



**TSH Corporation Limited**  
Company Registration No. 200003865N

**Condensed Interim Financial Statements**  
**For the 6 months and financial year ended 31 December 2023**

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This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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**TSH Corporation Limited**

**Condensed interim consolidated statement of comprehensive income  
For the 6 months and financial year ended 31 December 2023**

	Note	6 months ended 31 December		Change %	12 months ended 31 December		Change %
		2023 \$'000 (Unaudited)	2022 \$'000 (Unaudited)		2023 \$'000 (Unaudited)	2022 \$'000 (Audited)	
<b>Revenue</b>	4	5,925	5,459	8.5	10,944	8,911	22.8
Cost of sales		(1,413)	(1,288)	9.7	(2,794)	(2,170)	28.8
<b>Gross profit</b>		4,512	4,171	8.2	8,150	6,741	20.9
Other income		131	118	11.0	442	390	13.3
General and administrative expenses		(3,107)	(2,959)	5.0	(5,937)	(5,123)	15.9
Selling and distribution expenses		(145)	(133)	9.0	(274)	(215)	27.4
Other operating expenses		(1,133)	(541)	109.4	(1,747)	(747)	133.9
Finance costs		(135)	(101)	33.7	(236)	(135)	74.8
<b>Profit before tax</b>	5	123	555	(77.8)	398	911	(56.3)
Income tax expense	6	(6)	(28)	(78.6)	(6)	(60)	(90.0)
<b>Profit and total comprehensive income for the year attributable to owners of the Company</b>		117	527	(77.8)	392	851	(53.9)
<b>Earnings per share</b>							
- Basic and diluted (cents per share)	7	0.26	1.19	(78.2)	0.88	1.92	(54.2)

*The accompanying notes form an integral part of the condensed interim financial statements.*

**TSH Corporation Limited**

**Condensed interim statements of financial position  
As at 31 December 2023**

Note	Group		Company			
	31 December		31 December			
	2023 \$'000 (Unaudited)	2022 \$'000 (Audited)	2023 \$'000 (Unaudited)	2022 \$'000 (Audited)		
<b>Non-current assets</b>						
	Plant and equipment	8	267	83	–	–
	Right-of-use assets		2,821	2,505	–	–
	Intangible assets	9	2	2	–	–
	Investment in subsidiaries		–	–	12,287	12,287
	Other receivables		329	193	–	–
	Deferred tax assets		23	30	–	–
			3,442	2,813	12,287	12,287
<b>Current assets</b>						
	Inventories		9,019	7,381	–	–
	Trade and other receivables		742	665	7,152	6,211
	Cash and bank balances		1,922	3,668	894	2,125
			11,683	11,714	8,046	8,336
<b>Total assets</b>						
			15,125	14,527	20,333	20,623
<b>Current liabilities</b>						
	Contract liabilities		238	96	–	–
	Trade and other payables		2,164	2,212	1,463	1,056
	Bank borrowing	10	631	617	631	617
	Lease liabilities		1,400	830	–	–
	Provisions		7	70	–	–
	Income tax payable		–	–	–	–
			4,440	3,825	2,094	1,673
<b>Net current assets</b>						
			7,243	7,889	5,952	6,663
<b>Non-current liabilities</b>						
	Bank borrowing	10	699	1,330	699	1,330
	Lease liabilities		2,155	1,979	–	–
	Provisions		93	47	–	–
			2,947	3,356	699	1,330
<b>Total liabilities</b>						
			7,387	7,181	2,793	3,003
<b>Net assets</b>						
			7,738	7,346	17,540	17,620

**TSH Corporation Limited**

**Condensed interim statements of financial position  
As at 31 December 2023**

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		<b>Group</b>		<b>Company</b>	
		<b>31 December</b>		<b>31 December</b>	
<b>Note</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>	
<b>Equity attributable to owners of the Company</b>					
Share capital	11	4,569	4,569	12,546	12,546
Capital reserve		1,452	1,452	–	–
Revenue reserve		1,717	1,325	4,994	5,074
<b>Total equity</b>		<b>7,738</b>	<b>7,346</b>	<b>17,540</b>	<b>17,620</b>
<b>Total equity and liabilities</b>		<b>15,125</b>	<b>14,527</b>	<b>20,333</b>	<b>20,623</b>

