



**ANNUAL REPORT 2022**  
**TSH Corporation Limited**





TSH Corporation Limited

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This annual report has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

This annual report 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 annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr David Yeong (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542

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# CORPORATE PROFILE

TSH Corporation Limited (the “**Company**”) focuses on offering premium whiskies and cocktails, and operating seven outlets covering five distinct concepts, namely, Quaich Bar, The Other Room, The Other Roof, Signature Reserve, and Capitol Cigar & Whisky Lounge. We are also involved in wholesaling, retailing and organising whisky event.

## Operating Outlets

### (a) Quaich Bar

The name ‘*Quaich*’ (pronounced as quake) is derived from the Scottish Gaelic word “cuach” which refers to a traditional two-handed drinking cup or bowl and remains a symbol of welcome and friendship in Scotland.

Each *Quaich Bar* stocks more than 200 different whisky labels with an emphasis on boutique single malt Scotch whiskies, and a sizeable range of selections of world whiskies including American, Irish, Indian, and South African whiskies. Food, snacks and other alcoholic beverages such as beer, wine and other spirits are also offered.

During the year, we conceptualised our branding strategy and individually named our Quaich Bars at different locations to differentiate their offerings:

- *Quaich Bar at Waterfront Plaza* was named *Quaich Bar Collector*. Quaich Bar Collector started operations in 2007 as a dedicated whisky bar in Singapore. It houses an impressive selection of old and vintage boutique bottles and being a regular pitstop for globally acclaimed distillers for whisky tastings and masterclasses. Quaich Bar Collector is a quality whisky institution and hub for fellow whisky aficionados and for those keen to learn more about whisky alike;



390A Havelock Road  
#01-09/10 Waterfront Plaza  
Singapore 169663

- *Quaich Bar at South Beach* was named *Quaich Bar Avant-garde*. Quaich Bar Avant-garde started operations in 2016 and continued the same legacy of getting individuals to connect through excellent whisky. The outlet was distinguished with the honourable title of the ‘Best Glen Scotia Bar’ by Glen Scotia in collaboration with Gentleman’s Journal in 2021. With over 500 boutique whiskies available, we strive to be at the forefront of quality and distinctive

whisky launches island wide – perfect for avant-garde souls who love being experimental with their whiskies. Quaich Bar Avant-garde provides a convenient respite after a long day of work and to impress whisky adventurers, or anyone who is on the lookout for quality whisky that is unique.



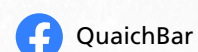
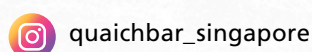
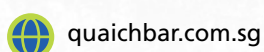
30 Beach Road  
#01-16 South Beach Avenue  
Singapore 189763

- *Quaich Bar at Intercontinental Hotel* was named *Quaich Bar Wanderlust*. Quaich Bar Wanderlust started operations in October 2022 and is meant for fellow party goers and globetrotters who are looking for a unique bar experience. It offers a perfect marriage of cocktail and whisky paired with exquisite bites which are reminiscent and dear to various cultures around the world, reminding you of home or ushering you into a memorable globetrotting adventure.



80 Middle Road  
Intercontinental Singapore  
Lobby Level  
Singapore 188966

The outlets also conduct whisky tasting sessions and pairing events to promote whisky knowledge and appreciation in Singapore. Retail sales of single malt Scotch whiskies and other spirits, wines and liquors are also available at the outlets.



(b) **The Other Room**


*The Other Room* at Marriott Tang Plaza Hotel, started operations in 2016, is a speakeasy-style cocktail bar with interior design inspired by the Prohibition era. The outlet was awarded the prestigious title of 'Asia 50 Best Bars' in 2019. The outlet offers over 300 in-house cask finished products, which is unique in Singapore. These casks allow the creation of bespoke cocktails through the art of finishing, where spirits are transferred into a second barrel that has previously stored a different liquid such as wine, sherry, madeira or port. These former inhabitants of the cask lend different flavours and aromas to the spirits.


The outlet also finishes spirits with spices, roots, teas, herbs, fruits, barks and coffee to obtain uniquely balanced flavour combinations. In addition, the outlet also offers an extensive selection of food options and conventional alcoholic beverages including whisky, rum, champagne, wine and beer.



THE  
OTHER  
ROOM

320 Orchard Road  
#01-05 Marriott Tang Plaza Hotel  
Singapore 238865

 [theotherroom.com.sg](http://theotherroom.com.sg)

 [theotherroomsg](https://www.instagram.com/theotherroomsg)


(c) **The Other Roof**


*The Other Roof* at Ann Siang Hill, started operations in 2018, is an open-air rooftop café bar for the working crowd in the central business district looking to host an important someone or unwind after office hours. The outlet offers a menu that focuses heavily on integrating tea infusions into cocktails with over 400 in-house tea-finished spirits and other alcoholic beverages including champagne, wine, non-alcoholic tea beverages as well as food and snacks. Tea leaves sourced from across the globe are also available for sale at this outlet.




THE —  
OTHER  
ROOF

28 Ann Siang Road  
Singapore 069708

 [theotherroof.com](http://theotherroof.com)

 [theotherroofsg](https://www.instagram.com/theotherroofsg)

 [TheOtherRoofSG](https://www.facebook.com/TheOtherRoofSG)



(d) **Signature Reserve**



*Signature Reserve* at Fullerton Hotel, started operations in March 2021, features over 500 whiskeys by glass to taste and savour, catering to both the seasoned connoisseurs and those who are new to whisky, from old and rare bottlings to more avant-garde styled whiskeys.

The outlet aims to bring whisky enjoyment and appreciation at an experiential level where one can learn, experience, and explore whiskeys from all over the world. We also introduce our very own professionally trained Whisky Butlers to take one through a sensory whisky experience, as well as the signature Whisky Omakase where one can experience pairings of whisky and food to discover new flavours and textures that would delightfully tantalise one’s senses.

The outlet also offers impressive range of boutique wines and bubbly, along with signature cocktails that are inspired from Singapore’s rich gastronomical heritage to match one’s mood and palate.






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*Signature Reserve*

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1 Fullerton Square  
The Fullerton Hotel  
Singapore 049178

 [signaturereserve.com.sg](http://signaturereserve.com.sg)

 [signaturereserve](https://www.instagram.com/signaturereserve)

 [SignatureReserveSG](https://www.facebook.com/SignatureReserveSG)

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## (e) Capitol Cigar &amp; Whisky Lounge



*Capitol Cigar & Whisky Lounge* at Stamford Road, started operations in September 2022, cossets one in plush and comfortable surroundings. High-backed leather chairs, private rooms, and a luxe environment are set to enhance any occasion that calls for the best whisky and wine. The atmosphere is complemented by an indoor climate system – the first of its kind in Asia, keeping the air crisp and fresh all night long.



**CAPITOL**  
CIGAR & WHISKY LOUNGE  
MANAGED BY QUAICH BAR

15 Stamford Road #01-60/61  
Singapore 178906



[capitolcigarwhisky.com](http://capitolcigarwhisky.com)



## Other Businesses

We import whiskies with over 20 brands from boutique distilleries in Scotland, Ireland and South Africa, and independent bottlers and wholesalers in the United Kingdom, as well as other spirits and liquors for our own outlets. In addition to distributing through our own outlets, we also distribute on a wholesale basis to other bars, country clubs, hotels, restaurants, corporate and individuals who wish to purchase whiskies in volume, and offer online retail sale of whiskies under *The Whisky Store*.



*THE*  
**Whisky** STORE  
威士姬酒商 FOR THE BEST OF SPIRITS

315 Outram Road  
#14-02 Tan Boon Liat Building  
Singapore 169074



[whiskystore.com.sg](http://whiskystore.com.sg)

We also purchase full casks of whisky for bottling under our own brands. This allows us to obtain exclusive 'single casks' whiskies that are not available to others.

In addition, we also offer sourcing services to whisky aficionados who are looking to acquire whisky casks or whisky from a particular label and of a specific maturity that might not otherwise be available in the market.

Our annual flagship event, Whisky Journey, was initiated with the aims to drive distribution and retail sales, increase our engagement with the domestic whisky ecosystem, provide a stage to build awareness of whisky outlets, and to deepen our whisky legacy in Singapore. The 3rd edition of Whisky Journey took place at Marina Bay Sands Expo and Convention Centre in December 2022, as opposed to 2021's island-wide bars and restaurants whisky trail spanning over 10 days due to Covid-19 safe distancing measures. We attracted 20 exhibitors and had over 100 different whiskies/expressions showcased during the 2 days exhibition. Participants could enjoy free whisky tasting samples at the participating brands, access to whiskies at special price and exclusive bottlings.



