Acquisition of non-controlling interests		-	(4,392)
Advance payment for right-of-use assets		(33)	(61)
Dividend paid to non-controlling interests		-	(252)
Dividends paid to shareholders		(2,009)	(2,009)
Funds placed in non-liquid deposits		(2)	(360)
Interest expense on borrowings paid	29	(1,024)	(230)
Interest expense on lease liabilities paid	30	(1,202)	(848)
Payment of lease liabilities	30	(15,333)	(13,832)
(Repayment of)/proceeds from short-term borrowings	29	(9)	59
Proceeds from term loan	29	-	20,702
Repayment of term loans	29	(2,071)	(1,352)
<b>Net cash used in financing activities</b>		<b>(21,683)</b>	<b>(2,575)</b>
<b>Net decrease in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of financial year		(6,088)	(9,162)
Cash and cash equivalents at beginning of financial year		32,395	41,953
Effect of exchange rate fluctuations on cash and cash equivalents		(267)	(396)
<b>Cash and cash equivalents at end of financial year</b>	23	<b>26,040</b>	<b>32,395</b>

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

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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 Material accounting policies

### 2.1 Basis of preparation

The financial statements are expressed in Singapore dollar ("S\$"), which is the Company's functional currency and all financial information presented in Singapore dollar are rounded to the nearest thousand ("S\$'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. 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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 2 Material accounting policies (cont'd)

### 2.1 Basis of preparation (cont'd)

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

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:

#### **Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies**

The amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 *Making Materiality Judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments require entities to disclose their material accounting policies rather than their significant accounting policies, and provide guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The Group has adopted the amendments to SFRS(I) 1-1 on disclosures of accounting policies. The amendments have no impact on the measurement, recognition and presentation of any items in the Group's and the Company's financial statements.

*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 2023 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.

### 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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 2 Material accounting policies (cont'd)

### 2.4 Goodwill

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

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the 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.

### 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. When restaurant supplies, crockery and cutlery are replaced, the costs of replacement are expensed off.

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

	<u>Years</u>
Buildings 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

### 2.6 Investment properties

Investment properties comprise freehold and leasehold properties, and land that are held to earn rental income and/or for capital appreciation or for a currently indeterminate use.

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 of investment properties over the estimated useful lives as follows:

	<u>Years</u>
Freehold and leasehold properties	40 – 50
Land	30

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 2 Material 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. 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.

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 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:

	<u>Years</u>
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.

### 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. 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. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the post-acquisition profit or loss and other comprehensive income or loss of equity-accounted investees.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 2 Material 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.

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.

### 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 the 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").

The classification is based on the entity's business model for managing the financial assets 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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 2 Material accounting policies (cont'd)

### 2.11 Financial assets (cont'd)

#### ***Classification and measurement (cont'd)***

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.

#### ***Subsequent measurement***

##### *i) Debt instruments*

Debt instruments include fixed deposits, structured deposit, cash and bank balances, loans receivables, trade 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) 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".

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. 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.

### 2.12 Financial liabilities

Financial liabilities include trade and other payables (excluding advance receipts and refundable deposits from customers, deferred income and GST payables). Financial liabilities are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 2 Material accounting policies (cont'd)

### 2.12 Financial liabilities (cont'd)

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in the profit or loss when the liabilities are derecognised and through the amortisation process.

### 2.13 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*.

### 2.14 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.

#### *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). 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 subsequently measured at amortised cost using the effective interest method.

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.

#### *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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 2 Material accounting policies (cont'd)

### 2.14 Leases (cont'd)

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

##### *Right-of-use assets (cont'd)*

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:

	<u>Years</u>
Food and beverage outlets	1 – 5
Plant and machinery	12.5
Office spaces, production rooms, store rooms and warehouses	3 – 3.2
Leasehold land	30

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 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.

### 2.15 Foreign currencies

#### *Functional and presentation currency*

The individual 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.

#### *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.

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

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 2 Material accounting policies (cont'd)

### 2.15 Foreign currencies (cont'd)

#### *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 the average exchange rates for the period (unless the average exchange rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case the exchange rates at the dates of the transactions are used); 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.

### 2.16 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 grant is deducted 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).

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 3 Critical accounting judgement and key sources of estimation uncertainty (cont'd)

### ***Critical judgement in applying the entity's accounting policies (cont'd)***

#### *Determining the lease term (cont'd)*

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 2023, potential future cash outflows of \$11,097,000 (2022: \$16,199,000) (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.

#### *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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 3 Critical accounting judgement and key sources of estimation uncertainty (cont'd)

### **Key sources of estimation uncertainty (cont'd)**

#### *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 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 34.

#### *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 30 and Note 12.

## 4 Revenue

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>At a point in time</i>		
Sales and service charges – Food and beverage	<b>116,638</b>	101,544
<i>Over time</i>		
Royalty income	<b>216</b>	189
	<b>116,854</b>	101,733

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 5a Other income

	Group	
	2023 \$'000	2022 \$'000
Rental income	820	396
Dividend income	293	77
Progressive Wage Credit Scheme ("PWCS")* and other wage support schemes	2,815	470
Management fee income	1,115	572
Fair value gain on financial assets at fair value through profit or loss	796	400
Jobs Support Scheme	–	740
Jobs Growth Incentive	168	268
Other government grant income	167	255
Rent concessions	6	367
Others	231	262
	<b>6,411</b>	<b>3,807</b>

\* PWCS of \$2,612,000 (2022: Nil) was recognised during the financial year. PWCS was introduced by the Singapore Government to provide transitional wage support for employers to adjust mandatory wage increases for lower-wage workers covered by the Progressive Wage and Local Qualifying Salary requirements and voluntarily raise wages of lower-wage workers.

## 5b Interest income

	Group	
	2023 \$'000	2022 \$'000
Interest from deposits with banks	711	276
Interest on loans to joint ventures (Note 20)	385	373
	<b>1,096</b>	<b>649</b>

## 6 Finance costs

	Group	
	2023 \$'000	2022 \$'000
Banker's acceptance interests (Note 29)	6	4
Interest expense on bank loans (Note 29)	1,011	315
Interest expense on lease liabilities (Note 30)	1,202	848
	<b>2,219</b>	<b>1,167</b>

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 7 Profit before tax

Profit before tax is arrived at after charging/(crediting):

		Group	
	Note	2023 \$'000	2022 \$'000
Allowance for impairment on amounts due from equity-accounted investees	34(b)	3	3
Allowance for impairment on loans to a joint venture	34(b)	205	–
Amortisation of intangible assets	14	292	292
Audit fees payable to:			
– auditor of the Company		186	176
– other auditors – network firms**		26	26
Bad debts written off		–	21
Currency translation on liquidation of a subsidiary		–	(69)
Depreciation of property, plant and equipment	11	3,081	2,847
Depreciation of right-of-use assets	12	14,627	14,298
Depreciation of investment properties	13	695	295
Fees for non-audit services payable to:			
– auditor of the Company		23	24
– other auditors – network firms**		–*	–*
Impairment loss on property, plant and equipment	11	–	127
Loss on disposal of property, plant and equipment, net		6	23
Remuneration of the directors of the Company:	8		
– salaries, fees and benefits-in-kind		1,388	1,272
– contribution to defined contribution plans		28	33
Remuneration of the directors of the subsidiaries:			
– salaries, fees and benefits-in-kind		332	299
– contribution to defined contribution plans		15	11
Remuneration of key management personnel (non-directors):			
– salaries and related costs		1,402	1,245
– contribution to defined contribution plans		108	84
Remuneration of staff:			
– salaries and related costs		39,395	31,409
– contribution to defined contribution plans		3,223	2,773
Rental expenses	12	2,163	1,932
Write-back of allowance for impairment on trade receivables	34(b)	–	(14)
Property, plant and equipment written off		36	72

\* Amount less than \$1,000

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

## 8 Remuneration bands of directors of the Company

Number of directors of the Company in remuneration bands:

	Group	
	2023	2022
\$250,000 to below \$500,000	3	3
Below \$250,000	3	3
	<b>6</b>	<b>6</b>

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 9 Income tax expense

	Group	
	2023 \$'000	2022 \$'000
Tax expense attributable to profits is made up of:		
– current income tax provision	393	349
– deferred tax (Note 26)	216	152
	<b>609</b>	501
Over provision in respect of previous financial years		
– current income tax	(16)	(6)
– deferred tax (Note 26)	–	(236)
	<b>593</b>	259

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	
	2023 \$'000	2022 \$'000
Profit before tax	<b>4,165</b>	2,773
Income tax expense at statutory rate of the respective entities	708	471
Statutory stepped income exemption	(54)	(63)
Income not subject to tax	(270)	(282)
Expenses not deductible for tax purposes	485	410
Effect of tax incentive and tax rebate	(13)	–
Over provision in preceding financial years	(16)	(242)
Deferred tax asset not recognised	223	22
Utilisation of previously unrecognised tax losses	(278)	(232)
Effect of results of equity-accounted investees presented net of tax	(155)	128
Others	(37)	47
	<b>593</b>	259

The statutory income tax rate applicable is 17% (2022: 17%) for companies incorporated in Singapore, 24% (2022: 24%) for companies incorporated in Malaysia and 16.5% (2022: 16.5%) for companies incorporated in Hong Kong.

Subject to the satisfaction of the conditions for group relief, tax losses of \$1,010,000 (2022: \$408,000) and capital allowances of Nil (2022: \$62,000) 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.