*The accompanying notes form an integral part of the condensed interim financial statements.*

**TSH Corporation Limited**

**Condensed interim statements of changes in equity  
For the financial year ended 31 December 2023**

	<b>Attributable to owners of the Company</b>			
	<b>Share capital (Note 11) \$'000</b>	<b>Capital reserve \$'000</b>	<b>Revenue reserve \$'000</b>	<b>Total equity \$'000</b>
<b>Group</b>				
(Audited)				
<b>At 1 January 2022</b>	4,569	1,452	474	6,495
Profit for the year	–	–	851	851
Total comprehensive income	–	–	851	851
<b>At 31 December 2022</b>	4,569	1,452	1,325	7,346
(Unaudited)				
<b>At 1 January 2023</b>	4,569	1,452	1,325	7,346
Profit for the year	–	–	392	392
Total comprehensive income	–	–	392	392
<b>At 31 December 2023</b>	4,569	1,452	1,717	7,738

**TSH Corporation Limited**

**Condensed interim statements of changes in equity  
For the financial year ended 31 December 2023**

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<b><u>Company</u></b>	<b>Share capital (Note 11) \$'000</b>	<b>Revenue reserve \$'000</b>	<b>Total equity \$'000</b>
(Audited)			
<b>At 1 January 2022</b>	12,546	136	12,682
Profit for the year, representing total comprehensive income for the year	–	4,938	4,938
<b>At 31 December 2022</b>	12,546	5,074	17,620
(Unaudited)			
<b>At 1 January 2023</b>	12,546	5,074	17,620
Loss for the year, representing total comprehensive income for the year	–	(80)	(80)
<b>At 31 December 2023</b>	12,546	4,994	17,540

*The accompanying notes form an integral part of the condensed interim financial statements.*

**TSH Corporation Limited**

**Condensed interim consolidated statement of cash flows  
For the financial year ended 31 December 2023**

	Note	2023 \$'000 (Unaudited)	2022 \$'000 (Audited)
<b>Operating activities</b>			
Profit before tax		398	911
Adjustments for:			
Amortisation of intangible assets	5	2	5
Depreciation of plant and equipment	5	69	67
Depreciation of right-of-use assets	5	1,146	492
Finance costs		236	135
Gain on disposal of plant and equipment		(6)	–
Gain on termination of lease	5	(91)	–
Impairment of plant and equipment	5	17	27
Impairment of right-of-use assets	5	408	154
Interest income	5	(5)	(9)
Inventories written off		78	–
Plant and equipment written off		–*	1
<b>Operating cash flows before changes in working capital</b>		2,252	1,783
<u>Changes in working capital</u>			
Increase in inventories		(1,716)	(1,921)
Increase in trade and other receivables		(228)	(150)
Decrease in trade and other payables and contract liabilities		33	619
<b>Cash flows generated from operations</b>		341	331
Interest received		5	8
Income taxes refunded		–	4
<b>Net cash flows generated from operating activities</b>		346	343
<b>Investing activities</b>			
Addition of intangible assets		(2)	–
Proceeds from disposal of plant and equipment		6	–
Additions of plant and equipment		(224)	(81)
<b>Net cash flows used in investing activities</b>		(220)	(81)
<b>Financing activities</b>			
Payment of interests		(222)	(102)
Payment of principal portion of lease liabilities		(1,033)	(631)
Repayment of bank borrowing		(617)	(553)
<b>Net cash flows used in from financing activities</b>		(1,872)	(1,286)
<b>Net decrease in cash and cash equivalents</b>		(1,746)	(1,024)
<b>Cash and cash equivalents at beginning of the year</b>		3,668	4,692
<b>Cash and cash equivalents at end of the year</b>		1,922	3,668

\*: Amount less than \$500.

*The accompanying notes form an integral part of the condensed interim financial statements.*

**1. Corporate information**

***The Company***

TSH Corporation Limited is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST").