## WHISKY JOURNEY



# OUR PRESENCE

As at 31 March 2023



**CAPITOL  
CIGAR & WHISKY LOUNGE**  
15 Stamford Road #01-60/61  
Singapore 178906

**QUAICH BAR  
AVANT-GARDE**  
30 Beach Road  
#01-16 South Beach Avenue  
Singapore 189763

**QUAICH BAR  
COLLECTOR**  
390A Havelock Road  
#01-09/10 Waterfront Plaza  
Singapore 169663

**QUAICH BAR  
WANDERLUST**  
80 Middle Road  
Intercontinental Singapore  
Lobby Level  
Singapore 188966

**SIGNATURE RESERVE**  
1 Fullerton Square  
The Fullerton Hotel  
Singapore 049178

**THE OTHER ROOF**  
28 Ann Siang Road  
Singapore 069708

**THE OTHER ROOM**  
320 Orchard Road  
#01-05 Marriott Tang Plaza Hotel  
Singapore 238865

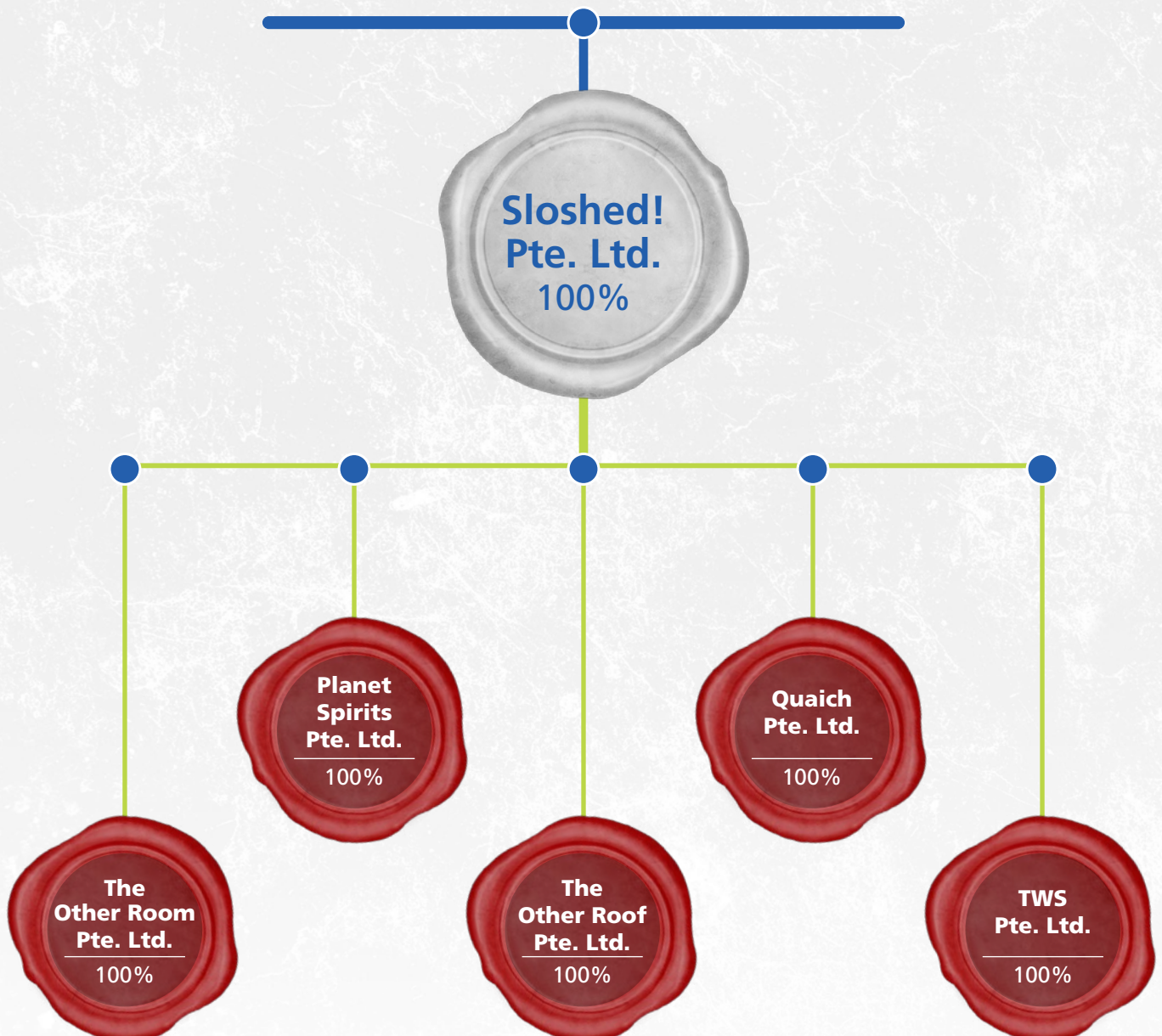
**THE WHISKY STORE**  
315 Outram Road  
#14-02 Tan Boon Liat Building  
Singapore 169074

# GROUP STRUCTURE

As at 31 March 2023



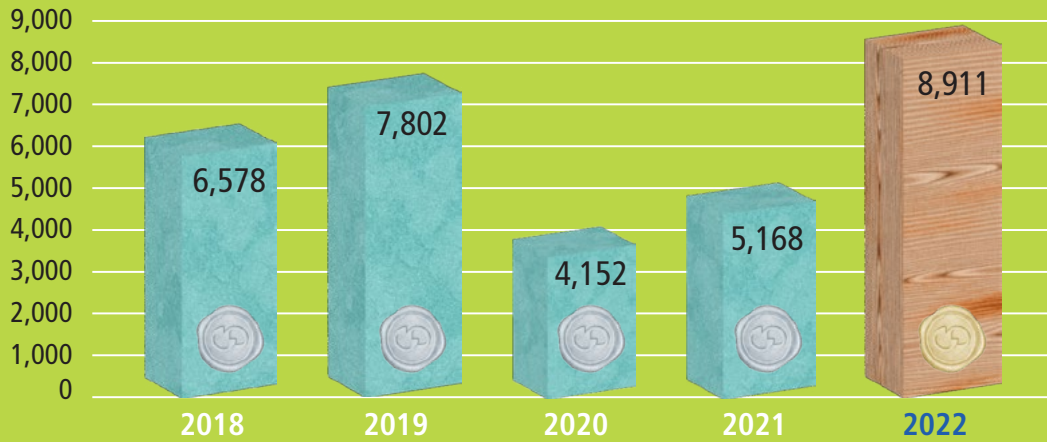
## TSH Corporation Limited



# GROUP FINANCIAL HIGHLIGHTS

## REVENUE

(\$'000)

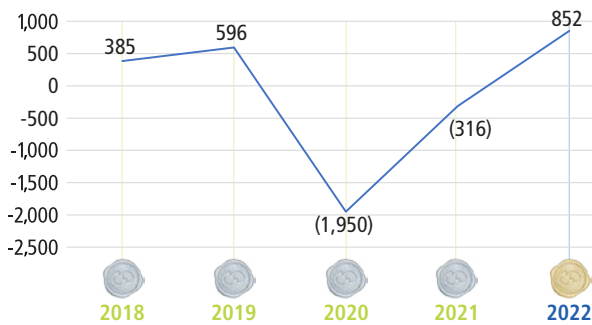


**72.4%**  
**YOY**

To \$8.91m  
in FY22  
from \$5.17m

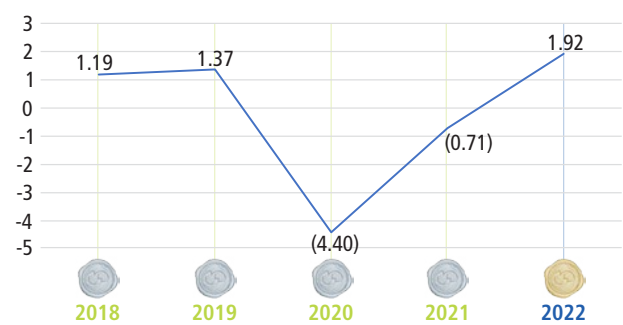
## PROFIT / (LOSS) FOR THE YEAR

(\$'000)



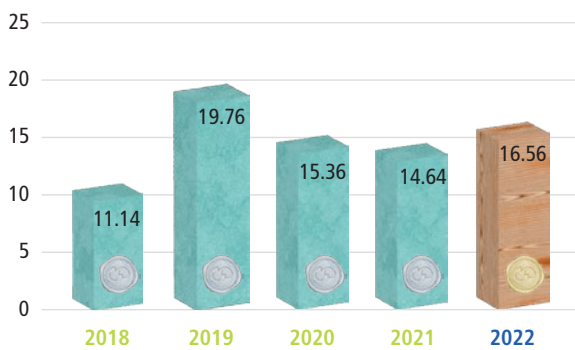
## EARNINGS / (LOSSES) PER SHARE

(CENTS)



## NET ASSETS VALUE PER SHARE

(CENTS)



**13.1%**  
**YOY**

to 16.56 cents  
at 31 Dec 2022

## CASH PER SHARE

(CENTS)



**21.8%**  
**YOY**

to 8.27 cents  
at 31 Dec 2022

## GROUP FINANCIAL HIGHLIGHTS

	2022	2021	2020	2019	2018
<b>Income Statement (S\$'000)</b>					
Revenue	8,911	5,168	4,152	7,802	6,578
Gross profit	6,741	3,717	3,062	5,849	4,798
Profit/(Loss) before tax	912	(295)	(1,934)	565	467
<b>Profit/(Loss) for the year</b>	<b>852</b>	<b>(316)</b>	<b>(1,950)</b>	<b>596</b>	<b>385</b>
<b>Balance Sheet (S\$'000)</b>					
Plant and equipment	84	90	185	892	1,224
Right-of-use assets	2,505	418	754	2,198	–
Inventories	7,381	5,460	3,955	3,181	2,800
Cash and bank balances	3,668	4,692	4,435	5,756	983
Other assets	887	839	828	910	853
<b>Total assets</b>	<b>14,525</b>	<b>11,499</b>	<b>10,157</b>	<b>12,937</b>	<b>5,860</b>
Equity	7,346	6,494	6,815	8,766	3,603
Borrowings	1,947	2,500	–	–	50
Other liabilities	5,232	2,505	3,342	4,171	2,207
<b>Total equity and liabilities</b>	<b>14,525</b>	<b>11,499</b>	<b>10,157</b>	<b>12,937</b>	<b>5,860</b>
<b>Financing Ratios</b>					
Earnings/(Loss) per share - basic (cents)	1.92	(0.71)	(4.40)	1.37	1.19
Net assets value per share (cents)	16.56	14.64	15.36	19.76	11.14
Cash per share (cents)	8.27	10.58	10.00	12.98	3.04
Gearing ratio (times)	0.32	0.05	n.m.	n.m.	0.23
Return on Equity (%)	11.6%	-4.9%	-28.6%	6.8%	10.7%
Return on total assets (%)	5.9%	-2.7%	-19.2%	4.6%	6.6%

n.m.: not meaningful

# MESSAGE TO SHAREHOLDERS

Dear Shareholders,

On behalf of the Board of Directors, it is our pleasure to present TSH Corporation Limited's annual report for the financial year ended 31 December 2022 ("FY2022").