At the end of the reporting period, the Group has potential tax benefits arising from unabsorbed tax losses of approximately \$9,018,000 (2022: \$9,723,000), and unabsorbed capital allowances of approximately \$1,487,000 (2022: \$1,641,000), 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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 9 Income tax expense (cont'd)

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

	Group	
	2023 \$'000	2022 \$'000
Unabsorbed tax losses	8,100	8,252
Unabsorbed capital allowances	1,344	1,490
	<b>9,444</b>	<b>9,742</b>

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:

	2023 \$'000	2022 \$'000
Profit for the financial year attributable to owners of the Company	<b>3,535</b>	2,433

	2023	2022
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	<b>200,996</b>	200,996

Basic earnings per share (cents)	<b>1.76</b>	1.21
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Diluted earnings per share (cents)	<b>1.76</b>	1.21
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Basic earnings per share is calculated by dividing profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

As at 31 December 2023 and 31 December 2022, 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 2023

## 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
<b>Group</b>									
<b>2023</b>									
<b>Cost</b>									
At 1.1.2023	338	12,292	2,300	17,070	6,279	17,129	2,457	628	58,493
Additions	-	-	-	1,308	400	1,759	250	59	3,776
Disposals/write-off	-	(4)	-	(52)	(63)	(640)	(80)	-	(839)
Translation	(20)	(92)	-	(74)	(83)	(247)	(31)	-	(547)
At 31.12.2023	318	12,196	2,300	18,252	6,533	18,001	2,596	687	60,883
<b>Accumulated depreciation and impairment losses</b>									
At 1.1.2023	-	6,865	1,495	13,056	4,703	13,643	2,149	-*	41,911
Depreciation charge (Note 7)	-	186	46	1,041	487	1,172	149	-	3,081
Disposals/write-off	-	(2)	-	(52)	(56)	(605)	(75)	-	(790)
Translation	-	(49)	-	(47)	(56)	(196)	(27)	-	(375)
At 31.12.2023	-	7,000	1,541	13,998	5,078	14,014	2,196	-*	43,827
<b>Net carrying value</b>									
At 31.12.2023	318	5,196	759	4,254	1,455	3,987	400	687	17,056
<b>2022</b>									
<b>Cost</b>									
At 1.1.2022	359	12,389	2,300	16,342	6,454	17,398	2,519	666	58,427
Additions	-	-	-	1,074	117	846	73	6	2,116
Disposals/write-off	-	-	-	(260)	(195)	(848)	(102)	(43)	(1,448)
Translation	(21)	(97)	-	(86)	(97)	(267)	(33)	(1)	(602)
At 31.12.2022	338	12,292	2,300	17,070	6,279	17,129	2,457	628	58,493
<b>Accumulated depreciation and impairment losses</b>									
At 1.1.2022	-	6,727	1,449	12,329	4,455	13,590	2,092	-*	40,642
Depreciation charge (Note 7)	-	188	46	940	432	1,059	182	-	2,847
Disposals/write-off	-	-	-	(225)	(174)	(807)	(97)	(12)	(1,315)
Impairment loss (Note 7)	-	-	-	62	48	5	-	12	127
Translation	-	(50)	-	(50)	(58)	(204)	(28)	-	(390)
At 31.12.2022	-	6,865	1,495	13,056	4,703	13,643	2,149	-*	41,911
<b>Net carrying value</b>									
At 31.12.2022	338	5,427	805	4,014	1,576	3,486	308	628	16,582

\* Less than \$1,000

Included in accumulated depreciation and impairment losses is accumulated impairment losses of less than \$1,000 for financial year ended 31 December 2023 and 2022.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 11 Property, plant and equipment (cont'd)

	Leasehold property \$'000	Leasehold improvements \$'000	Furniture, fixtures and fittings \$'000	Plant and equipment \$'000	Restaurant supplies, crockery and cutlery \$'000	Total \$'000
<b>Company</b>						
<b>2023</b>						
<b>Cost</b>						
At 1.1.2023	2,300	7,243	3,975	8,951	612	23,081
Additions	-	8	54	484	-	546
Disposals/write-off	-	-	(13)	(192)	-	(205)
At 31.12.2023	2,300	7,251	4,016	9,243	612	23,422
<b>Accumulated depreciation</b>						
At 1.1.2023	1,495	6,317	2,983	6,951	-	17,746
Depreciation charge	46	327	305	626	-	1,304
Disposals/write-off	-	-	(12)	(170)	-	(182)
At 31.12.2023	1,541	6,644	3,276	7,407	-	18,868
<b>Net carrying value</b>						
At 31.12.2023	759	607	740	1,836	612	4,554
<b>2022</b>						
<b>Cost</b>						
At 1.1.2022	2,300	7,166	3,889	8,974	643	22,972
Additions	-	92	116	551	-	759
Disposals/write-off	-	(15)	(30)	(574)	(31)	(650)
At 31.12.2022	2,300	7,243	3,975	8,951	612	23,081
<b>Accumulated depreciation</b>						
At 1.1.2022	1,449	5,928	2,736	6,918	-	17,031
Depreciation charge	46	404	271	586	-	1,307
Disposals/write-off	-	(15)	(24)	(553)	-	(592)
At 31.12.2022	1,495	6,317	2,983	6,951	-	17,746
<b>Net carrying value</b>						
At 31.12.2022	805	926	992	2,000	612	5,335

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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Freehold land	318	338	-	-
Buildings and structural improvements	5,196	5,427	-	-
Leasehold property	759	805	759	805
Leasehold improvements	1,157	1,310	-	-
	<b>7,430</b>	<b>7,880</b>	<b>759</b>	<b>805</b>

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 11 Property, plant and equipment (cont'd)

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

	Group	
	2023 \$'000	2022 \$'000
Aggregate cost of property, plant and equipment acquired	3,776	2,116
Less: Purchases unpaid	(92)	(189)
Add: Payments for purchases made in previous financial year	189	–
Cash payments to acquire property, plant and equipment	<b>3,873</b>	1,927

## 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) 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 34(b).

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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Carrying amount of right-of-use assets</u>				
Food and beverage outlets	27,217	22,455	23,654	18,348
Plant and machinery	198	243	–	–
Office spaces, production rooms, store rooms and warehouses	1,104	1,170	1,912	3,442
Leasehold land	4,044	121	–	–
	<b>32,563</b>	23,989	<b>25,566</b>	21,790
Additions to right-of-use assets	<b>23,265</b>	14,656	<b>17,031</b>	14,444

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 12 Right-of-use assets and lease liabilities (cont'd)

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

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

	Group	
	2023 \$'000	2022 \$'000
<u>Depreciation charge for the year</u>		
Food and beverage outlets	13,653	13,406
Plant and machinery	31	35
Office spaces, production rooms, store rooms and warehouses	754	620
Leasehold land	189	237
Total (Note 7)	<b>14,627</b>	14,298
<u>Lease expense not included in the measurement of lease liabilities</u>		
Lease expense – short-term leases	226	119
Lease expense – low value assets leases	539	493
Variable lease payments which do not depend on an index or rate	1,398	1,320
Total (Note 7)	<b>2,163</b>	1,932
Rent concessions from lessors (Note 5a)	<b>6</b>	367
Interest expense on lease liabilities (Note 30)	<b>1,202</b>	848

Total Group's and Company's cash flow for leases amounted to \$18,731,000 (2022: \$16,673,000) and \$16,205,000 (2022: \$15,243,000) respectively.

As at 31 December 2023, the Group is committed to \$31,000 (2022: \$25,000) for short-term leases.

#### 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 32% (2022: 0.5% to 32%), on top of the fixed lease payments. Overall, the variable lease payments constitute up to 7% and 5% (2022: 8% and 7%) 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 \$1,398,000 and \$882,000 (2022: \$1,320,000 and \$1,087,000) for the Group and the Company respectively for the financial year ended 31 December 2023.

##### *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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 12 Right-of-use assets and lease liabilities (cont'd)

### 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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Cost</b>				
At beginning of financial year	33,571	7,008	1,863	1,863
Additions	–	26,697	–	–
Translation	–	(134)	–	–
At end of financial year	33,571	33,571	1,863	1,863
<b>Accumulated depreciation</b>				
At beginning of financial year	3,369	3,074	1,047	1,010
Depreciation charge (Note 7)	695	295	37	37
At end of financial year	4,064	3,369	1,084	1,047
<b>Net carrying value</b>				
At end of financial year	29,507	30,202	779	816

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

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Investment properties	26,807	27,379	779	816

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

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Rental income from investment properties	818	394	67	64
Direct operating expenses arising from investment properties that generated rental income	(1,737)	(570)	(52)	(51)
Direct operating expenses arising from investment properties that did not generate rental income	(73)	(73)	–	–

Based on valuations carried out by external professional valuers, the fair values of the investment properties of the Group and Company on 31 December 2023 are \$42,375,000 (2022: \$37,649,000) and \$3,100,000 (2022: \$3,000,000) respectively (Note 35(f)).

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 13 Investment properties (cont'd)

Details of investment properties are as follows:

Description	Location	Floor area (Sqm)	Tenure of Lease (Use)
<b>Singapore</b>			
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)
Three adjoining 3-storey conservation shophouses with attic	1, 3, 5 Club Street Singapore 069400, 069401, 069402	453	99 years from 15 January 1996 (Rental)
A pair of 2-storey conservation shophouses	7, 9 Club Street Singapore 069403, 069404	218	99 years from 15 January 1996 (Rental)
<b>Indonesia</b>			
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

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 14 Intangible assets

	Goodwill \$'000	Trade-marks \$'000	Customer relationships \$'000	Others \$'000	Total \$'000
<b>Group 2023</b>					
<b>Cost</b>					
At 1.1.2023 and 31.12.2023	<b>8,303</b>	<b>5,381</b>	<b>2,797</b>	<b>1,745</b>	<b>18,226</b>
<b>Accumulated amortisation and impairment losses</b>					
At 1.1.2023	–	–	<b>1,540</b>	<b>1,462</b>	<b>3,002</b>
Amortisation charge	–	–	<b>280</b>	<b>12</b>	<b>292</b>
At 31.12.2023	–	–	<b>1,820</b>	<b>1,474</b>	<b>3,294</b>
<b>Net carrying value</b>					
At 31.12.2023	<b>8,303</b>	<b>5,381</b>	<b>977</b>	<b>271</b>	<b>14,932</b>
<b>2022</b>					
<b>Cost</b>					
At 1.1.2022 and 31.12.2022	8,303	5,381	2,797	1,745	18,226
<b>Accumulated amortisation and impairment losses</b>					
At 1.1.2022	–	–	1,260	1,450	2,710
Amortisation charge	–	–	280	12	292
At 31.12.2022	–	–	1,540	1,462	3,002
<b>Net carrying value</b>					
At 31.12.2022	8,303	5,381	1,257	283	15,224

Included in accumulated amortisation and impairment losses is accumulated impairment losses of \$539,000 (2022: \$539,000).