These condensed interim consolidated financial statements as at and for the six months and financial year ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activities of the Company are that of investment holding and provision of management services. The principal activities of the Group are that of operation of food and beverages outlets and import and distribution of beverages.

**2. Basis of preparation**

The condensed interim financial statements for the six months and financial year ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar (SGD or \$) which is the Company's functional currency.

**2.1 *New and amended standards adopted by the Group***

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change the accounting policies or make retrospective adjustments as a result of adopting those standards.

**2.2 *Use of judgements and estimates***

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



**2.2 Use of judgements and estimates (cont'd)**

There is no critical judgement made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements, or have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

**2.3 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 are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

*Impairment of non-financial assets*

The Group assesses whether there are indicators of impairment for plant and equipment and right-of-use assets at each reporting date. The Company also assesses whether there are indicators of impairment for investment in subsidiaries at each reporting date. These assets are tested for impairment where there are indications that the carrying amounts may not be recoverable. This requires an estimation of the recoverable amount of the cash generating units to which the assets belong which is determined based on the higher of fair value less cost to sell and value-in-use methods. In determining the recoverable amounts of the cash generating units, the Group evaluates, amongst other factors, the market and economic environment in which the cash generating units operate and the economic performance of these assets.

Management has determined that there is indication that the Group's carrying amounts of the plant and equipment and right-of-use assets of the non-performing outlets may be impaired.

The recoverable amounts of the plant and equipment, right-of-use assets and investment in subsidiaries have been determined based on value-in-use calculations using cash flow projections prepared by management. Key assumptions adopted in the value-in-use calculations include projections of revenue growth rate, gross profit margins, discount rates and long-term growth rates, where relevant. The pre-tax discount rate applied to cash flow projections is 9% to 25% (2022: 9% to 15%). For the financial year ended 31 December 2023, management recognised impairment losses on the Group's plant and equipment and right-of-use assets of \$0.02 million (2022: \$0.03 million) and \$0.41 million (2022: \$0.15 million) respectively. The Company reversed the impairment loss on the investment in subsidiaries of \$4.58 million recognised in prior years in the financial year ended 31 December 2022.

The carrying amounts of the Group's plant and equipment, right-of-use assets and the Company's investment in subsidiaries at the end of each reporting period are disclosed in the condensed interim financial statements.

## TSH Corporation Limited

### Notes to the condensed interim financial statements For the 6 months and financial year ended 31 December 2023

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#### 3. Seasonal operations

The Group businesses are not affected significantly by seasonal or cyclical factors during the financial year.

#### 4. Segment and revenue information

Information reported to the CEO for the purposes of resource allocation and assessment of segment performance is specifically focused on the wholesale and retail sale of food and beverages businesses which form the basis of identifying the operating segments of the Group under SFRS(I) 1-8 *Operating Segments*. Management considers the aggregated wholesale and retail sale of food and beverages businesses as a single operating segment.

##### 4.1 Disaggregation of revenue

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2023 \$'000 (Unaudited)	2022 \$'000 (Unaudited)	2023 \$'000 (Unaudited)	2022 \$'000 (Audited)
Sale of goods	5,713	5,314	10,725	8,760
Rendering of services	212	145	219	151
	<hr/> 5,925	<hr/> 5,459	<hr/> 10,944	<hr/> 8,911
At a point in time	5,713	5,314	10,725	8,760
Over time	212	145	219	151
	<hr/> 5,925	<hr/> 5,459	<hr/> 10,944	<hr/> 8,911

The Group operates in Singapore with revenue generated in Singapore. Accordingly, analysis of revenue and assets of the Group by geographical distribution has not been presented.