After 2 years of a long and challenging wait, we were relieved and heartened by the easing of the restrictions on the alcohol sale and consumption hours and dining capacity in early 2022. With life returning to normalcy to pre-Covid activity levels, this has led to pent-up consumer demand that has resulted in significant improvement to our business in 2022, amidst various challenges such as a severe manpower crunch and increasing manpower and operating costs.

In 2022, we continued to buy valuable stocks to buffer future price increases, and were selective in building our casks portfolio due to rising casks' prices. To create awareness and enhance brand differentiation, we continued to bottle casks and offer exclusive single-cask whiskies that are not available elsewhere during the year. After the collaboration with Frank McHardy to release our inaugural Signature Reserve Collection, aptly named the Frank McHardy series, and the launch of our Islay Giants series in 2021, we continued to bottle our 3<sup>rd</sup> edition of Islay Giants with a 1989 Bunnahabhain cask and collaborated with Stuart Nickerson, another whisky legend, with the bottling of a 1972 Glenglassaugh as part of our Signature Reserve Collection series in 2022.

For the outlets' front, we have conceptualised our branding strategy and individually named our Quaich Bar outlets to differentiate their offerings in 2022. Quaich Bar at Waterfront Plaza and Quaich Bar at South Beach were named *Quaich Bar Collector* and *Quaich Bar Avant-garde* respectively. We also added 2 new outlets, namely *Quaich Bar Wanderlust* situated at Intercontinental Hotel and *Capitol Cigar & Whisky Lounge* at Stamford Road, bringing to a total of seven (7) outlets under our portfolio as at 31 December 2022.

In addition, we successfully organised our 3<sup>rd</sup> edition of Whisky Journey at Marina Bay Sands Expo and Convention Centre in 2022 with 20 exhibitors, more than 2,000 participants, and had over 100 different whiskies/expressions showcased during the 2 days exhibition. Previously, this event was hindered by Covid-19 safe distancing measures since its first inauguration in 2020 where participants had to visit participating bars and restaurants island-wide to try the different whiskies over a 10-days event prior to 2022.

Going forward, we have identified potential headwinds from manpower shortage in service crew and rising costs that may impact the Group's performance. Nonetheless, with the right business strategy, we will navigate the path carefully to protect the Group's bottom line.

## FINANCIAL HIGHLIGHTS

In FY2022, our revenue has increased 72.4% year-on-year to \$8.9 million which was above our pre-Covid level of \$7.8 million in 2019. This improvement is mainly due to the lifting of Covid-19 safe management restrictions on alcohol sale and consumption hours and dining capacity in early 2022, and the addition of the new outlet, Capitol Cigar & Whisky Lounge. As a result, we have reported a net profit of \$0.9 million for FY2022 as compared to a net loss of \$0.3 million in FY2021.

## ACKNOWLEDGEMENTS

On behalf of the Board, we would like to take this opportunity to express our gratitude to our fellow Board members, management and our resilient staff for their utmost efforts and contribution to achieve the business goals during the year.

We would also like to express our deepest appreciation to all our valued customers, vendors, and business partners for their continued support and trust with us, especially during the very challenging Covid-19 period.

Last but not least, we would like to thank our shareholders for your patience and understanding in us.

We will continue our pursuit to be a seamless premium beverage lifestyle provider, spanning from whisky distillation to alcohol distribution networks in the region.

**Dr Yu Lai Boon**  
*Independent Chairman*

**Chua Khoon Hui**  
*CEO and Executive Director*

# BUSINESS REVIEW

## BACKGROUND

TSH Corporation Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) are principally engaged in the businesses of operating a multi-concept chain of pubs and bars, and importation and distribution of spirits and wines.

The Group added 2 new outlets, namely Capitol Cigar & Whisky Lounge (“**Capitol**”) and Quaich Bar Wanderlust (“**Wanderlust**”) in September and October 2022 respectively, and had in total 7 outlets as at year end.

## PROFIT AND LOSS

### Revenue

The revenue of the Group increased by 72.4% or \$3.74 million to \$8.91 million in FY22 due mainly to the lifting of Covid-19 safe management restrictions on the alcohol sale and consumption hours and dining capacity in March 2022 and April 2022 respectively as compared to the more stringent restrictions in the corresponding year. This was also contributed by the new outlet, Capitol.

### Gross Profit and Margin

The gross profit of the Group increased by 81.4% or \$3.02 million to \$6.74 million in FY22 due mainly to the higher revenue generated. The gross margin has improved by 3.7% to 75.6% in FY22 from 71.9% in FY21 attributed mainly to better costs control and lower proportion of retail sales at the outlets, which generated lower margin, in FY22.

### Other Income

The other income decreased by \$0.66 million or 62.8% to \$0.39 million in FY22 from \$1.05 million in FY21 due mainly to lower government grants and landlords’ rental rebates received in FY22.

### General and Administrative Expenses

The general and administrative expenses increased by \$1.01 million or 24.5% to \$5.12 million in FY22 from \$4.12 million in FY21 in line with the increase in operating activities and the 2 new outlets opened during the second half of the year, increase in manpower costs, and higher rental expenses of outlets with short-term lease tenure.

### Selling and Distribution Expenses

The selling and distribution expenses increased by \$0.11 million or 97.8% to \$0.21 million in FY22 from \$0.11 million in FY21 attributed to higher marketing activities to boost sales.

### Other Operating Expenses

The other operating expenses reduced marginally by 1.1% to \$0.75 million in FY22 from \$0.76 million in FY21 due mainly to the decrease in depreciation and impairment of plant and equipment (“**PE**”) by \$0.07 million and \$0.06 million respectively, attributed mainly to fully depreciated PE and the impact of impairments made in prior years. This was moderated by the increase in depreciation of right-of-use assets (“**ROUA**”) in tandem with the additions of ROUA and the impairment of ROUA for non-performing outlets by \$0.02 million and \$0.12 million respectively in FY22.



Finance Costs

The finance costs increased by \$0.05 million or 65.0% to \$0.13 million in FY22 from \$0.08 million in FY21 due mainly to the increase in interest expense on lease liabilities of \$0.02 million in tandem with the increase in lease liabilities in relation to the new and renewed leases and the interest expense on discounting of non-current receivables of \$0.03 million.

Profit Before Taxation

The Group reported a profit before tax of \$0.91 million in FY22 as compared to a loss before tax of \$0.29 million in FY21 due mainly to higher gross profit, but moderated by higher expenses and lower other income as mentioned above.

Profit For the Year

Consequently, the Group reported a profit for FY22 of \$0.85 million as compared to a loss of \$0.32 million in FY21.

**FINANCIAL POSITION**Non-Current Assets

The non-current assets of the Group increased by \$2.14 million to \$2.81 million as at 31 December 2022 due mainly to the increase in ROUA and other receivables.

The ROUA increased by \$2.09 million to \$2.50 million as at 31 December 2022 in line with the additions of ROUA in relation to new and renewed leases, but partially offset by depreciation of \$0.49 million and impairment of \$0.15 million in FY22. The other receivables increased by \$0.13 million to \$0.19 million as at 31 December 2022 due mainly to the deposits paid for new outlets and the reclassification of deposits from current assets to non-current assets upon renewal of the outlet leases.

Current Assets

The current assets increased by \$0.88 million to \$11.71 million as at 31 December 2022 due to the increase in inventories, but moderated mainly by the decrease in cash and bank balances. The inventories increased by \$1.92 million or 35.2% to \$7.38 million as at 31 December 2022 attributed to the stocking up of whisky casks as well as the whisky bottles for sales.

Current Liabilities

The current liabilities increased by \$1.02 million or 36.2% to \$3.82 million as at 31 December 2022 due to the increase in trade and other payables, lease liabilities and bank borrowing repayable within the next 12 months. The trade and other payables increased by \$0.66 million or 42.3% to \$2.21 million as at 31 December 2022 in line with the increase in purchases and expenses. The current lease liabilities increased by \$0.33 million or 65.8% to \$0.83 million as at 31 December 2022 due mainly to the additions of lease liabilities related to the new and renewed leases in FY22. The current bank borrowing increased by \$0.06 million or 11.4% to \$0.62 million as at 31 December 2022 due mainly to higher principal repayment within the next 12 months.