### 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

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 14 Intangible assets (cont'd)

### Amortisation

The amortisation of intangible assets of \$11,000 (2022: \$11,000) and \$281,000 (2022: \$281,000) is included in cost of sales and administrative expenses respectively 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	
	2023	2022
	%	%
Forecast revenue growth (average over next five years)	5	9.5
Terminal value growth rate	2	0.5
Discount rate	12	16.7

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 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 2023, 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	
	2023	2022
	\$'000	\$'000
<b>Unquoted equity shares, at cost</b>		
At beginning of financial year	51,628	47,306
Add: Acquisition during the financial year	-	4,392
Less: Struck-off during the financial year	-	(70)
At end of financial year	51,628	51,628
Less: Allowance for impairment in value	(5,094)	(7,975)
	<b>46,534</b>	43,653
<b>Non-current loans</b>		
At beginning of financial year	20,660	12,560
Advances during the financial year	1,700	8,100
At end of financial year	22,360	20,660
<b>Total</b>	<b>68,894</b>	64,313

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 15 Investments in subsidiaries (cont'd)

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

	Company	
	2023 \$'000	2022 \$'000
At beginning of financial year	7,975	8,045
Struck-off during the financial year	–	(70)
Reversal of allowance for impairment in value	(2,881)	–
At end of financial year	<b>5,094</b>	7,975

i) Details of the Company's subsidiaries at 31 December 2023 are as follows:

Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held by the Group	
			2023 %	2022 %
<b>Held by the Company</b>				
Lawry's (Singapore) Ltd <sup>(a)</sup>	Investment holding and provision of processing, supply, warehousing and distribution activities	Singapore	<b>100</b>	100
ABR (HK) Limited <sup>(b)</sup>	Manage, obtain and exploit industrial and intellectual rights with respect to the ice cream, fast food and restaurant business	Hong Kong	<b>99.99</b>	99.99
Swensen's of Singapore (1996) Pte Ltd <sup>(d)</sup>	Dormant	Singapore	<b>100</b>	100
Food Creations Pte Ltd <sup>(a)</sup>	Provision of services for the manufacture and production of ice cream and related products	Singapore	<b>100</b>	100
Europa Lounge and Restaurant Pte Ltd <sup>(a)</sup>	Investment holding	Singapore	<b>100</b>	100
Hippopotamus Restaurants Pte Ltd <sup>(d)</sup>	Dormant	Singapore	<b>100</b>	100
Eat In Progress Pte Ltd <sup>(d)</sup>	Dormant	Singapore	<b>100</b>	100
Europa Entertainment Pte Ltd <sup>(d)</sup>	Dormant	Singapore	<b>100</b>	100
ABR Swensen's Pte Ltd <sup>(a)</sup>	Investment holding	Singapore	<b>100</b>	100
Europa Ridley's (1992) Pte Ltd <sup>(d)</sup>	Dormant	Singapore	<b>100</b>	100
Cine Art Pictures Pte Ltd <sup>(d)</sup>	Dormant	Singapore	<b>55</b>	55
Team-Up Investments (HK) Limited <sup>(b)</sup>	Dormant	Hong Kong	<b>50</b>	50

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 15 Investments in subsidiaries (cont'd)

i) Details of the Company's subsidiaries at 31 December 2023 are as follows: (cont'd)

Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held by the Group	
			2023 %	2022 %
<b>Held by the Company (cont'd)</b>				
Bistro Europa Pte Ltd <sup>(d)</sup>	Dormant	Singapore	100	100
Europa Specialty Restaurants (S) Pte Ltd <sup>(d)</sup>	Dormant	Singapore	100	100
ABR Property Investments Pte Ltd <sup>(a)</sup>	Investment holding	Singapore	100	100
Oishi Japanese Pizza Pte Ltd <sup>(d)</sup>	Dormant	Singapore	84.1	84.1
E.Y.F. (S) Pte Ltd <sup>(d)</sup>	Dormant	Singapore	100	100
Kitchen Alchemy Pte Ltd <sup>(a)</sup>	Investment holding	Singapore	51	51
All Best Foods Pte Ltd <sup>(a)</sup>	Manufacturing, retailing of food products and operator of café and snack bars	Singapore	100	100
ABR Land (S) Pte Ltd <sup>(a)</sup>	Investment holding	Singapore	100	100
ABR Land Australia Pty Ltd <sup>(c)</sup>	Dormant	Australia	100	100
Chilli Padi Holding Pte Ltd <sup>(a)</sup>	Investment holding	Singapore	100	100
Permai Puncakmas Sdn. Bhd. <sup>(b)</sup>	Investment holding	Malaysia	100	100
All Best Realty Pte Ltd <sup>(a)</sup>	Investment holding	Singapore	100	100
<b>Held by the subsidiaries</b>				
<b>Held by Swensen's of Singapore (1996) Pte Ltd</b>				
Team-Up Investments (HK) Limited <sup>(b)</sup>	Dormant	Hong Kong	50	50
<b>Held by Europa Entertainment Pte Ltd</b>				
Europa (Beijing) Food & Beverage Management Co., Ltd <sup>(c)</sup>	Dormant	People's Republic of China	100	100
<b>Held by Team-Up Investments (HK) Limited</b>				
Win Win Food (Shenzhen) Co., Ltd <sup>(c)</sup>	Dormant	People's Republic of China	100	100

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 15 Investments in subsidiaries (cont'd)

i) Details of the Company's subsidiaries at 31 December 2023 are as follows: (cont'd)

Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held by the Group	
			2023 %	2022 %
<b>Held by the subsidiaries (cont'd)</b>				
<b>Held by Lawry's (Singapore) Ltd</b>				
Lawry's PRC Investment Pte Ltd <sup>(d)</sup>	Dormant	Singapore	100	100
Season Confectionary & Bakery Sdn. Bhd. <sup>(b)</sup>	Manufacturing and retailing of bread, cakes and confectionery	Malaysia	80	80
Season's Café Sdn. Bhd. <sup>(b)</sup>	Operation of a chain of cafeteria	Malaysia	80	80
<b>Held by Season Confectionary &amp; Bakery Sdn. Bhd.</b>				
Swensen's (Malaysia) Sdn. Bhd. <sup>(b)</sup>	Ice cream manufacturing and franchising and operator of restaurants	Malaysia	80	80
SSCB Pte Ltd <sup>(a)</sup>	Commission agents	Singapore	80	80
<b>Held by E.Y.F. (S) Pte Ltd</b>				
EY. Food (SH) Pte Ltd <sup>(c)</sup>	Dormant	People's Republic of China	100	100
EY. Food (BJ) Pte Ltd <sup>(c)</sup>	Dormant	People's Republic of China	100	100
<b>Held by All Best Foods Pte Ltd</b>				
21 Tanjong Pagar Pte Ltd <sup>(a)</sup>	Operation of food and beverage outlet	Singapore	100	100
<b>Held by Chilli Padi Holding Pte Ltd</b>				
Chilli Api Catering Pte Ltd <sup>(a)</sup>	Catering service and foodstuff manufacturing	Singapore	100	100
Chilli Padi Nonya Restaurant Pte Ltd <sup>(a)</sup>	Operation of food and beverage outlets	Singapore	100	100
Chilli Padi Nonya Catering Pte Ltd <sup>(a)</sup>	Operation of food and beverage outlets	Singapore	100	100
Peppercorn Concepts Pte Ltd <sup>(d)</sup>	Dormant	Singapore	100	100

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 15 Investments in subsidiaries (cont'd)

- i) Details of the Company's subsidiaries at 31 December 2023 are as follows: (cont'd)

Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held by the Group	
			2023 %	2022 %
<b>Held by the subsidiaries (cont'd)</b>				
<b>Held by Europa Lounge and Restaurant Pte Ltd</b>				
PT ABR Bintan Investments <sup>(c)</sup>	Investment holding	Indonesia	1	1
<b>Held by ABR Property Investments Pte Ltd</b>				
PT ABR Bintan Investments <sup>(c)</sup>	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 2023 as company is dormant during the financial year.

- ii) Non-current loans to subsidiaries

During the financial year, the Company advanced non-current interest-free equity loans totalling \$1,700,000 (2022: \$8,100,000) to finance investing and financing activities of certain subsidiaries. The loans are not expected to be repaid within the next twelve months or 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 subsidiaries. As a result, management considers the loans to be in substance part of the Company's net investment in the subsidiaries.

- iii) Acquisition of non-controlling interest without a change in control

On 15 March 2022, the Company completed the acquisition of the remaining 20% shares in the capital of Chilli Padi Holding Pte Ltd ("Chilli Padi") from its non-controlling interest at the consideration of \$4,392,000 and accordingly, Chilli Padi has become a wholly-owned subsidiary of the Company.

The following summarises the effect of the change in the Group's ownership interest in Chilli Padi on the equity attributable to owners of the Company:

	Group 2022 \$'000
Carrying amount of non-controlling interest acquired, representing increase in equity attributable to owners of the Company	1,649

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 15 Investments in subsidiaries (cont'd)

### iv) Impairment assessment

During the financial year, management performed an impairment test for the investments in All Best Foods Pte Ltd ("All Best Foods"), ABR Land (S) Pte Ltd ("ABR Land") and ABR Swensen's Pte Ltd ("ABR Swensen's") due to indications that impairment losses recognised in previous financial years may no longer exist or may have decreased.