## TSH Corporation Limited

### Notes to the condensed interim financial statements For the 6 months and financial year ended 31 December 2023

#### 5. Profit before taxation

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000	
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Other income includes:</b>				
Gain on termination of lease	–	–	91	–
Government grants	60	53	188	214
Interest income	2	3	5	9
Rental rebates	–	29	5	91
Sponsorship income	38	26	82	67
Write-back of payable	26	–	26	–
<b>Expenses include:</b>				
Amortisation of intangible assets	1	2	2	5
Depreciation of plant and equipment	46	31	69	67
Depreciation of right-of-use assets	658	326	1,146	492
Impairment of plant and equipment	17	27	17	27
Impairment of right-of-use assets	408	154	408	154
Interest expense on bank borrowing	17	23	37	50
Interest expense on lease liabilities	104	44	185	51
Interest expense on discounting of non-current receivables, net	14	34	14	34
Inventories written off	–	–	78	–
Net foreign exchange loss	4	2	28	1

#### 6. Taxation

The Group calculates the income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000	
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<i>Current tax</i>				
- Current income tax credit	–	(36)	–	–
- Over provision in respect of previous years	–	–	–	(4)
	–	(36)	–	(4)
<i>Deferred tax</i>				
- Origination and reversal of temporary differences	5	64	5	64
- Under provision in respect of previous years	1	–	1	–
	6	64	6	64
Income tax expense recognised in condensed interim consolidated statement of comprehensive income	6	28	6	60

## TSH Corporation Limited

### Notes to the condensed interim financial statements For the 6 months and financial year ended 31 December 2023

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#### 7. Earnings per share

Basic earnings per share is calculated by dividing the profit for the year by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is the same as basic earnings per share as there are no dilutive potential ordinary shares.

The following reflects the profit and share data used in the basic and diluted earnings per share computations for the periods ended 31 December:

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2023 \$'000 (Unaudited)	2022 \$'000 (Unaudited)	2023 \$'000 (Unaudited)	2022 \$'000 (Audited)
Profit for the period, representing profit attributable to owners of the Company	117	527	392	851
	<b>Number of shares</b>	<b>Number of shares</b>	<b>Number of shares</b>	<b>Number of shares</b>
Weighted average number of ordinary shares outstanding for basic and diluted loss per share computations	44,355,491	44,355,491	44,355,491	44,355,491

#### 8. Plant and equipment

During the year ended 31 December 2023, the Group acquired assets amounting to \$0.27 million (2022: \$0.09 million) and wrote off assets amounting to approximately \$400 (2022: \$1,000).

**TSH Corporation Limited**

**Notes to the condensed interim financial statements  
For the 6 months and financial year ended 31 December 2023**

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**9. Intangible assets**

	<b>Software \$'000</b>
<b>Group</b>	
<b>At 31 December 2022</b>	
(Audited)	
Cost	29
Accumulated amortisation	(27)
Net book amount	<u>2</u>
<b>Year ended 31 December 2023</b>	
(Unaudited)	
Opening net book amount	2
Addition	2
Amortisation charge	(2)
Closing net book amount	<u>2</u>
<b>At 31 December 2023</b>	
(Unaudited)	
Cost	31
Accumulated amortisation	(29)
Net book amount	<u>2</u>

**10. Bank borrowing**

	<b>Group and Company 31 December</b>	
	<b>2023</b>	<b>2022</b>
	\$'000	\$'000
	(Unaudited)	(Audited)
<u>Amount repayable within one year or on demand</u>		
Unsecured	631	617
<u>Amount repayable after one year</u>		
Unsecured	699	1,330

Certain subsidiaries have provided corporate guarantee for the bank borrowing.

**TSH Corporation Limited**

**Notes to the condensed interim financial statements  
For the 6 months and financial year ended 31 December 2023**

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**11. Share capital**

	<b>Group</b>		<b>Company</b>	
	No. of ordinary shares	\$'000	No. of ordinary shares	\$'000
<b><i>Issued and fully paid ordinary shares:</i></b>				
At 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	44,355,491	4,569	44,355,491	12,546

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The Company did not hold any treasury shares as at 31 December 2023 and 2022.

The Company's subsidiaries did not hold any shares in the Company as at 31 December 2023 and 2022.

There were no changes to the Company's share capital as at 31 December 2023 and 2022. There were no outstanding convertibles, treasury shares or subsidiary holdings as at 31 December 2023 and 2022.