Non-Current Liabilities

The non-current liabilities increased by \$1.16 million or 52.7% to \$3.36 million as at 31 December 2022 due mainly to the increase in lease liabilities, but moderated by the decrease in bank borrowing. The non-current lease liabilities increased by \$1.77 million to \$1.98 million as at 31 December 2022 for the same reason as mentioned above. The non-current bank borrowing reduced by \$0.62 million or 31.7% to \$1.33 million as at 31 December 2022 due to the repayments made in FY22.

## CASH FLOWS

### Cash and Cash Equivalents

The Group reported a decrease in cash and cash equivalents of \$1.02 million in FY22 mainly due to the net cash flows used in financing activities of \$1.29 million, but moderated by the cash flows generated from operating activities of \$0.34 million.

### Operating Activities

The net cash flows generated from operating activities of \$0.34 million was attributed mainly to the operating cash flows before changes in working capital of \$1.78 million and \$0.62 million increase in trade and other payables and contract liabilities, but moderated mainly by \$1.92 million increase in inventories.

### Investing Activities

The net cash used in investing activity of \$0.08 million was related mainly to the purchase of PE for new outlets.

### Financing Activities

The net cash flows used in financing activities of \$1.29 million was attributed mainly to the payments of principal portion of lease liabilities and bank borrowing of \$0.63 million and \$0.55 million respectively.

The Group intends to ride on the recovery phase of Covid-19 and grow its business with strategic initiatives such as procuring and bottling of whisky casks, expanding its foothold in the market organically or entering into joint ventures or strategic alliances with parties that can complement the Group's business amidst the headwinds from manpower challenges and rising costs.

# BOARD OF DIRECTORS

## Dr. Yu Lai Boon

*Non-Executive Chairman and Independent Director*

<b>Board Committees served</b>	Chairman of AC and RC and a member of NC
<b>Date of first appointment as Director</b>	16 November 2018
<b>Date of last re-election as Director</b>	28 April 2021
<b>Length of service as a director (as at 31 December 2022)</b>	4 years 1 month
<b>Present directorships in other listed companies (as at 31 December 2022)</b>	OTS Holdings Limited
<b>Past directorships in other listed companies (within the last 5 years from 31 December 2022)</b>	Koufu Group Limited
<b>Other principal commitments</b>	Non-Executive Chairman and Independent Director of OTS Holdings Limited

Dr. Yu has approximately 25 years of experience in sovereign wealth fund investment, private equity investment, fund management, real estate development, and real estate-related consultancy works. He joined the then Department of Real Estate, School of Design and Environment at National University of Singapore as a Post-Graduate Researcher, Research Assistant and Teaching Assistant between March 1988 and September 1997. Between October 1997 and March 2006, he joined Jones Lang Wootton as an Associate Director, was appointed as the National and Regional Director and Asia Pacific Head of Consultancy and Research in Jones Lang LaSalle Incorporated subsequently, and became the Managing Director and Country Head eventually. After that, he was employed by Nakheel PJSC in Dubai as the Chief Financial Officer and Chief Investment Officer from April 2006 to July 2006, and subsequently joined Dubai World as the Group Chief Investment Officer from July 2006 to April 2010.

Between August 2000 and December 2000, he was also a focus group member for the Ministry of National Development, providing advice on urban land economics in the formulation of the concept plan of the Urban Redevelopment Authority for the development of Singapore. He was also appointed as the Honorary Real Estate Consultancy Advisor of the Real Estate Developer's Association of Singapore between June 2003 and December 2005. Dr. Yu acted as a member of the Advisory Panel of Singapore Land Authority from July 2014 to July 2016, and he was an Adjunct Associate Professor of the then Department of Real Estate, School of Design and Environment at the National University of Singapore between March 2014 and December 2015.

Dr. Yu was the Lead Independent Director of Koufu Group Limited from 2018 to 2022. He is currently also a Non-Executive Chairman and Independent Director of OTS Holdings Limited, a company listed on the Catalist of the SGX-ST.

Dr. Yu holds a Bachelor of Science (Estate Management) (Honours) degree and a Master of Science (Estate Management) degree from the National University of Singapore. He also holds a Doctor of Philosophy degree in Urban Land Economics from the University of Aberdeen in Scotland. He is a member of the Singapore Institute of Surveyors and Valuers.

**Mr. Chua Khoon Hui***Chief Executive Officer and Executive Director*

<b>Board Committees served</b>	Nil
<b>Date of first appointment as director</b>	7 February 2019
<b>Date of last re-election as director</b>	26 June 2020
<b>Length of service as a director (as at 31 December 2022)</b>	3 years 10 months
<b>Present directorships in other listed companies (as at 31 December 2022)</b>	Nil
<b>Past directorships in other listed companies (within the last 5 years from 31 December 2022)</b>	Nil
<b>Other principal commitments</b>	Nil

**Mr. Chua** is in charge of the day-to-day management and smooth operations of the Group. He oversees the business development activities, sales, marketing, and procurement functions of the Group. He is also responsible for formulating corporate strategies for the Group, together with the Board of Directors.

Mr. Chua joined KPMG LLP as an audit assistant in 1999 and left as an audit senior in 2001. Between 2002 to 2005, Mr. Chua ran a café called Joyce Restaurant & Pub together with his wife, Ng Pei Wah, who is currently the Director, Operations of the Group. In November 2005, he founded The Whisky Store and expanded it into the food and beverages business today.

Mr. Chua holds a Bachelor of Accountancy degree from Nanyang Technological University.

**Mr. Tan Dah Ching***Non-Executive Independent Director*

<b>Board Committees served</b>	Chairman of NC and a member of AC and RC
<b>Date of first appointment as director</b>	7 April 2014
<b>Date of last re-election as director</b>	29 April 2022
<b>Length of service as a director (as at 31 December 2022)</b>	8 years 8 months
<b>Present directorships in other listed companies (as at 31 December 2022)</b>	Nil
<b>Past directorships in other listed companies (within the last 5 years from 31 December 2022)</b>	Nil
<b>Other principal commitments</b>	Executive Director of Elite Partners Capital Pte Ltd

**Mr. Tan** has over 17 years of experience in Corporate Finance. He was an associate at Genesis Capital Pte Ltd involved in initial public offerings and corporate finance advisory works from 2003 to 2006. Between 2006 and 2008, he worked as an Investment Manager at Kim Seng Holdings Pte Ltd. He joined Swissco Holdings Limited as the Business Development Manager responsible for the corporate finance activities from 2008 to 2013. Subsequently, he was managing his own portfolio of investments. He is currently the Executive Director of Elite Partners Capital Pte Ltd, where he manages the capital markets and fundraising functions since 2019. He is also the Non-Independent Non-Executive Director of Elite Commercial REIT Management Pte Ltd since 2019.

Mr. Tan holds a Bachelor of Engineering (Chemical Engineering) degree from the National University of Singapore.

**Mr. Teo Kok Woon***Non-Executive Non-Independent Director*

<b>Board Committees served</b>	Member of AC, NC and RC
<b>Date of first appointment as Director</b>	11 August 2006
<b>Date of last re-election as Director</b>	29 April 2022
<b>Length of service as a director (as at 31 December 2022)</b>	16 years 4 months
<b>Present directorships in other listed companies (as at 31 December 2022)</b>	Nil
<b>Past directorships in other listed companies (within the last 5 years from 31 December 2022)</b>	Nil
<b>Other principal commitments</b>	Chairman of Cockpit International Pte. Ltd. Group Executive Director of Goodearth Realty Private Limited

**Mr. Teo** has approximately 28 years of experience as a hotelier, and is currently the Chairman of Cockpit International Pte Ltd and the Group Executive Director of Goodearth Realty Private Limited, which is his family business in hotel and property investment. He is responsible for charting the strategic direction of these companies, in addition to overseeing their investment decisions, including looking for organic and inorganic growth opportunities. He is also responsible for providing operational guidance to the managers of the real estate investments, hotels and developments owned by these companies.

Mr. Teo holds a Bachelor of Business (Business Administration) degree from the Royal Melbourne Institute of Technology University.

# EXECUTIVE OFFICERS

**Mr. Chua Khoon Hui**  
*Chief Executive Officer*

Please refer to his profile set out in the “Board of Directors” section of this annual report.

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**Mr. Ng Kim Chew**  
*Group Chief Financial Officer*

**Date of appointment: 7 February 2019**

**Mr. Ng** is responsible for the accounting, corporate finance, treasury and tax functions of the Group.

Mr Ng was with the assurance and advisory business services division of Ernst & Young LLP, Singapore covering various industries since 1996 and left as a manager in 2004. He joined the Company as Finance Manager in 2004 before assuming the position of Group Chief Financial Officer (“**CFO**”) in March 2006. He oversaw the accounting, corporate finance, treasury, tax, legal, human resource, IT and administrative functions of the Group then. The businesses involved were distribution and repair services of aircraft parts, homeland security services, events management, consumer electronic products research and development, manufacturing, distribution and retailing, and property development in Singapore, China, Taiwan and Australia. He stepped down as the Group CFO in December 2016 when the Company became a cash company and continued to assist the Board of Directors on all matters concerning the Company. He was re-appointed as the Group CFO when the Company completed the reverse acquisition of Slosed! Pte Ltd, focusing on food and beverages business, in February 2019.