For All Best Foods, a reversal of impairment loss of \$2,576,000 (2022: Nil) was recognised for the financial year ended 31 December 2023 to fully write back this subsidiary to its cost of \$7,020,000 as management expects an economic improvement in the performance of this subsidiary. The recoverable amount of the investment in All Best Foods has been determined based on a value in use calculation using 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 and the anticipated changes in the business and economic environment for the next five years. The forecast revenue growth (average over next five years) applied to the cash flow forecasts and the forecasted growth rate used to extrapolate the cash flow forecasts beyond the five year period are 5% and 1% respectively. The discount rate applied to the cash flow forecasts is 12% (2022: 16.7%). Had the forecast revenue growth applied been 1% higher or lower than management's estimation, the reversal of impairment loss will increase or decrease by Nil and \$503,000 respectively. For the discount rate and forecasted growth rate, management has assessed that the change in the estimated recoverable amount arising from any reasonably possible changes in the respective rates would not cause the recoverable amount to be materially lower than the carrying value of the investment.

For ABR Land and ABR Swensen's, a reversal of impairment loss of \$86,000 and \$219,000 respectively (2022: Nil) were recognised for the financial year ended 31 December 2023 to fully write back these subsidiaries to their cost of \$8,300,000 and \$219,000 respectively. The recoverable amounts of the investments in ABR Land and ABR Swensen's have been determined on the basis of their fair value less cost of disposal. Management made reference to the fair value adjusted net assets of the subsidiary at the end of the reporting period for the impairment assessment. The fair value is determined using the market approach and this is categorised in Level 3 of the fair value hierarchy.

## 16 Interests in equity-accounted investees

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Interests in associated companies	19,915	20,627	-	-
Interests in joint ventures	1,453	-	500	500
	<b>21,368</b>	20,627	<b>500</b>	500

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 16 Interests in equity-accounted investees (cont'd)

### a) Interests in associated companies

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
At beginning of financial year	9,382	9,472	7	97
Less: Struck-off during the financial year	-	(90)	-	(90)
At end of financial year	9,382	9,382	7	7
Less: Allowance for impairment in value	-	-	(7)	(7)
	9,382	9,382	-	-
Group's share of post-acquisition reserves	(2,546)	(1,569)	-	-
Translation	(38)	10	-	-
	6,798	7,823	-	-
<b>Non-current loans</b>				
At beginning of financial year	12,804	12,181	-	-
Advances during the financial year	1,129	1,361	-	-
Translation	(816)	(738)	-	-
At end of financial year	13,117	12,804	-	-
Total	19,915	20,627	-	-

During the financial year, the Group has advanced non-current interest-free equity loans totalling \$1,129,000 (2022: \$1,361,000) through its subsidiaries to finance its associated companies. 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 companies. As a result, management considers the loans to be in substance part of the Group's net investment in the associated companies.

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

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
At beginning of financial year	-	-	7	97
Struck-off during the financial year	-	-	-	(90)
At end of financial year	-	-	7	7

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 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	
			2023 %	2022 %
<b>Held by the Company</b>				
Swensen's Ice Cream Company (Australia) Pty Ltd	Dormant	Australia	50	50
<b>Held by All Best Realty Pte Ltd</b>				
Goodwill Influx Sdn. Bhd. ("Goodwill Influx")	Investment holding	Malaysia	20 <sup>(1)</sup>	20 <sup>(1)</sup>
<b>Held by Permai Puncakmas Sdn. Bhd.</b>				
Sering Manis Sdn. Bhd. ("Sering Manis")	Property developer	Malaysia	19 <sup>(2)</sup>	19 <sup>(2)</sup>

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	
	2023 \$'000	2022 \$'000
Carrying amount:		
Goodwill Influx	8,850	8,808
Sering Manis	11,065	11,819
	<b>19,915</b>	<b>20,627</b>

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 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 Financial Reporting Standards ("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:

	Serling Manis		Goodwill Influx	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Loss after tax	(587)	(573)	(1,363)	(1,169)
Other comprehensive income/(loss)	413	353	(3,600)	(208)
Total comprehensive loss	(174)	(220)	(4,963)	(1,377)
Non-current assets	91,116	90,383	44,286	43,947
Current assets	2,942	2,571	1	2
Non-current liabilities	(90,008)	(90,526)	(7,508)	(2,207)
Current liabilities	(7,497)	(5,701)	(4)	(4)
Net (liabilities)/assets	(3,447)	(3,273)	36,775	41,738
Group's share of net (liabilities)/assets based on proportion of ownership interest	(655)	(621)	7,356	8,347
Goodwill on acquisition	97	97	-	-
	(558)	(524)	7,356	8,347
Loans to associated companies	11,623	12,343	1,494	461
	11,065	11,819	8,850	8,808

### b) Interests in joint ventures

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Unquoted equity shares, at cost</b>				
At beginning and end of financial year	831	831	500	500
Group's share of post-acquisition reserves	622	(831)	-	-
	1,453	-	500	500

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	
			2023 %	2022 %
<b>Held by the Company</b>				
Baywind Properties Pte. Ltd. ("Baywind Properties")	Property developer	Singapore	50	50
<b>Held by ABR Property Investments Pte Ltd</b>				
ABR CCH Land Sdn. Bhd. ("ABR CCH Land")	Property developer	Malaysia	49	49

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 16 Interests in equity-accounted investees (cont'd)

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

The following information relates to the joint venture companies: (cont'd)

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:

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Carrying amount:</i>		
Baywind Properties	<b>1,453</b>	–
ABR CCH Land	–	–
	<b>1,453</b>	–

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:

	<b>Baywind Properties</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest expense	<b>997</b>	751
Interest income	<b>63</b>	2
Income tax expense/(credit)	<b>704</b>	(130)
Profit/(loss) after tax, representing total comprehensive income/(loss)	<b>3,654</b>	(1,290)
Non-current asset	–	130
Current assets	<b>30,569</b>	34,224
Non-current liabilities	<b>(23,439)</b>	(28,089)
Current liabilities	<b>(4,224)</b>	(7,013)
Net assets/(liabilities)	<b>2,906</b>	(748)
Group's share of net assets based on proportion of ownership interest	<b>1,453</b>	–

Included in the current assets and non-current liabilities above are cash and cash equivalents of \$2,713,000 (2022: \$5,560,000) and borrowings of \$13,000,000 (2022: \$17,700,000) respectively.

The Group had not recognised its share of losses of Baywind Properties amounting to \$374,000 for the financial year ended 31 December 2022 because the Group's cumulative share of losses had exceeded its interest in that joint venture and the Group had no obligation in respect of these losses.

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

	<b>ABR CCH Land</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Loss after tax, representing total comprehensive loss	–	–

The Group has not recognised its share of losses of ABR CCH Land amounting to \$274,000 (2022: \$362,000) 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 \$846,000 (2022: \$572,000).

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 17 Financial asset at fair value through other comprehensive income ("FVOCI")

	<b>Group and Company</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Equity investment designated at FVOCI</i>		
Unquoted equity investment	<b>35</b>	35

Unquoted equity investment represents interest in a company in Singapore, which is engaged in pharmaceutical research and development. 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 transacted prices of the investee's equity, 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")

	<b>Group and Company</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Financial assets measured at FVTPL</i>		
Quoted equity investment in Singapore	<b>5,051</b>	4,258
Structured deposit	<b>97</b>	94
	<b>5,148</b>	4,352

The above equity investment is held for returns through dividend income and fair value gains. The above structured deposit is held for returns through interest income.

## 19 Due from subsidiaries

### i) Loans to subsidiaries, non-current

	<b>Company</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Loans to subsidiaries	<b>15,958</b>	14,372
Less: Allowance for impairment (Note 34(b))	<b>(3,796)</b>	(3,810)
	<b>12,162</b>	10,562

The non-current loans to subsidiaries are interest-free and unsecured, except for advances to certain subsidiaries of \$1,860,000 (2022: \$110,000) with interest at 4.75% and 5% (2022: 5%) per annum. The advance is not expected to be repaid within the next twelve months.

The non-current loans to subsidiaries of \$14,098,000 (2022: \$14,262,000) 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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 19 Due from subsidiaries (cont'd)

### ii) Due from subsidiaries, current

	Company	
	2023 \$'000	2022 \$'000
Trade	2,973	3,642
Less: Allowance for impairment (Note 34(b))	(2,938)	(3,618)
Note 22	35	24
Non-trade	4,912	4,003
Less: Allowance for impairment (Note 34(b))	(4,120)	(3,826)
Note 22	792	177
	<b>827</b>	<b>201</b>

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

## 20 Due from equity-accounted investees

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<i>Non-current</i>				
Loans to joint venture companies	9,967	9,942	5,219	5,194
Less: Allowance for impairment (Note 34(b))	(536)	(331)	-	-
	<b>9,431</b>	<b>9,611</b>	<b>5,219</b>	<b>5,194</b>
<i>Current</i>				
Due from equity-accounted investees (non-trade)	1,755	1,367	318	211
Less: Allowance for impairment (Note 34(b))	(63)	(60)	(63)	(60)
Note 22	<b>1,692</b>	<b>1,307</b>	<b>255</b>	<b>151</b>

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

The Group's non-current loans receivable from joint venture companies (excluding a non-interest bearing loan of \$567,000 (2022: \$567,000)) bear interest at 2% and 6.72% (2022: 2% and 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% (2022: 2%) 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 \$385,000 (2022: \$373,000) during the financial year. This related party transaction is based on terms agreed between the parties concerned.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 21 Inventories

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Ice cream and ingredients	1,147	1,233	1,139	1,229
Confectionery and ingredients	607	681	–	–
Food and beverages	694	730	482	595
Packaging materials, consumables and merchandise	610	571	412	372
	<b>3,058</b>	3,215	<b>2,033</b>	2,196

Cost is determined on a first-in, first-out basis.