**12. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group:

	<b>Group</b>		<b>Company</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	\$'000	\$'000	\$'000	\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>Financial Assets</b>				
Total trade and other receivables	759	504	7,141	6,195
Cash and bank balances	1,922	3,668	894	2,125
<b>Total financial assets at amortised cost</b>	<b>2,681</b>	<b>4,172</b>	<b>8,035</b>	<b>8,320</b>
<b>Financial Liabilities</b>				
Total trade and other payables	2,053	2,109	1,442	1,024
Bank borrowing	1,330	1,947	1,330	1,947
<b>Total financial liabilities carried at amortised cost</b>	<b>3,383</b>	<b>4,056</b>	<b>2,772</b>	<b>2,971</b>

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**TSH Corporation Limited**

**Notes to the condensed interim financial statements  
For the 6 months and financial year ended 31 December 2023**

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- 13. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: (a) current financial year reported on; and (b) immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	Cents	Cents	Cents	Cents
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset value per ordinary share	17.44	16.56	39.54	39.72

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The net asset value per ordinary share for the Group and the Company were calculated based on the net assets divided by 44,355,491 shares as at 31 December 2023 (31 December 2022: 44,355,491 shares).

**14. Subsequent event**

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

TSH Corporation Limited

Other information required by Catalist Rule Appendix 7C

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## **Other Information Required by Catalist Rule Appendix 7C**



**1. Review**

The condensed interim statements of financial position of TSH Corporation Limited and its subsidiaries as at 31 December 2023 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months and financial year then ended and the notes have not been audited or reviewed.

**2. A review of the performance of the Group**

Statement of comprehensive income

*6 months period ended 31 December 2023 (“2H23”) vs 6 months period ended 31 December 2022 (“2H22”)*

The Group revenue for 2H23 increased by \$0.47 million or 8.5% to \$5.93 million from \$5.46 million in 2H22 due mainly to the full half-year contribution from the outlets that commenced operations after August 2022, namely Capitol Cigar & Whisky Lounge and Quaich Bar Wanderlust.

The Group gross profit for 2H23 increased by \$0.34 million or 8.2% to \$4.51 million from \$4.17 million in 2H22 in line with the increase in revenue. The margin remained fairly constant at 76.2% in 2H23 as compared to 76.4% in 2H22.

The Group profit after tax for 2H23 decreased by \$0.41 million or 77.8% to \$0.12 million from \$0.53 million in 2H22 despite an increase in gross profit due mainly to higher expenses. The other operating expenses increased by \$0.59 million or 109.4% to \$1.13 million in 2H23 from \$0.54 million in 2H22 due mainly to (i) the increase in depreciation of right-of-use assets (“ROUA”) by \$0.33 million attributed mainly to long-term leases entered in 2023 and the full half-year impact of the leases entered in 2H22 as mentioned above, and (ii) the increase in impairment of ROUA by \$0.25 million attributed to non-performing outlets, but this was moderated by the absence of the other operating expenses of The Other Roof (“ROOF”) outlet which ceased operations in 1H23. The finance costs increased by \$0.03 million or 33.7% to \$0.14 million in 2H23 from \$0.10 million in 2H22, attributed mainly to the increase in interest expense on lease liabilities as a result of the leases mentioned above.

*12 months period ended 31 December 2023 (“FY23”) vs 12 months period ended 31 December 2022 (“FY22”)*

The Group revenue for FY23 increased by \$2.03 million or 22.8% to \$10.94 million from \$8.91 million in FY22 attributed mainly to the full-year contribution from the outlets that commenced operations after August 2022 and increase in sales of limited and customised labelling bottles to customers in 2H23, but moderated by the decrease in contribution from ROOF upon cessation of its operations in 1H23.

The Group gross profit for FY23 increased by \$1.41 million or 20.9% to \$8.15 million in FY23 from \$6.74 million in FY22 in line with the increase in revenue. The gross margin decreased by 1.1% to 74.5% in FY23 from 75.6% in FY22 attributed mainly to the higher sales mix of lower margin items in FY23.

The Group profit before tax for FY23 decreased by \$0.51 million or 56.3% to \$0.40 million from \$0.91 million in FY22 despite higher revenue due mainly to increase in expenses, but moderated by higher other income and lower income tax expense.