Mr. Ng is a Fellow of Association of Chartered Certified Accountants and a Fellow of the Institute of Singapore Chartered Accountants. He holds an MBA as well as a Graduate Certificate in Real Estate Finance from the National University of Singapore. He also holds Specialist Diploma in Business Analytics from Temasek Polytechnic.

# REPORT ON CORPORATE GOVERNANCE

The Board of Directors (the “**Board**” or “**Directors**”) of TSH Corporation Limited (the “**Company**”) is committed to maintaining a high standard of corporate governance within the Company and its subsidiaries (the “**Group**”). Good corporate governance establishes and maintains an ethical environment in the Group, which strives to enhance the interests of the shareholders of the Company.

The Company has adopted the Code of Corporate Governance issued on 6 August 2018 (the “**2018 Code**”), with the aim to enhance board quality and create value for the Company by strengthening board independence and diversity and encourage better engagement between the Company and all stakeholders. The 2018 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 2018 Code by providing guidance on the application of the Principles and Provisions and setting out best practices for companies.

This report on corporate governance summarises the Company’s practices of the 2018 Code. The Board confirms that the Company had, for the financial year ended 31 December 2022 (“**FY22**”), complied with and observed the Principles as set out in the 2018 Code, as required by Rule 710 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Catalist Rules**”) and the Company will explain how its practices are consistent with the intent of the relevant Principles for any deviations of the provisions of the 2018 Code.

## A. 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 Group.**

#### Provision 1.1 – Principal functions of the Board

The Board recognises that it is collectively responsible for the success of the Group by setting strategic objectives and strives to protect and enhance long-term shareholders’ value. The Directors are fiduciaries who act objectively in the best interests of the Company, and the Board works closely with the management (“**Management**”) and reviews the performance of Management. The Directors monitor Management through various mechanisms, develop organisational culture, set in place a code of conduct and ethics with appropriate tone-from-the-top through conversations in each of the meetings attended by key management personnel (“**KMP**”) and the Directors. Should any conflict of interest arise during the meeting, the particular Director is to disclose his interest and recuse from the meeting.

The Board’s principal functions include:

- (a) setting and approving broad policies, strategies and objectives of the Group;
- (b) monitoring and reviewing the performance of Management;
- (c) overseeing and evaluating the adequacy and effectiveness of internal controls, risk management, financial reporting and compliance;
- (d) approving annual budgets, major funding, investment and divestment proposals;
- (e) assuming responsibility for the corporate governance framework of the Group as well as setting the Group’s values and standards; and
- (f) considering sustainability issues as part of its formulation of the Group’s strategic directions.



## A. BOARD MATTERS - continued

### Provision 1.2 – Directors' orientation and training

All Directors know the business of the Group and understand their duties and roles as Executive, Non-Executive or Independent Directors of the Company. Each Director exercises due diligence and independent judgement, and is obliged to act in good faith and considers at all times in the best interests of the Group. The Directors attend other trainings, conferences and seminars that have a bearing on their duties and contribution to the Board, organised by professional bodies, regulatory institutions and corporations at the Company's expense.

A formal letter will be sent to a newly-appointed Director upon his/her appointment setting out his/her duties and obligations as a director. New Directors, upon appointment, will also be briefed on the Group's business and governance practices and to facilitate the effective discharge of their duties. Any newly-appointed Directors with no prior experience as a director of a listed company in Singapore will undergo training in the roles and responsibilities of a listed company director as prescribed by the SGX-ST in accordance to Rule 406(3) of the Catalist Rules. No new Director was appointed in FY22.

### Provision 1.3 – Matters requiring Board's approval

The Group has adopted internal guidelines governing matters that require the Board's approval which has been clearly communicated to Management. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those prescribed limits to the respective Board Committees and specific members of the key management.

Matters which are specifically reserved for the approval of the Board include, among others:

- approving the Group's policies, strategies and financial objectives, and monitoring the performance of the Management;
- overseeing the processes for evaluating the adequacy and effectiveness of internal controls, risk management system, financial reporting and compliance;
- any material acquisitions and disposals of assets and major undertakings (other than in the ordinary course of business);
- approval of financial results; and
- interested person transactions of a material nature.

Clear directions have also been given to Management that such matters must be approved by the Board.

### Provision 1.4 – Delegation by the Board

Certain functions have been delegated to various board committees, namely, the Audit Committee (the "AC"), the Nominating Committee (the "NC") and the Remuneration Committee (the "RC") (individually, the "Board Committee" and collectively, the "Board Committees"), which are governed by their respective terms of references. Further information regarding the functions of the respective Board Committees is set out in the later part of this report. Where necessary, the terms of reference and operating procedures would be updated to keep in line with the Catalist Rules and the Code.

The Board acknowledges that while these various Board Committees have the authority to examine particular issues and report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

**A. BOARD MATTERS** - continued

Provision 1.5 – Board meetings, attendance and multiple commitments

The Board conducts regular scheduled meetings, with Board and AC meetings held at least twice a year, and RC and NC meetings held at least once a year. During FY22, the Board conducted two (2) regular scheduled meetings. Ad-hoc meetings are convened as and when circumstances require. The Company’s constitution (“**Constitution**”) allows Board and Board Committee meetings to be conducted by way of teleconferencing, provided that the requisite quorum of at least two (2) Directors are present. Minutes of all Board meetings and Board Committee meetings are circulated for review and confirmation, enabling the respective members to keep abreast of the matters discussed at such meetings. Directors also made decisions by passing resolutions in writing as if it had been passed at the Directors’ meeting, where appropriate.

The number of Board meetings and Board Committee meetings held in FY22 and the attendance of each Board member at those meetings are as follows:

**Attendance Record of the Board and Board Committee Meetings**

Directors	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
Dr Yu Lai Boon	2	2	2	2	1	1	1	1
Mr Chua Khoon Hui	2	2	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr Tan Dah Ching	2	2	2	2	1	1	1	1
Mr Teo Kok Woon	2	1	2	1	1	1	1	1

N.A.: Not applicable

#: No. of meetings held whilst a member.

All Directors update and declare their board appointments to the Board and the Company Secretary. When a Director has multiple board representations, the NC will consider whether the Director is able to and has adequately carried out his/her duties as a Director of the Company, taking into consideration the Director’s number of listed company board representations and other principal commitments. The NC has reviewed and is satisfied that notwithstanding multiple board appointments, the Directors have been able to devote sufficient time and attention to the affairs of the Company to adequately discharge their duties as Director of the Company. Please refer to “Board of Directors” section for further disclosure in relation to multiple board representations.

Provision 1.6 – Access to information

The Board receives management accounts on a half-yearly basis, as well as relevant background information and documents relating to items of businesses to be discussed at Board or Board Committee meetings before the scheduled meeting. These management accounts present a balanced and understandable assessment of the Group’s performance, position and prospects on a half-yearly basis, which has been assessed by the Board to be sufficient. The Board was provided with timely, adequate and complete information, which enable Directors to engage in meaningful discussions for decision-making in the best interests of the Company. The Chief Executive Officer (“**CEO**”) provided the Board with business updates from time to time. For other matters where the Board is required to make decisions, Directors received sufficient background and explanatory information on financial, business and corporate issues to enable the Directors to be properly briefed on issues to be considered. Any additional materials or information requested by the Directors are promptly furnished.

The Board takes adequate steps to ensure compliance with legislative and regulatory requirements.

**A. BOARD MATTERS** - continued

Provision 1.7 – Access to Management, Company Secretary and External Advisers

The Directors have separate and independent access to the Company Secretary and Management. The Company Secretary attends all Board and Board Committee meetings. The Company Secretary is responsible for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with.

The Company Secretary and/or their representatives are required to attend all Board and Board Committee meetings and assists the Board and the Board Committees in ensuring that the respective procedures are followed and the applicable rules and regulations are complied with.

Under the direction of the Chairman, the Company Secretary’s responsibilities include ensuring good information flows with the Board and its Board committees and between Management and Independent and Non-Executive Directors, advising the Board on all governance matters as well as facilitating orientation and assisting with professional development as required.

The appointment and removal of the Company Secretary are subject to the Board’s approval as a whole.

The Board as a whole is updated on risk management and the key changes in the relevant regulatory requirements and accounting standards. In FY22, the Directors were provided with updates on changes in the relevant laws, regulations and Singapore Financial Reporting Standards (International) by the external auditors, Sponsor and the Company Secretary. The Board (whether individually or as a group) has, in the furtherance of its duties, separate and independent access to external advisers for independent professional advice, if necessary, at the Company’s expense.

All Directors are provided with regular updates on changes in the relevant laws, regulations and commercial risks, to enable them to make well-informed decisions and to ensure that the Directors are competent in carrying out their expected roles and responsibilities.

**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.**

Provision 2.1 – Board Independence

There is a strong and independent element on the Board with Independent Directors making up half of the Board composition. The Non-Executive Directors make up a majority of the Board. As the Chairman of the Board is independent, Provision 2.2 requiring Independent Directors to make up a majority of the Board does not apply to the Company. The Group is in compliance with the Catalist Rules, which require the Independent Directors to make up at least one-third of the Board effective on 1 January 2022, and the 2018 Code with at least one-third of the Board consisting of Independent Directors and Non-Executive Directors making up majority of the Board.

The NC is of the opinion that the Board is able to exercise objective judgement on corporate affairs independently and no individual or small group of individuals dominate the Board’s decision-making process.