Cost of inventories included in cost of sales of the Group and the Company amounted to \$30,716,000 (2022: \$26,558,000) and \$18,363,000 (2022: \$17,478,000) respectively.

The Group and the Company wrote off inventories amounted to \$36,000 (2022: \$31,000) and \$34,000 (2022: \$24,000) respectively.

## 22 Trade and other receivables

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade receivables	2,811	2,428	864	793
Less: Allowance for impairment (Note 34(b))	(21)	(21)	–	–
Due from subsidiaries (Note 19(ii))	–	–	35	24
	<b>2,790</b>	2,407	<b>899</b>	817
Rental and sundry deposits	3,673	3,681	3,004	3,066
Prepayments	1,536	946	877	340
Sundry receivables	93	246	45	209
Grant receivable	1,723	–	1,342	–
Tax recoverable	20	5	–	–
	<b>7,045</b>	4,878	<b>5,268</b>	3,615
Less: Allowance for impairment (Note 34(b))	(45)	(45)	(45)	(45)
	<b>7,000</b>	4,833	<b>5,223</b>	3,570
Due from subsidiaries (Note 19(ii))	–	–	792	177
Due from equity-accounted investees (Note 20)	1,692	1,307	255	151
	<b>8,692</b>	6,140	<b>6,270</b>	3,898
Total	<b>11,482</b>	8,547	<b>7,169</b>	4,715

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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 23 Cash and cash equivalents

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash and bank balances	14,806	15,222	3,445	5,880
Fixed deposits	11,690	17,634	1,310	6,240
Cash and cash equivalents as per statements of financial position	26,496	32,856	4,755	12,120
Fixed deposits (pledged)	(456)	(461)	-	-
As per consolidated statement of cash flows	26,040	32,395	4,755	12,120

The Group's fixed deposits of \$456,000 (2022: \$461,000) are pledged to banks for banking facilities granted to the Group.

## 24 Share capital

	Group and Company			
	2023 Number of shares	2022	2023 \$'000	2022 \$'000
<b>Issued and fully paid ordinary shares</b>				
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.

## 25 Other reserves

	Group	
	2023 \$'000	2022 \$'000
Foreign currency translation reserve	(3,742)	(1,958)
Capital reserve	826	826
	(2,916)	(1,132)

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 25 Other reserves (cont'd)

Movements in other reserves are as follows:

	Group	
	2023 \$'000	2022 \$'000
<i>Foreign currency translation reserve</i>		
At beginning of financial year	(1,958)	(1,003)
Net exchange differences on translation of financial statements of foreign subsidiaries	(324)	(141)
Translation loss of loan that forms part of net investment in foreign subsidiary	(686)	(738)
Translation loss of loan that forms part of net investment in foreign associated company	(96)	-
Share of other comprehensive loss of equity-accounted investees	(678)	(7)
Currency translation on liquidation of a subsidiary in profit or loss	-	(69)
At end of financial year	<b>(3,742)</b>	(1,958)
<i>Capital reserve</i>		
At beginning and end of financial year	<b>826</b>	826
<i>Option reserve</i>		
At beginning of financial year	-	(1,900)
Acquisition of non-controlling interest without a change in control	-	1,900
At end of financial year	-	-

## 26 Deferred tax (assets)/liabilities

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

The movements in the deferred tax account are as follows:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
At beginning of financial year	1,490	1,587	(200)	(250)
Tax expense/(credit) to				
- Profit or loss (Note 9)	216	(84)	-	50
- Translation difference	(19)	(13)	-	-
At end of financial year	<b>1,687</b>	1,490	<b>(200)</b>	(200)
Representing:				
<i>Non-current</i>				
Deferred tax assets	(300)	(450)	(200)	(200)
Deferred tax liabilities	1,987	1,940	-	-
	<b>1,687</b>	1,490	<b>(200)</b>	(200)

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 26 Deferred tax (assets)/liabilities (cont'd)

Representing:

Deferred tax (assets)/liabilities arising from:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Accelerated tax depreciation	1,162	1,222	129	332
Intangible assets	1,081	1,128	–	–
Right-of-use assets	5,439	4,078	4,346	3,704
Lease liabilities	(5,628)	(4,366)	(4,494)	(3,930)
Provisions	(424)	(378)	(292)	(293)
PWCS receivable	221	–	170	–
Unabsorbed tax losses and capital allowances	(162)	(330)	(91)	–
Others	(2)	136	32	(13)
	<b>1,687</b>	<b>1,490</b>	<b>(200)</b>	<b>(200)</b>

At the end of the reporting period, the Group has undistributed earnings amount of \$11,828,000 (2022: \$11,617,000) 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 \$240,000 (2022: \$193,000) have not been recognised for taxes that will be payable on a subsidiary's interest income from an overseas joint venture when remitted to the subsidiary as the Group has determined that the interest income will not be remitted in the foreseeable future. These unremitted interest income are permanently reinvested and amount to \$1,413,000 (2022: \$1,133,000) at the end of the reporting period.

## 27 Trade and other payables

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade payables	5,591	5,446	2,981	2,641
Due to subsidiaries, trade	–	–	559	539
	<b>5,591</b>	<b>5,446</b>	<b>3,540</b>	<b>3,180</b>
Other payables	2,026	1,996	862	1,045
Accrued operating expenses	4,330	4,614	2,782	2,748
Deferred income	1,048	888	501	429
Due to subsidiaries, non-trade	–	–	2,454	2,318
Payable for acquisition of trademarks, and related knowhow and goodwill	256	256	–	–
	<b>7,660</b>	<b>7,754</b>	<b>6,599</b>	<b>6,540</b>
Total	<b>13,251</b>	<b>13,200</b>	<b>10,139</b>	<b>9,720</b>

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 2023

## 28 Provisions

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Provision for restoration costs	<b>1,561</b>	1,597	<b>954</b>	954
Provision for unutilised annual leave	<b>1,264</b>	1,149	<b>761</b>	775
	<b>2,825</b>	2,746	<b>1,715</b>	1,729

Represented by:

Non-current liabilities	<b>906</b>	1,121	<b>578</b>	646
Current liabilities	<b>1,919</b>	1,625	<b>1,137</b>	1,083
	<b>2,825</b>	2,746	<b>1,715</b>	1,729

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

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
At beginning of financial year	<b>1,597</b>	1,562	<b>954</b>	954
(Utilised/reversed)/provision during the financial year, net	<b>(25)</b>	48	-	-
Translation	<b>(11)</b>	(13)	-	-
At end of financial year	<b>1,561</b>	1,597	<b>954</b>	954

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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
At beginning of financial year	<b>1,149</b>	1,028	<b>775</b>	770
Provision/(utilised/reversed) during the financial year, net	<b>115</b>	121	<b>(14)</b>	5
At end of financial year	<b>1,264</b>	1,149	<b>761</b>	775

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 29 Borrowings

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Non-current</b>				
<i>Unsecured</i>				
Bank loan	<b>1,288</b>	2,550	<b>1,288</b>	2,550
<i>Secured</i>				
Bank loan	<b>18,894</b>	19,729	–	–
	<b>20,182</b>	22,279	<b>1,288</b>	2,550
<b>Current</b>				
<i>Unsecured</i>				
Bank loan	<b>1,262</b>	1,237	<b>1,262</b>	1,237
<i>Secured</i>				
Bank loan	<b>834</b>	834	–	–
Banker's acceptance	<b>114</b>	131	–	–
	<b>2,210</b>	2,202	<b>1,262</b>	1,237
	<b>22,392</b>	24,481	<b>2,550</b>	3,787

### Bank loans

- (i) The unsecured bank loan of the Group and the Company bears fixed interest rate of 2% (2022: 2%) per annum and repayable over 48 monthly instalments commencing from January 2022.
- (ii) The secured bank loan of a subsidiary bears average interest rate at 4.70% (2022: 4.14%) per annum at the end of the reporting period.

It is secured by the following:

- a) legal mortgage on the subsidiary's investment properties;
- b) legal assignment of all rights and benefits under the subsidiary's sales and purchase agreements and tenancy agreements;
- c) corporate guarantee given by the Company;
- d) deed of subordination of all loans and advances extended by the Company and its related corporations; and
- e) a charge over the subsidiary's fixed deposit.

The secured bank loan has a tenure of 15 years which is repayable over 180 monthly instalments commencing from 1 November 2022.

### Banker's acceptance

The banker's acceptance of \$114,000 (2022: \$131,000) of a subsidiary is secured by way of fixed charges over the subsidiary's properties with net carrying value of \$992,000 (2022: \$1,086,000), 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 4% (2022: 3.75%) per annum at the end of the reporting period.