The other operating expenses for FY23 increased by \$1.00 million or 133.9% to \$1.75 million from \$0.75 million in FY22 due mainly to the increase in depreciation of ROUA, impairment of ROUA, and inventories written off in FY23. The depreciation of ROUA increased by \$0.65 million or 132.9% to \$1.15 million in FY23 in line with the increase in ROUA arising from the long-term leases entered in 2023 and the full-year impact of the leases entered in 2H22 as mentioned above. The impairment of ROUA increased by \$0.25 million or 164.9% to \$0.41 million in FY23 for the reason mentioned above, and the inventories written off of \$0.08 million was related to goods lost in transit in 1H23.

The general and administrative expenses increased by \$0.81 million or 15.9% to \$5.94 million in FY23 from \$5.12 million in FY22 due mainly to the increase in manpower costs and the full-year impact of the outlets that commenced operations in 2H22, but moderated mainly by the decrease in rental expenses as a result of the cessation of short-term leases in 2H23.

The finance costs increased by \$0.10 million or 74.8% to \$0.24 million in FY23 from \$0.14 million in FY22 due mainly to the increase in interest expense on lease liabilities of \$0.13 million or 262.7% to \$0.19 million in FY23 in line with the increase in lease liabilities arising from the leases entered in FY23 and the full-year impact of the leases entered in 2H22 as mentioned above.

The selling and distribution expenses increased by \$0.06 million or 27.4% to \$0.27 million in FY23 from \$0.22 million in FY22 attributed mainly to higher marketing activities to boost sales and customer relationship management.

The other income increased by \$0.05 million or 13.3% to \$0.44 million in FY23 from \$0.39 million in FY22 due mainly to the gain on termination of lease of \$0.09 million resulting from lease liability balance no longer payable upon early termination of the lease of an outlet, higher miscellaneous income and the write-back of payable of \$0.03 million, but moderated mainly by the decrease in rental rebates and lower government grants received in FY23.

The income tax expense decreased by \$0.05 million or 90% to \$0.01 million in FY23 due mainly to the utilisation of deferred tax assets not recognised previously.

Consequently, the Group reports a decrease in net profit by \$0.46 million or 53.9% to \$0.39 million in FY23 from \$0.85 million in FY22.

#### Statement of financial position

The non-current assets of the Group increased by \$0.63 million to \$3.44 million as at 31 December 2023 from \$2.81 million as at 31 December 2022 due to the increase in ROUA, plant and equipment, and other receivables.

The ROUA increased by \$0.32 million or 12.6% to \$2.82 million as at 31 December 2023 due mainly to the additions of ROUA in relation to leases entered in FY23. The plant and equipment increased by \$0.18 million or 221.7% to \$0.27 million as at 31 December 2023 due mainly to the refurbishment carried out for Signature Reserve at Fullerton Hotel in FY23. The other receivables increased by \$0.14 million or 70.5% to \$0.33 million as at 31 December 2023 due mainly to the reclassification of deposits for leases from current assets to non-current assets upon signing of long-term leases and the deposit placed for a new lease.

The current assets decreased by \$0.03 million or 0.3% to \$11.68 million as at 31 December 2023 from \$11.71 million as at 31 December 2022 due mainly to the reduction in cash and bank balances by \$1.75 million. This is moderated by the increase in inventories and trade and other receivables. The inventories increased by \$1.64 million or 22.2% to \$9.02 million as at 31 December 2023 attributed mainly to the adding of new brands into the products range, whisky casks for own bottling, and core whisky bottles for sale. The trade and other receivables increased by \$0.08 million or 11.6% to \$0.74 million as at 31 December 2023 due mainly to the increase in trade debtors as a result of higher year-end sales, but moderated mainly by the reclassification of current deposits to non-current deposits as mentioned above, and lower advance payment to suppliers as at 31 December 2023.