In assessing and reviewing the independence of the Independent Directors, the NC adopts the 2018 Code’s definition of an “independent director” and are satisfied that the Independent Directors do not have any relationships with the Company, its related corporations, substantial shareholders or officers, which could interfere or be perceived to interfere with the Directors’ independent judgment.

**A. BOARD MATTERS** - *continued*

Provision 2.1 – Board Independence - *continued*

The Board had also reviewed the independence of the Independent Directors based on Rule 406(3)(d) of the Catalist Rules which sets out the specific circumstances in which a Director should be deemed non-independent. These circumstances include:

- (a) a Director is employed or has been employed by the Company or any of its related corporations in the current or any of the past three financial years;
- (b) a Director has an immediate family member who is, or has been employed by the Company or any of its related corporation in the current or any of the past three financial years, and whose remuneration is or was determined by the RC; or
- (c) a Director who has been appointed for an aggregate period of more than 9 years (whether before or after listing) may continue to be considered independent until the conclusion of the next annual general meeting (“AGM”) for the financial year ending 31 December 2023 (effective from 11 January 2023).

Each of the Independent Directors has confirmed that they and their respective associates do not have any relationships with the Group as stipulated above.

In addition to the above, the items the NC and Board also consider while reviewing the independence of the Independent Directors are:

1. Whether a Director, or a Director whose immediate family member, in the current or immediate past financial year, provided to or received from the Company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services), other than compensation for board service. Payments aggregated over any financial year in excess of S\$50,000 should generally be deemed significant.
2. Whether a Director, or a Director whose immediate family member, in the current or immediate past financial year, is or was, a substantial shareholder or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organisation which provided to or received from the Company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services). Payments aggregated over any financial year in excess of S\$200,000 is deemed significant whether they constitute a significant portion of the revenue of the organisation in question.
3. Whether a Director who is, or has been directly associated with, a substantial shareholder of the Company, in the current or immediate past financial year. Taking into consideration the above factors, the NC had reviewed the declaration of independence of each Independent Director for FY22 and was satisfied that all Independent Directors are considered independent for the purpose of Provision 2.1 of the 2018 Code and Rule 406(3)(d) of the Catalist Rules. The Board concurred with the aforementioned independence review of the NC.

**A. BOARD MATTERS** - continued

Provision 2.2 - Majority Independent Directors where Chairman is not independent

Provision 2.3 - Majority Non-Executive Directors in a Board

Provision 2.4 - Board composition and diversity

The Board comprises four (4) Directors as follows:

Dr Yu Lai Boon	(Non-Executive Chairman and Independent Director)
Mr Chua Khoon Hui	(CEO and Executive Director)
Mr Tan Dah Ching	(Non-Executive Independent Director)
Mr Teo Kok Woon	(Non-Executive Non-Independent Director)

As the Chairman of the Board is independent, Provision 2.2 would not apply to the Company. Nonetheless, the Company has a majority of Non-Executive Directors on the Board, which complies with Provision 2.3.

The current size of the Board is appropriate to facilitate effective decision making. The Board is of the opinion that the current Board size of four (4) Directors is appropriate and provides sufficient diversity of expertise and knowledge in leading and governing the Group effectively. The Board will continue to review the size of the Board on an ongoing basis. As a team, the Board collectively provides core competencies in the areas of finance and business.

The Board has always placed diversity as an agenda in strengthening the performance of the Board and its Board Committees. The Company's board diversity policy provides a framework to promote diversity in the Board with the objective to utilise diversity practices through the effective blend of competencies and extensive experiences of the Directors who are prepared to navigate diverse cultures, geographies and markets to make decisions in the best interests of the Group. The NC and the Board considered the benefits of all aspects of diversity, including but not limited to diversity of background, experience, gender, age and other relevant factors that the Board may consider relevant and applicable from time to time, in achieving the long-term objectives of the Company.

While it is important to promote boardroom diversity in terms of gender, age and ethnicity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remain a priority. In addition to ensuring a balanced composition of skills and experience at the Board, the NC has deliberated having female candidates who met the required skills and experiences, for appointment as a Director. In addition to gender diversity, the Board will also consider the average tenure of each of its Independent Directors to be less than 9 years. The Board targets to appoint a new Director who can contribute to the core competencies and enhance the diversity of the Board by 30 April 2024.

Provision 2.5 – Meeting of Non-Executive Directors without Management

The Non-Executive Directors constructively challenge and assist in the development of proposals on strategy, review the performance of Management on a regular basis. The Non-Executive Directors, led by the Independent Chairman, meet regularly without Management's presence in order to facilitate a more effective check on Management, and provide feedback to the Board as appropriate.

**A. BOARD MATTERS** - continued

**Chairman and Chief Executive Officer**

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

Provision 3.1 – Separation of the role of the Chairman and the CEO

Provision 3.2 – Role of the Chairman and the CEO

Dr Yu Lai Boon (“**Dr Yu**”) is currently the Independent Director and the Non-Executive Chairman of the Board while Mr Chua Khoon Hui (“**Mr Chua**”) is the CEO and Executive Director. The Chairman and the CEO have defined responsibilities which ensure that there is an appropriate balance of power and increased accountability and greater capacity of the Board, in terms of independent decision-making. The Chairman is responsible for the effective functioning of the Board, while the CEO is responsible for the operations and management of the Group’s businesses.

The Chairman’s duties and responsibilities include:

- (i) leading the Board to ensure its effectiveness on all aspects of its role;
- (ii) setting the agenda and ensuring that adequate time is available for discussion of all agenda items;
- (iii) promoting a culture of openness and debate at the Board;
- (iv) exercising control over the quality, quantity and timeliness of the flow of information between Management and the Board;
- (v) ensuring effective communication with shareholders;
- (vi) encouraging constructive relations within the Board and between the Board and Management;
- (vii) facilitating the effective contribution of Non-Executive Directors;
- (viii) promoting high standards of corporate governance.

In addition to the above duties, the Chairman will assume other duties and responsibilities as may be required from time to time.

The CEO is responsible for formulating corporate strategies for the Company and the Group as well as being in-charge of the day-to-day management, ensuring that its operations run smoothly and overseeing the business development activities, sales and marketing and procurement functions of the Group. All major proposals and decisions made by the CEO are discussed and reviewed by the Board. His performance and appointment to the Board is reviewed periodically by the NC and his remuneration is reviewed periodically by the RC. As the AC, NC and RC consist of mainly Independent Directors, the Board believes that there is a sufficiently strong independent element on the Board and adequate safeguards are in place to check against an uneven concentration of power and authority in a single individual.

Provision 3.3 – Lead Independent Director

The Chairman is independent with each Board Committee chaired and led by Independent Directors. There is a balance of power in the Board with the Chairman being independent and each Board Committee chaired and led by an Independent Director. As there is separation in the roles of the Chairman and CEO to preserve effective corporate governance, the appointment of a Lead Independent Director as set out in Principle 3.3 of the 2018 Code is not necessary. Independent Directors meet regularly without the presence of other Directors. Independent Directors are available to shareholders where they have concerns and for which contact through the normal channels of communication with Management is inappropriate or inadequate.

**A. BOARD MATTERS** - continued

**Board Membership**

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

Provision 4.1 and 4.2 – Roles and composition of the NC

Recommendation for nominations of new Directors and retirement of Directors are made by the NC and considered by the Board as a whole.

As at the date of this report, the NC comprises the following members, majority of whom including the Chairman of the NC are Independent Directors:

Mr Tan Dah Ching (Independent Director)	(Chairman)
Mr Teo Kok Woon (Non-Independent Director)	(Member)
Dr Yu Lai Boon (Independent Director)	(Member)

The key terms of reference of the NC are summarised as follows:

- (a) Reviews and makes recommendations to the Board on all Board appointments and re-appointments of Directors;
- (b) Reviews of succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the CEO and Management;
- (c) Reviews the Board structure, size and composition and makes recommendations to the Board with regards to any adjustments that are deemed necessary;
- (d) Determines the independence of the Board and considers the continued independence of any Directors reaching 9 years from date of appointment;
- (e) Recommends the process and criteria to assess the effectiveness and performance of the Board, its Board Committees and contribution of each Director; and
- (f) Reviews training and professional development programmes for the Board.

During FY22, the NC performed the aforementioned activities.

Provision 4.3 – Board Renewal

The NC will review succession plans annually to ensure continuity of leadership. For new appointments to the Board, the NC will consider the current size, composition and diversity of the Board, and decide if the candidate’s background, expertise and knowledge will complement the skills and competencies of the existing Board. The candidate must be a person of integrity and able to commit sufficient time and attention to the affairs of the Group, especially if he has multiple Board representations and/or principal commitments.

If a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new Director, the NC, in consultation with the Board, will determine the selection criteria taking into consideration the aforementioned and select the appropriate candidate for the position.

## A. BOARD MATTERS - *continued*

### Provision 4.3 – Board Renewal - *continued*

In its search and nomination process for new Director, other than through a formal search process via external search consultants, if required, the NC will also tap on the resources of the Directors' personal contacts and their recommendations for potential candidates. The NC will shortlist and interview potential candidates with the appropriate profile to assess his/her suitability before nominating the most suitable candidate to the Board for approval and appointment as a Director.

### Provision 4.4 – Independence review of Directors

Based on Rule 720(4) of the Catalist Rules, a listed issuer must have all Directors submit themselves for re-nomination and re-appointment at least once every three years. In accordance with the Constitution, one-third of the Directors shall retire from office at every AGM of the Company and a retiring Director shall be eligible for re-election at the said AGM. All Directors shall retire from office at least once every three (3) years. Newly appointed Directors are required to submit themselves for re-nomination and re-election at the next AGM following their appointment. Each member of the NC shall abstain from voting on any resolutions in respect of the assessment of his performance or re-nomination as a Director.