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

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 29 Borrowings (cont'd)

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

	Banker's acceptance \$'000	Bank loans \$'000	Total \$'000
<b>Group</b>			
<b>2023</b>			
At beginning of financial year	131	24,350	24,481
Changes from financing cash flows:			
– Repayments	(9)	(2,071)	(2,080)
– Interest paid	(6)	(1,018)	(1,024)
Non-cash changes:			
– Interest expense (Note 6)	6	1,011	1,017
– Interest payable	–	6	6
Effect of changes in foreign exchange rates	(8)	–	(8)
At end of financial year	<b>114</b>	<b>22,278</b>	<b>22,392</b>
<b>2022</b>			
At beginning of financial year	76	5,000	5,076
Changes from financing cash flows:			
– Proceeds	59	20,702	20,761
– Repayments	–	(1,352)	(1,352)
– Interest paid	(4)	(226)	(230)
Non-cash changes:			
– Interest expense (Note 6)	4	315	319
– Interest payable	–	(89)	(89)
Effect of changes in foreign exchange rates	(4)	–	(4)
At end of financial year	131	24,350	24,481

## 30 Lease liabilities

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Represented by:				
Non-current	20,829	12,824	14,722	11,732
Current	12,679	12,861	11,716	11,386
	<b>33,508</b>	25,685	<b>26,438</b>	23,118

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 30 Lease liabilities (cont'd)

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

	Group	
	2023 \$'000	2022 \$'000
At beginning of financial year	25,685	25,072
Changes from financing cash flows:		
– Payments	(15,333)	(13,832)
– Interest paid	(1,202)	(848)
Non-cash changes:		
– Interest expense (Note 6 and Note 12)	1,202	848
– Additions of new leases	23,232	14,494
Effect of changes in foreign exchange rates	(76)	(49)
At end of financial year	<u>33,508</u>	<u>25,685</u>

## 31 Dividends

The directors have proposed a final tax exempt dividend for 2023 of 1.00 cent (2022: 0.75 cents) per share of approximately \$2,010,000 (2022: \$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 2024.

## 32 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 \$1.7 million) (2022: RM6 million (approximately \$1.8 million)) executed together with a wholly-owned subsidiary to a bank for banking facilities taken by a subsidiary of RM647,000 (approximately \$186,000) (2022: RM680,000 (approximately \$207,000)) at the end of the reporting period;
- ii) The Company has provided a corporate guarantee of RM4.4 million (approximately \$1.3 million) (2022: RM4.4 million (approximately \$1.3 million)) to a bank for banking facility taken by a joint venture company. The banking facility taken up by the joint venture company amounted to RM3.9 million (approximately \$1.1 million) (2022: RM4.0 million (approximately \$1.2 million)) at the end of the reporting period;
- iii) The Company has provided a proportionate corporate guarantee of \$13.7 million (2022: \$13.7 million) to a bank for banking facility taken by a joint venture company. The banking facility taken up by the joint venture company amounted to \$15.4 million (2022: \$20.0 million) at the end of the reporting period; and
- iv) The Company has provided a corporate guarantee of \$20.7 million (2022: \$20.7 million) to a bank for banking facility taken up by a subsidiary. The banking facility taken up by the subsidiary amounted to \$19.7 million (2022: \$20.6 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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 33 Capital commitments

Capital commitments not provided for in the financial statements:

	Group	
	2023 \$'000	2022 \$'000
Capital commitment in respect of property, plant and equipment	1,063	508

## 34 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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<i>Financial assets</i>				
Financial assets at cost	13,148	13,040	32,662	31,112
Financial assets at amortised cost	44,099	49,827	16,784	21,799
Financial asset at FVOCI	35	35	35	35
Financial assets at FVTPL	5,148	4,352	5,148	4,352
<i>Financial liabilities</i>				
At amortised cost	67,000	61,273	38,066	35,623

### 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").

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

The Company does not have significant exposure to foreign exchange risk.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 34 Financial instruments (cont'd)

### b) Financial risks management (cont'd)

#### Market risk (cont'd)

##### Foreign exchange risk (cont'd)

The Group's foreign currency exposure is as follows:

	Denominated in USD \$'000
<b>Group</b>	
<b>2023</b>	
<i>Financial assets</i>	
Cash and cash equivalents	<u>9,201</u>
2022	
<i>Financial assets</i>	
Cash and cash equivalents	<u>9,126</u>

The following table demonstrates the sensitivity to a reasonably possible change in USD 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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
USD/SGD				
- strengthened 3% (2022: 3%)	229	227	-	-
- weakened 3% (2022: 3%)	(229)	(227)	-	-

#### Interest rate risk

The Group's exposure to changes in interest rates relate 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). Borrowings at variable rate expose the Group to cash flow interest rate risk (i.e. the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest 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.

#### Sensitivity analysis for interest rate risk

The sensitivity analysis below have been determined based on the exposure to interest rates for borrowings at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of borrowings that have floating rates. The Group's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in SGD.

If the SGD interest rates increase/decrease by 50 (2022: 50) basis points with all other variables including tax rate being held constant, the profit after tax of the Group will be lower/higher by \$104,000 (2022: \$26,000) as a result of higher/lower interest expense on these borrowings.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 34 Financial instruments (cont'd)

### b) Financial risks management (cont'd)

#### **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.

#### *Maximum exposure and concentration of credit risk*

At the end of the reporting period, 36% (2022: 34%) and 29% (2022: 44%) 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 32.

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

<b>Description of evaluation of financial assets</b>	<b>Basis for recognition and measurement of ECL</b>
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.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 34 Financial instruments (cont'd)

### b) Financial risks management (cont'd)

#### **Credit risk (cont'd)**

##### *Significant increase in credit risk (cont'd)*

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.

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 2023

## 34 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) (Note 20) \$'000	Due from equity- accounted investees (Current) (Note 20) \$'000	Trade receivables (Note 22) \$'000	Sundry receivables (Note 22) \$'000	
<b>Group</b>					
Balance at 1 January 2023	331	60	21	45	
Loss allowance measured: Lifetime ECL					
– Significant increase in credit risk	205	3	–	–	
Balance at 31 December 2023	<b>536</b>	<b>63</b>	<b>21</b>	<b>45</b>	
Balance at 1 January 2022	331	214	82	45	
Loss allowance measured/ (reversed): Lifetime ECL					
– Significant increase in credit risk	–	3	–	–	
– Write-back of allowance	–	–	(14)	–	
Receivables written off as uncollectible	–	(157)	(47)	–	
Balance at 31 December 2022	331	60	21	45	
	Loans to subsidiaries (Non-current) (Note 19(i)) \$'000	Due from subsidiaries – trade (Current) (Note 19(ii)) \$'000	Due from subsidiaries – non-trade (Current) (Note 19(ii)) \$'000	Due from equity- accounted investees (Current) (Note 20) \$'000	Sundry receivables (Note 22) \$'000
<b>Company</b>					
Balance at 1 January 2023	3,810	3,618	3,826	60	45
Loss allowance measured/ (reversed): Lifetime ECL					
– Significant increase in credit risk	–	–	300	3	–
– Write-back of allowance	(14)	(680)	(6)	–	–
Balance at 31 December 2023	<b>3,796</b>	<b>2,938</b>	<b>4,120</b>	<b>63</b>	<b>45</b>
Balance at 1 January 2022	5,667	4,066	3,876	214	45
Loss allowance measured/ (reversed): Lifetime ECL					
– Significant increase in credit risk	–	–	270	3	–
– Write-back of allowance	–	(448)	(194)	–	–
Receivables written off as uncollectible	(1,857)	–	(126)	(157)	–
Balance at 31 December 2022	3,810	3,618	3,826	60	45

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 34 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 current macroeconomic conditions 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 financial assets:

<b>Group 2023</b>	<b>12-month or lifetime ECL</b>	<b>Gross carrying amount \$'000</b>	<b>Loss allowance \$'000</b>	<b>Net carrying amount \$'000</b>
Trade receivables	Lifetime	<b>2,811</b>	<b>(21)</b>	<b>2,790</b>
Other receivables	12-month (Exposure limited)	<b>3,673</b>	<b>-</b>	<b>3,673</b>
	Lifetime	<b>93</b>	<b>(45)</b>	<b>48</b>
Loans to equity-accounted investees	Lifetime	<b>23,084</b>	<b>(536)</b>	<b>22,548</b>
Due from equity-accounted investees (non-trade)	Lifetime	<b>1,755</b>	<b>(63)</b>	<b>1,692</b>
Cash and cash equivalents	Not applicable (Exposure limited)	<b>26,496</b>	<b>-</b>	<b>26,496</b>
2022				
Trade receivables	Lifetime	2,428	(21)	2,407
Other receivables	12-month (Exposure limited)	3,681	-	3,681
	Lifetime	246	(45)	201
Loans to equity-accounted investees	Lifetime	22,746	(331)	22,415
Due from equity-accounted investees (non-trade)	Lifetime	1,367	(60)	1,307
Cash and cash equivalents	Not applicable (Exposure limited)	32,856	-	32,856

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 34 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 Company's financial assets:

Company 2023	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Trade receivables	Lifetime	864	–	864
Other receivables	12-month (Exposure limited)	3,004	–	3,004
	Lifetime	45	(45)	–
Due from subsidiaries	12-month (Exposure limited)	32,695	–	32,695
	Lifetime	13,508	(10,854)	2,654
Loans to equity-accounted investees	Lifetime	5,219	–	5,219
Due from equity-accounted investees (non-trade)	Lifetime	318	(63)	255
Cash and cash equivalents	Not applicable (Exposure limited)	4,755	–	4,755
2022				
Trade receivables	Lifetime	793	–	793
Other receivables	12-month (Exposure limited)	3,066	–	3,066
	Lifetime	209	(45)	164
Due from subsidiaries	12-month (Exposure limited)	31,145	–	31,145
	Lifetime	11,532	(11,254)	278
Loans to equity-accounted investees	Lifetime	5,194	–	5,194
Due from equity-accounted investees (non-trade)	Lifetime	211	(60)	151
Cash and cash equivalents	Not applicable (Exposure limited)	12,120	–	12,120

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 34 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.

	Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000	Total \$'000
<b>Group</b>				
<b>2023</b>				
Trade and other payables	11,100	–	–	11,100
Borrowings	3,148	7,836	20,431	31,415
Lease liabilities	13,770	18,581	6,397	38,748
Financial guarantee contracts	8,800	–	–	8,800
<hr/>				
2022				
Trade and other payables	11,107	–	–	11,107
Borrowings	3,222	9,365	22,130	34,717
Lease liabilities	13,583	13,401	–	26,984
Financial guarantee contracts	11,200	–	–	11,200
<hr/>				
<b>Company</b>				
<b>2023</b>				
Trade and other payables	9,078	–	–	9,078
Borrowings	1,302	1,302	–	2,604
Lease liabilities	12,579	15,424	–	28,003
Financial guarantee contracts	28,686	–	–	28,686
<hr/>				
2022				
Trade and other payables	8,718	–	–	8,718
Borrowings	1,302	2,603	–	3,905
Lease liabilities	12,023	12,209	–	24,232
Financial guarantee contracts	32,007	–	–	32,007
<hr/>				

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 35 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
<b>Group and Company</b>				
<b>2023</b>				
Financial assets at FVTPL	5,051	–	97	5,148
Financial asset at FVOCI	–	–	35	35
<b>2022</b>				
Financial asset at FVTPL	4,258	–	94	4,352
Financial asset at FVOCI	–	–	35	35

### 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 \$9,431,000 (2022: \$9,611,000) (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 non-current borrowings as disclosed in Note 29 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) Movements in Level 3 assets and liabilities measured at fair value

Other than additions of Nil (2022: \$100,000) and fair value gain recognised in profit or loss of \$3,000 (2022: fair value loss of \$6,000) for financial asset at FVTPL, there is no movement in Level 3 fair value measurements during the current and prior financial year.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 35 Fair value of assets and liabilities (cont'd)

### e) 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) and Note 20 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.

### f) 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 current macroeconomic conditions, in particular rising interest rates and other unforeseen events. Consequently, the actual results and the realisation of these properties could differ significantly from these estimates.

## 36 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:

	2023	Group	2022
	\$'000		\$'000
<b>Close family members of key management personnel</b>			
Remuneration:			
– Salaries and related costs	289		296
– Contribution to defined contribution plans	44		50
Expenses paid on behalf of the Group	154		171
<b>Key management personnel</b>			
Expenses paid on behalf of the Group	586		388
Rental paid to a Director of the Company	12		42
Professional fees paid to a firm related to a Director of the Company	–		39

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 37 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
<b>2023</b>					
Revenue from external customers	116,809	-	45	-	116,854
Inter-segment revenue	-	-	2,286	(2,286)	-
Total revenue	<b>116,809</b>	<b>-</b>	<b>2,331</b>	<b>(2,286)</b>	<b>116,854</b>
Segment results	6,621	86	(1,392)	-	5,315
Finance costs	(1,107)	(941)	(171)	-	(2,219)
Share of results of equity-accounted investees	-	1,069	-	-	1,069
Profit before tax	5,514	214	(1,563)	-	4,165
Income tax expense					(593)
Profit after tax					3,572
Non-controlling interests					(37)
Net profit attributable to owners of the Company					<b>3,535</b>
<b>Assets</b>					
Investment in equity-accounted investees	-	21,368	-	-	21,368
Segment assets	117,906	41,926	28,232	(38,356)	149,708
Unallocated assets					300
<b>Total assets</b>					<b>171,376</b>
<b>Liabilities</b>					
Segment liabilities	51,381	49,085	13,559	(42,049)	71,976
Unallocated liabilities					2,408
<b>Total liabilities</b>					<b>74,384</b>
Additions to non-current assets	22,928	-	4,113	-	27,041
Depreciation and amortisation	17,484	695	516	-	18,695
Allowance for impairment on loans to a joint venture	-	205	-	-	205
Other non-cash expenses/ (income)	45	-	(796)	-	(751)

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 37 Segment information (cont'd)

The segment information provided to management for the reportable segments are as follows: (cont'd)

	Food and beverage \$'000	Property investments \$'000	Others \$'000	Eliminations/ adjustment \$'000	Group \$'000
2022					
Revenue from external customers	101,681	–	52	–	101,733
Inter-segment revenue	–	–	2,168	(2,168)	–
Total revenue	101,681	–	2,220	(2,168)	101,733
Segment results	6,515	302	(2,263)	–	4,554
Finance costs	(930)	(228)	(9)	–	(1,167)
Share of results of equity-accounted investees	–	(614)	–	–	(614)
Profit before tax	5,585	(540)	(2,272)	–	2,773
Income tax expense					(259)
Profit after tax					2,514
Non-controlling interests					(81)
Net profit attributable to owners of the Company					2,433
Assets					
Investment in equity-accounted investees	–	20,627	–	–	20,627
Segment assets	115,225	44,105	23,849	(38,566)	144,613
Unallocated assets					450
Total assets					165,690
Liabilities					
Segment liabilities	52,722	48,202	8,149	(42,961)	66,112
Unallocated liabilities					2,322
Total liabilities					68,434
Additions to non-current assets	16,751	26,697	22	–	43,470
Depreciation and amortisation	16,873	295	564	–	17,732
Impairment loss on property, plant and equipment	127	–	–	–	127
Other non-cash expenses/ (income)	95	–	(466)	–	(371)

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 2023

## 37 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 the reportable segments based on the operations of the segments other than deferred tax asset.

### *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 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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Singapore	106,145	92,691	90,434	80,385
Malaysia	10,709	9,042	10,582	12,083
Rest of Asia	–	–	1,293	1,352
	<b>116,854</b>	101,733	<b>102,309</b>	93,820

### **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 2023 and 31 December 2022.

## 38 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 Company 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 comprises borrowings, lease liabilities, less cash and cash equivalents. Total capital comprises total equity plus net debt.

# / NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 38 Capital management (cont'd)

The Group's overall strategy remains unchanged from 2022.

	Group	
	2023	2022
	\$'000	\$'000
Borrowings (Note 29)	22,392	24,481
Lease liabilities (Note 30)	33,508	25,685
Less: Cash and cash equivalents (Note 23)	(26,496)	(32,856)
Net debt	<u>29,404</u>	<u>17,310</u>
Total equity	96,992	97,256
Net debt	29,404	17,310
Total capital	<u>126,396</u>	<u>114,566</u>

The Group will continue to be guided by prudent financial policies of which gearing is monitored.

## 39 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 2023 were authorised for issue in accordance with a resolution of the directors on 1 April 2024.

# / LIST OF PROPERTIES

AS AT 31 DECEMBER 2023

Description	Location	Floor Area (Sqm)	Tenure of Lease (Use)
<b>Singapore</b>			
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 2023 (Factory, warehouse and office)
Three adjoining 3-storey conservation shophouses with attic	1, 3, 5 Club Street Singapore 069400, 069401, 069402	453	99 years from 15 January 1996 (Rental)
A pair of 2-storey conservation shophouses	7, 9 Club Street Singapore 069403, 069404	218	99 years from 15 January 1996 (Rental)
<b>Malaysia</b>			
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)
<b>Indonesia</b>			
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 22 MARCH 2024

Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) Vote per Ordinary Share
No. of Issued shares	:	200,995,734 Ordinary Shares
Treasury shares	:	Nil
No. of subsidiary holdings held	:	Nil

## **Distribution of Shareholdings as at 22 March 2024**

<b>Size of Shareholdings</b>	<b>No. of Shareholders</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
1 – 99	6	0.61	247	0.00
100 – 1,000	150	15.12	135,437	0.07
1,001 – 10,000	597	60.18	3,018,535	1.50
10,001 – 1,000,000	229	23.08	12,291,756	6.12
1,000,001 and above	10	1.01	185,549,759	92.31
Total	992	100.00	200,995,734	100.00

## **Substantial Shareholders as at 22 March 2024**

<b>Name of Substantial Shareholders</b>	<b>Direct Interest</b>		<b>Indirect Interest</b>	
	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
Ang Yee Lim	104,926,201 <sup>1</sup>	52.20	–	–
Kechapi Pte Ltd	56,925,858 <sup>2</sup>	28.32	–	–
Alby (Private) Limited	–	–	56,925,858 <sup>3</sup>	28.32
Chua Tiang Choon, Keith	300,000	0.15	56,925,858 <sup>3</sup>	28.32
Allan Chua Tiang Kwang	300,000	0.15	56,925,858 <sup>3</sup>	28.32
Chua Tiang Chuan	–	–	56,925,858 <sup>3</sup>	28.32

Notes:–

1. 65,721,700 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 22 MARCH 2024

## **Twenty Largest Shareholders as at 22 March 2024**

<b>No.</b>	<b>Name of Shareholders</b>	<b>No. of shares</b>	<b>%</b>
1	Raffles Nominees (Pte) Limited	65,383,700	32.53
2	Ang Yee Lim	39,204,501	19.51
3	Hong Leong Finance Nominees Pte Ltd	30,030,000	14.94
4	Kechapi Pte Ltd	26,925,858	13.40
5	UOB Kay Hian Pte Ltd	11,867,900	5.90
6	So Tai Lai	3,630,300	1.81
7	DBS Nominees Pte Ltd	2,462,500	1.23
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	HSBC (Singapore) Nominees Pte Ltd	832,700	0.41
12	Ong Kheng Ho	495,000	0.25
13	Ong Kok Foo	350,000	0.17
14	Tay Huay Hong	348,000	0.17
15	United Overseas Bank Nominees (Private) Limited	315,200	0.16
16	Ronald Lim Cheng Aun	305,000	0.15
17	Allan Chua Tiang Kwang	300,000	0.15
18	Chua Tiang Choon Keith	300,000	0.15
19	Lim Meng Hong	300,000	0.15
20	Quek Mong Hua	300,000	0.15
	<b>Total:</b>	<b>189,395,659</b>	<b>94.23</b>

Based on Shareholders' Information as at 22 March 2024 approximately 17.64% 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 HERE BY GIVEN** that the Annual General Meeting of the Company will be held at 41 Tampines Street 92, #03-00 ABR Building, Singapore 528881 on Monday, 29 April 2024 at 10:00 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 2023 together with the Independent Auditor's Report thereon. **Resolution 1**
2. To approve the payment of a tax exempt (1-tier) Final Dividend of 1.00 Singapore cent per ordinary share for the financial year ended 31 December 2023. **Resolution 2**
3. To approve the payment of the Directors' fees of S\$205,000 for the financial year ended 31 December 2023 (2022: S\$205,000). **Resolution 3**
4. To approve the payment of the Directors' fees of S\$205,000 for the financial year ending 31 December 2024. **Resolution 4**
5. To re-elect Mr Allan Chua Tiang Kwang, the director retiring by rotation pursuant to Article 98 of the Company's Constitution.  
*[See Explanatory Note (i)]* **Resolution 5**
6. To re-elect Mr Chua Tiang Choon, Keith, the director retiring by rotation pursuant to Article 98 of the Company's Constitution.  
*[See Explanatory Note (ii)]* **Resolution 6**
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 (iii)]*

- 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

11 April 2024

# / NOTICE OF ANNUAL GENERAL MEETING

## **Explanatory Notes:**

- (i) Mr Allan Chua Tiang Kwang will, upon re-election as a Director of the Company, remain as a Non-Executive Director and a member of the Audit Committee.