The current liabilities increased by \$0.62 million or 16.1% to \$4.44 million as at 31 December 2023 from \$3.83 million as at 31 December 2022 due to the increase in lease liabilities and contract liabilities, but moderated by the decrease in provisions. The current lease liabilities increased by \$0.57 million or 68.7% to \$1.40 million as at 31 December 2023 due mainly to the leases entered in FY23. The increase in contract liabilities by \$0.14 million or 147.9% to \$0.24 million as at 31 December 2023 was due mainly to deposits collected for goods to be delivered after year-end. The provisions decreased by \$0.06 million or 90.0% to \$0.01 million as at 31 December 2023 due mainly to the settlement of the reinstatement costs of ROOF upon its cessation of operations and the reclassification of the related provision for reinstatement costs from current provisions to non-current provisions upon signing of the long-term leases in FY23.

The non-current liabilities decreased by \$0.41 million or 12.2% to \$2.95 million as at 31 December 2023 from \$3.36 million as at 31 December 2022 due mainly to the decrease in bank borrowing, but moderated by the increase in lease liabilities and provisions. The bank borrowing decreased by \$0.63 million or 47.4% to \$0.70 million as at 31 December 2023 due to the repayments made in FY23. The lease liabilities increased by \$0.18 million or 8.9% to \$2.16 million as at 31 December 2023 for the same reason mentioned above. The provisions increased by \$0.05 million or 97.9% to \$0.09 million as at 31 December 2023 due mainly to the reclassification of provision for reinstatement costs for the same reason mentioned above.

#### Statement of cash flows

The net cash flows generated from operating activities of \$0.35 million in FY23 was attributed mainly to the operating cash flows before changes in working capital of \$2.25 million, but moderated by increase in inventories of \$1.72 million and increase in trade and other receivables of \$0.23 million.

The net cash used in investing activities of \$0.22 million was mainly related to the payments made for the purchase of plant and equipment for the same reason mentioned above.

The net cash used in financing activities of \$1.87 million was attributed mainly to the payment of principal portion of lease liabilities, bank borrowings and interest on lease liabilities of \$1.03 million, \$0.62 million and \$0.19 million respectively.

These have resulted in a decrease in cash and cash equivalents of \$1.75 million in FY23.

3. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

4. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

The Group is in the premium lifestyle business which correlates to the general economic outlook of Singapore.

It is the Group's intention to continue procuring whisky casks and bottling them for its own brands, and expand its foothold in the market organically or via joint ventures or strategic alliances with parties that can complement the Group's business.

At the same time, the Group continues to face headwinds from increasing operating costs and manpower challenges and they will continue to impact the earnings per share and net asset value per share of the Group for the financial year ending 31 December 2024.

5. **If a decision regarding dividend has been made:-**

- (a) Whether an interim (final) ordinary dividend has been declared (recommended);**

No.

- (b)(i) Amount per share:**

Not applicable.

- (b)(ii) Previous corresponding period:**

Not applicable.

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated):**

Not applicable.

- (d) The date the dividend is payable:**

Not applicable.

- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined:**

Not applicable.

Other information required by Catalist Rule Appendix 7C

6. **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for year ended 31 December 2023 as the Group intends to conserve cash for working capital purposes and to support its growth strategy.

7. **If the group has obtained a general mandate from Shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate from shareholders for IPTs pursuant to Rule 920. The total IPTs between the Group and a director and his related companies for sales and purchases of goods amounted to less than \$100,000 in FY23.

8. **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company hereby confirms that it has procured undertakings from all its Directors and executive directors in the format set out in Appendix 7H.

9. **A breakdown of sales as follows:**

Group	FY23 (Unaudited) \$'000	FY22 (Unaudited) \$'000	Increase/ (Decrease) %
(a) Sales reported for first half year	5,019	3,452	45.4
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	275	324	(15.1)
(c) Sales reported for second half year	5,925	5,459	8.5
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	117	527	(77.8)

n.m.: not meaningful.

10. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

11. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ng Pei Wah	49	Spouse of Mr. Chua Khoon Hui	Director, Operations since 1 July 2021.  Assists CEO in implementing strategies and managing overall business operations.	Not applicable

12. **Disclosure on Acquisitions and Realisation of Shares pursuant to Catalist Rule 706(A)**

Not applicable.

**BY ORDER OF THE BOARD**

Chua Khoon Hui  
Executive Director and Chief Executive Officer

Singapore  
29 February 2024