At the forthcoming AGM, Dr Yu and Mr Chua will be retiring pursuant to Regulation 107 of the Constitution. Dr Yu and Mr Chua, being eligible for re-election, have each offered himself for re-election. Please refer to the disclosure of information on directors seeking re-election at the AGM found after the Notice of AGM of the Annual Report.

The NC had recommended to the Board that Dr Yu and Mr Chua be nominated for re-appointment at the forthcoming AGM. In making their recommendations, the NC evaluated contributions of Dr Yu and Mr Chua to the Group and their performance in the Board and Board Committees, where applicable, their participations, candour and special contributions. Further details of Dr Yu and Mr Chua can be found in the "Board of Directors" section of the Annual Report.

The NC is responsible for determining annually, or as and when circumstances require, whether a Director is independent, with reference to the guidelines set out in the 2018 Code and the Catalist Rules. Further details on the NC's assessment in respect of the independence of the Independent Directors have been set out under Principle 2 of this Report above. Each NC member does not take part in determining his own re-nomination or independence. Each Independent Director is required to submit a return of independence to the Company Secretary as to his/her independence, who in turn submits the returns to the NC. The NC reviews the returns and determines the independence of each of the Directors and makes its recommendation to the Board. An Independent Director shall notify the NC immediately if, as a result of a change in circumstances, he/she no longer meets the criteria for independence. The NC shall review the change in circumstances, and make its recommendation to the Board.

The NC has assessed the independence of the Independent Directors, namely Dr Yu and Mr Tan Dah Ching ("Mr Tan"), based on the criteria of independence defined in the 2018 Code and Rule 406(3)(d) of the Catalist Rules. The NC is satisfied that there are no relationships or circumstances which were likely to interfere, or could appear to interfere with the independent business judgement of Dr Yu and Mr Tan with a view to the best interests of the Group or which would deem him not to be independent. Dr Yu and Mr Tan had abstained from deliberations in respect of assessment of his own independence.

At the AGM held on 29 April 2022, the continued appointment of Mr Tan as Independent Director was approved in separate resolutions by (a) all shareholders and (b) shareholders, excluding the Directors and CEO of the issuer, and associates of such Directors and CEO (the "Two-Tier Vote") pursuant to Rule 406(3)(d) (iii) of the Catalist Rules (removed on 11 January 2023). With the removal of Two-Tier Vote mechanism and implementation of Rule 406(3)(d)(iv) of the Catalist Rules limiting the tenure of independent directors to 9 years, the Board has started the process of identifying potential candidates in place of Mr Tan whose 9-year tenure will be due on 6 April 2023.



**A. BOARD MATTERS** - *continued*Provision 4.4 – Independence review of Directors - *continued*

Nonetheless, Mr Tan continues to be considered Independent Director during the transitional period between 11 January 2023 and the conclusion of the Company's next AGM for the financial year ending 31 December 2023. The NC and Board will review the composition of the Board and Board Committees and make necessary recommendations on board renewal and succession-plan to ensure compliance with the Catalist Rules, no later than the next AGM to be held by April 2024.

The Board has conducted a review of the performance of Mr Tan based on a set of criteria. The Board had rigorously reviewed and agreed that the Mr Tan had participated, deliberated and expressed his views independently at all times, presenting objective and constructive challenges to the assumptions and viewpoints by Management. The Board has benefited from valuable insight from the presence of Mr Tan who has over time gained valuable insight into the Group and its markets. The Board considered that Mr Tan brings invaluable expertise, experience and knowledge to the Board. Mr Tan is familiar with the business and will continue to contribute positively to the deliberation of the Board and Board Committees. The Board has determined that Mr Tan remained independent of character and judgement and his length of service does not in any way hinder his ability to act in the best interests of the Company. The Board is satisfied that Mr Tan can continue to discharge his duties objectively. Mr Tan was not involved in the deliberation in respect of his independence.

Provision 4.5 - Duties and obligations of Directors

The NC ensures that all newly-appointed Directors are aware of their duties and obligations. Although some of the Non-Executive Directors hold multiple directorships in other companies or principal commitments, the Board is of the view that such multiple board representations or principal commitments do not hinder them from carrying out their duties as Directors of the Company. All Directors are required to declare their board representations and other principal commitments outside of the Group. The NC has determined that the maximum number of listed company board representations and principal commitments which any Director of the Company may hold should not be more than four (4). Despite this limit, the NC will continue to monitor and determine annually, on a case-by-case basis, whether the Directors have given sufficient time and attention to the affairs of the Company and adequately carry out his/her duties as a Director of the Company. As at the date of this Report, the number of listed company directorships and principal commitments held by the Directors is within the maximum limit, save for Mr Teo who is a Non-Independent Director of the Company.

The NC, together with the Board, is satisfied that the Directors have discharged their duties diligently, given that sufficient time, attention, resources and expertise have been given by the Directors to the affairs of the Group, notwithstanding that some Directors having multiple board representations as well as any other principal commitments. The NC is of the view that these Directors with other directorship experience may contribute to the Board with broader perspective.

Please refer to the "Board of Directors" section of the Annual Report for the profile of the Directors, including the listed company directorships and principal commitments of each Director. The shareholdings of the individual Directors of the Company are set out in the Directors' Statement of the "Financial Statements" section of the Annual Report.

## A. BOARD MATTERS - continued

### 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.**

#### Provisions 5.1 and 5.2 – Board Evaluation Process

A formal assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director to the effectiveness of the Board is conducted annually by having the Directors completing a questionnaire. The process and criteria set out in such questionnaire is recommended by the NC and approved by the Board. The findings are analysed and discussed with a view to implement certain recommendations to further enhance the effectiveness of the Board.

For FY22, the NC, in assessing the contribution of each Director, had considered the attendance and participation at Board and Board Committee meetings, the qualifications, experience, expertise, the time and effort dedicated to the Group's business and affairs, including Management's access to the Directors for guidance or exchange of views as and when necessary.

Each member of the NC shall abstain from voting on any resolution in respect of the assessment of his performance or re-nomination as Director.

In assessing the effectiveness of the Board and Board Committees, the criteria including the size, composition, processes of the Board and Board Committees, Board's and Board Committees' access to information, strategic planning and accountability were taken into consideration.

The NC is of the opinion that the above performance evaluation criteria are currently adequate. The NC has assessed the performance of the Board and each individual director for FY22 and is of the view that the performance of the Board as a whole and each individual Director was satisfactory and able to continue to contribute effectively and demonstrate commitment to the appointed role.

There was no change in the process of evaluation in FY22.

The Board has not engaged any external consultant to conduct an assessment of the performance of the Board, Board Committees and each individual Director for FY22. Where relevant, the NC will consider such an engagement.

## B. REMUNERATION MATTERS

### 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.**

#### Provisions 6.1 and 6.2 – Composition of the RC

As at the date of this report, the members of the RC comprise the following Non-Executive Directors, majority of whom including the Chairman are independent:

Dr Yu Lai Boon (Independent Director)	(Chairman)
Mr Tan Dah Ching (Independent Director)	(Member)
Mr Teo Kok Woon (Non-Independent Director)	(Member)

**B. REMUNERATION MATTERS - continued**Provisions 6.1 and 6.2 – Composition of the RC - continued

The Chairman of the RC, Dr Yu, has a good working knowledge of human resource and executive compensation from his many years of general management experience.

The functions of the RC contained in its written terms of reference include, among others,

- (a) the review of a remuneration framework and implementation of formal and transparent processes by which the remuneration packages of all the Executive Director (in the form of service agreement) and the KMPs (in terms of aggregate remuneration) are recommended to the Board;
- (b) the review and recommendation to the Board on specific remuneration packages for each Director and KMP; and
- (c) to consider long-term incentives schemes for Executive Director and KMPs and review their eligibility for benefits under the schemes.

In FY22, the RC has duly performed the aforementioned activities.

Provision 6.3 – Remuneration framework

In their review, the RC considers all aspects of remuneration, including termination terms, to ensure they are fair. The RC also reviewed the remuneration packages of employees who are immediate family members of a Director, CEO or substantial shareholder.

No RC member or any Director is involved in deliberations in respect of any remuneration, compensation, options or any form of benefits to be granted to himself, except for providing information and documents specifically requested by the RC to assist it in its deliberations.

Directors' fees are recommended by the RC and submitted for endorsement by the Board. Directors' fees are subject to approval by shareholders at the AGM.

Provision 6.4 – Remuneration consultant

No remuneration consultants were engaged by the Company in FY22.

**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.**

Provisions 7.1 and 7.3 – Remuneration of Executive Directors and KMPs

In setting the remuneration packages of the Executive Director and KMPs, the RC ensures that remuneration packages of the Executive Director and KMPs are comparable within the industry as well as with similar companies. Accordingly, a significant and appropriate proportion of the remuneration packages of the Executive Director and KMPs is structured to link rewards to corporate and individual performance, whereby the performance-related remuneration is aligned with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group.