Please refer to pages 65 to 70 of the Corporate Governance Report in the Annual Report 2023 for the detailed information on Mr Allan Chua as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.

- (ii) Mr Chua Tiang Choon, Keith will, upon re-election as a Director of the Company, remain as Executive Chairman and a member of the Nominating Committee.

Please refer to pages 65 to 70 of the Corporate Governance Report in the Annual Report 2023 for the detailed information on Mr Chua as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.

- (iii) 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:**

1. The members of the Company (the "**Members**") are invited to attend physically at the Annual General Meeting ("**AGM**"). **There will be no option for the Members to participate virtually.**
2. Printed copies of the Annual Report, this Notice of AGM and the Proxy Form will be sent by post to the Members and published on the Company's website at the URL <http://www.abr.com.sg> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>.
3. Members (including investors who hold shares through the Relevant Intermediaries, including Central Provident Fund ("**CPF**") Investment Scheme ("**CPF Investors**") and/or Supplementary Retirement Scheme ("**SRS Investors**") may participate in the AGM by:
  - (a) attending the AGM in person;
  - (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or
  - (c) voting at the AGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

CPF Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **10.00 a.m. on 17 April 2024**, being seven (7) working days prior to the date of the AGM.

To attend the AGM, please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process.

4. A Member, who is not a Relevant Intermediary, is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A Member, which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a Member.

Where such Member appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her/its name in the Depository Register and any second named proxy as an alternate to the first named.

A Member, who is a Relevant Intermediary, is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such Member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

"**Relevant Intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

# / NOTICE OF ANNUAL GENERAL MEETING

5. A Member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

If a Member wishes to appoint the Chairman of the AGM as proxy, such Member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific direction is given as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

6. The instrument appointing a proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be deposited 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, be submitted via email to [agm2024@abr.com.sg](mailto:agm2024@abr.com.sg).

in either case, by no later than **10.00 a.m. on 27 April 2024**, being at least 48 hours before the time appointed for holding the AGM. Members are strongly encouraged to submit the completed proxy forms electronically by email.

The instrument appointing the proxy(ies) must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the proxy(ies) is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

The Company shall be entitled to reject the instrument appointing the proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing the proxy).

In addition, in the case of Shares entered in the Depository Register maintained by The Central Depository (Pte) Limited, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if the Member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM.

7. Members may raise questions at the AGM and/or submit questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM in the following manner by **10.00 a.m. on 19 April 2024**:
- (a) by email to [agm2024@abr.com.sg](mailto:agm2024@abr.com.sg); or
  - (b) by post to the Registered Office of the Company at 41 Tampines Street 92, ABR Building, Singapore 528881.

The Management and the Board of Directors of the Company will endeavour to address substantial and relevant questions (as may be determined by the Company in its sole discretion) received from members by publishing the responses to those questions on the Company's website at the URL <http://www.abr.com.sg> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>, by **24 April 2024**.

8. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on the SGX website at <https://www.sgx.com/securities/company-announcements> and the Company's website at <http://www.abr.com.sg>, and the minutes will include the responses to the questions which are addressed during the AGM, if any.

# / NOTICE OF ANNUAL GENERAL MEETING

## Personal Data Privacy

"**Personal data**" in this Notice of AGM has the same meaning as "personal data" in the Personal Data Protection Act 2012, which includes the Member's name and its proxy's and/or representative's name, address, email address and NRIC/Passport number. By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Member (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 processing, administration and analysis by the Company (or its agents or service providers) of the proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over 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. The Member's personal data and its proxy's and/or representative's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared for the AGM. Accordingly, the personal data of a Member or its proxy and/or representative (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she proposes/seconds) may be recorded by the Company for such purpose.

# / 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 13 May 2024 up to (and including) 14 May 2024 for the purposes of determining shareholders' entitlements to the proposed final one-tier tax exempt dividend for the financial year ended 31 December 2023 ("FY2023 Final Dividend") of 1.00 Singapore cent per ordinary share.

The proposed FY2023 Final Dividend, if approved by shareholders at the Annual General Meeting, will be paid on 28 May 2024.

FOR AND ON BEHALF OF THE BOARD

Chua Tiang Choon, Keith  
Executive Chairman  
11 April 2024

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# ABR HOLDINGS LIMITED

(Company Registration No.: 197803023H)  
(Incorporated in the Republic of Singapore)

## ANNUAL GENERAL MEETING PROXY FORM

### IMPORTANT

1. The Annual General Meeting ("AGM") will be held physically at the registered office of the Company. **Members have no option to participate virtually.**
2. For CPF Investors/SRS Investors who have used their CPF/SRS monies to buy the Company's shares, this Proxy Form is not valid to use by CPF Investors/SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF Investors/SRS Investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
3. By submitting an instrument appointing a proxy(ies) and/or representative(s), a member accepts and agrees to the personal data privacy terms set out in the Notes to this Proxy Form.

\*I/We \_\_\_\_\_ (Name) NRIC/Passport no.\* \_\_\_\_\_

of \_\_\_\_\_

being \*a member/members of ABR Holdings Limited (the "Company"), hereby appoint

Name	Address	NRIC/ Passport No	Proportion of shareholdings to be represented by proxy (%)	
			No. of shares	(%)

\*and/or

Name	Address	NRIC/ Passport No.	Proportion of shareholdings to be represented by proxy (%)	
			No. of shares	(%)

or failing which, the Chairman of the Annual General Meeting ("**AGM**") of the Company as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us on \*my/our behalf at the AGM of the Company to be held at 41 Tampines Street 92, #03-00 ABR Building, Singapore 528881 on **Monday, 29 April 2024 at 10.00 a.m.** and at any adjournment thereof.

\*I/We direct \*my/our \*proxy/proxies to vote for, against or abstain the Resolutions proposed at the Annual General Meeting as indicated hereunder.

#If you wish to exercise all your votes "For", "Against" or "Abstain", please indicate with a "√" in the box provided. Alternatively, please indicate the number of shares as appropriate. If no specific direction as to voting is given, the proxy/proxies (except where the Chairman of the AGM is appointed as my/our proxy) will vote or abstain from voting at his/her/their discretion on any matter arising at the AGM and at any adjournment thereof. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as my/our proxy for that resolution will be treated as invalid.

No.	Ordinary Resolutions	For#	Against#	Abstain#
1.	Adoption of the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2023 together with the Independent Auditor's Report thereon.			
2.	Approval of payment of a tax exempt (1-tier) Final Dividend of 1.00 Singapore cent per ordinary share for the financial year ended 31 December 2023.			
3.	Approval of payment of Directors' fees of S\$205,000 for the financial year ended 31 December 2023.			
4.	Approval of payment of Directors' fees of S\$205,000 for the financial year ending 31 December 2024.			
5.	Re-election of Mr Allan Chua Tiang Kwang as Director.			
6.	Re-election of Mr Chua Tiang Choon, Keith as Director.			
7.	Re-appointment of Messrs Baker Tilly TFW LLP as Auditor.			
8.	Authority to allot and issue shares.			

\* Delete accordingly

Dated this \_\_\_\_\_ day \_\_\_\_\_ 2024

**Total Number of Shares Held**

\_\_\_\_\_  
Signature(s) of Member(s)/Common Seal

**IMPORTANT.** Please read notes overleaf.



**Notes:**

1. A *member* who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.
2. Please *insert* the total number of shares of the Company ("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 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, 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.
3. A *member* who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.
4. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation
5. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory. The Chairman of the AGM, as proxy, need not be a member of the Company.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

AFFIX  
STAMP

The Company Secretary  
**ABR HOLDINGS LIMITED**  
41 Tampines Street 92  
ABR Building  
Singapore 528881

6. For investors who hold shares through relevant intermediaries, including Central Provident Fund Investment Schemes ("CPF Investors") and/or Supplementary Retirement Scheme ("SRS Investors") should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least 7 working days before the AGM i.e. **by 10.00 a.m. on 17 April 2024**, in order to allow sufficient time for their respective relevant intermediaries to in turn, submit his/her voting by 10.00 a.m. on 27 April 2024. CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies 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 of proxy.
8. The instrument appointing the proxy(ies), together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be submitted either:-
  - (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, be submitted via email to [agm2024@abr.com.sg](mailto:agm2024@abr.com.sg).in either case, not less than 48 hours before the time appointed for holding the Meeting i.e. **by 10.00 a.m. on 27 April 2024**, and failing which, the Proxy Form will not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
9. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

**General:**

The Company shall be entitled to reject the instrument appointing the proxy(ies) 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 the proxy(ies). In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the proxy(ies) lodged if such members are not shown to have shares entered against their names in the Depository Register 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 AGM dated **11 April 2024**.

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**ABR Holdings Limited**

41 Tampines Street 92

ABR Building Singapore 528881

Tel: (65) 6786 2866

Fax: (65) 6782 1311