**B. REMUNERATION MATTERS - continued**Provisions 7.1 and 7.3 – Remuneration of Executive Directors and KMPs - continued

The RC considers the Group's relative performance, the contributions and responsibilities of the individual Executive Director and KMP in its review and recommendation of their remuneration. The RC also takes into consideration the criteria such as leadership, people development, commitment and teamwork in assessing the individual's performance.

The Company entered into a service agreement (the "**Service Agreement**") with Mr Chua, CEO and Executive Director of the Company. The Service Agreement took effect on 7 February 2019 and shall continue for an initial period of three (3) years and upon the expiry of such period, the employment of Mr Chua shall be automatically renewed on a year-to-year basis on such terms and conditions as the parties may agree. Mr Chua's employment was renewed in February 2023. The remuneration of Mr Chua includes, among others, a fixed salary and a variable performance bonus at the discretion of the RC, taking into account his performance as well as the performance of the Group, and there are no onerous compensation commitments on the part of the Company in the event of an early termination of the service of Mr Chua.

The remuneration package of the KMPs comprises a basic salary component and a variable component which is the annual bonus, based on the performance of the Group as a whole and their individual performance.

Provision 7.2 – Remuneration of Non-Executive Directors

The Non-Executive Directors (including Independent Directors) do not have any service agreements with the Company. Independent Directors are paid a basic fee for sitting on any of the Board Committees and an additional fee to reflect their added responsibility as Chairman of the respective Board Committees, where applicable. Save for the Directors' fees, which have to be approved by the shareholders at every AGM, the Non-Executive Directors do not receive any remuneration from the Group. The remuneration of the Non-Executive Directors is appropriate, having taken into consideration the level of contribution, as well as effort, time spent and responsibilities of the Non-Executive Directors.

Provision 7.3 – Long Term incentives

The NC is of the view that the current remuneration framework as discussed in Provisions 7.1, 7.2 and 7.3 is appropriate to attract, retain and motivate the directors to provide good stewardship of the Company and KMPs to successfully manage the Group for the long term.

The Group has no share-based compensation scheme or any long-term scheme involving the offer of shares or option in place.

The Group does not use contractual provisions to allow the Group to reclaim incentive components of remuneration from the Executive Director and KMPs in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to 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 Director in the event of such breach of fiduciary duties. The RC would review such contractual provision as and when necessary.

**B. REMUNERATION MATTERS** - continued**Disclosure on 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.**

Provision 8.1 – Disclosure of remuneration

The 2018 Code recommends that companies fully disclose the name and remuneration of each Director and the CEO. The Board is aware of the new Catalist Rule 1204(10D) which requires issuers to disclose the exact amounts and breakdown of remuneration paid to each individual director and the CEO by the issuer and its subsidiaries. Such breakdown must include (in percentage terms) base or fixed salary, variable or performance-related income or bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives.

For the FY22, the Board is of the opinion that it is not in the best interests of the Company to disclose the Directors' remuneration in dollar terms for commercial sensitivity reasons, and that the current disclosure on a named basis and in bands of S\$250,000 including the provision of a breakdown in percentage terms is sufficient. The Board will comply with the new disclosure requirements in its Annual Report no later than the financial year ending 31 December 2024.

A breakdown of the level and mix of remuneration paid/payable to each Director in remuneration bands of S\$250,000 for FY22 are as follows:

## (a) Directors

<i>Remuneration band and Name of Director and CEO</i>	<b>Fee</b>	<b>Salary</b>	<b>Bonus</b>	<b>Other Benefits</b>	<b>Total</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>S\$250,001 to S\$500,000</b>					
Chua Khoon Hui	—	90	10	—	100
<b>Below S\$250,000</b>					
Dr Yu Lai Boon	100 <sup>1</sup>	—	—	—	100
Tan Dah Ching	100 <sup>1</sup>	—	—	—	100
Teo Kok Woon	—	—	—	—	—

Note: -

<sup>1</sup> The fee is subject to approval by shareholders at the forthcoming AGM.

There are no termination, retirement and post-employment benefits that may be granted to the Directors.

**B. REMUNERATION MATTERS** - continuedProvision 8.1 – Disclosure of remuneration - continued

## (b) Key Management Personnel

The 2018 Code recommends the Company to name and disclose the remuneration of at least the top five (5) KMPs, who are not directors or CEO of the Company. For FY22, the Company had three (3) KMPs (who are not a director or CEO of the Company).

A breakdown showing the remuneration level and mix of the Company's KMPs (who are not a director or CEO of the Company) is as follows:

<i>Remuneration band and Name of Key Management Personnel</i>	Fee	Salary	Bonus	Other Benefits	Total
	%	%	%	%	%
<b>Below S\$250,000</b>					
New Kheng Tiong (Director, HR and Admin)	—	92	8	—	100
Ng Pei Wah (Director, Operations)	—	92	8	—	100
Ng Kim Chew (Group CFO)	—	92	8	—	100

There are no termination, retirement and post-employment benefits that may be granted to the KMPs.

The Board is of the opinion that it is not in the best interests of the Company to disclose the aggregate remuneration paid to all KMPs due to commercial sensitivity reasons.

Provision 8.2 – Remuneration of related employees

Ms Ng Pei Wah, Director, Operations of the Group, is the spouse of Mr Chua, CEO and Executive Director. Her remuneration for FY22 is in the band of S\$150,001 to S\$200,000. The remuneration of such employee will be reviewed annually by the RC and Board to ensure that their remuneration packages is in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities. Any bonuses, pay increases and/or promotions for these related employees will also be subject to the review and approval of the RC and Board.

Save as disclosed above, there are no other employees who are substantial shareholders of the Company, or are immediate family members of a Director or the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the financial year.

Provision 8.3 – Forms of remuneration and details of employee share schemes

Details pertaining to the form of remuneration and other payments and benefits of Directors and KMPs are disclosed under Provisions 8.1 and 8.2 above. The Company currently does not have any employee share scheme in place.

**C. ACCOUNTABILITY AND AUDIT**

**Risk Management and Internal Controls**

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

Provision 9.1 – Nature and extent of risks

The Board as a whole undertakes the oversight responsibilities for risk governance of the Group and determines the nature and extent of risks which the Company is willing to take in achieving its strategic objectives and value creation. Based on the Group’s business and operations, the Board agreed that a separate Board Risk Committee will not be effective to preserve corporate governance. However, the Board regularly reviews the Group’s business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. The Company’s outsourced internal auditors were tasked to review key internal controls and highlight any significant matters to the AC and the Board.

Provision 9.2 – Assurance from the CEO, Group Chief Financial Officer (“CFO”) and KMPs

For the financial year under review,

- (i) the CEO and Group CFO have provided assurance that the financial records have been properly maintained and the consolidated financial statements of the Group give a true and fair view of the Group’s operations and finances, and
- (ii) the CEO and the KMPs have provided assurance regarding the adequacy and effectiveness of the Group’s risk management and internal control systems.

The Board and the AC will continue to review such risk management and internal control systems at least on an annual basis.

With the concurrence of the AC, the Board is of the opinion that the system of internal controls and risk management processes throughout the financial year are adequate for the Group. The AC constantly reviews the effectiveness and adequacy of internal controls and the risk management processes adopted by the Group. The Board, with the concurrence of the AC, is satisfied that the Group has a robust internal control system (including financial, operational, compliance and information technology) and risk management which is adequate and effective as at the date of this report to meet the needs of the Group in its current business environment.

**Audit Committee**

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

Provisions 10.1, 10.2 and 10.3 – Composition of the AC

Provision 10.4 – Internal audit function

Provision 10.5 – AC activities during the financial year

The AC comprises three (3) Non-Executive Directors, majority of whom including the Chairman are independent. Majority of the AC possess recent and relevant accounting experience and/or related financial management expertise. The members of the AC as at the date of this report are as follows:-

Dr Yu Lai Boon (Independent Director)	(Chairman)
Mr Tan Dah Ching (Independent Director)	(Member)
Mr Teo Kok Woon (Non-Independent Director)	(Member)

## C. ACCOUNTABILITY AND AUDIT - *continued*

Provisions 10.1, 10.2 and 10.3 – Composition of the AC - *continued*

Provision 10.4 – Internal audit function - *continued*

Provision 10.5 – AC activities during the financial year - *continued*

The AC has explicit authority to investigate any matter within its terms of reference. It has full access to, and the co-operation of, Management and full discretion to invite any Director or Management to attend its meetings. The AC has adequate resources to enable it to discharge its responsibilities properly. The AC also does not comprise former partners or Directors of, nor have any financial interest in the Company's external auditors, Ernst & Young LLP ("EY").

The responsibilities of the AC contained in its written terms of reference include:

- (a) reviewing the half-year and annual financial statements and results announcements before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, and compliance with accounting standards, the Catalist Rules and any other relevant statutory or regulatory requirements;
- (b) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the consolidated financial statements of the Group and any announcements relating to the Group's financial performance;
- (c) reviewing the independence, scope, results and the adequacy and effectiveness of the external audit and internal audit functions, and to evaluate, with the assistance of internal auditors, the adequacy and effectiveness of the Group's internal controls and risk management systems;
- (d) reviewing the assurance from the CEO and the Group CFO on the financial records and financial statements;
- (e) reviewing the cost effectiveness of the external audit and, where the external auditors provide a substantial volume of non-audit services to the Company and/or the Group, to review the nature, extent and costs of such services so as to avoid an erosion of the independence and objectivity of the external auditors;
- (f) recommending to the Board the nomination for appointment, re-appointment and removal of the external auditors and the terms of engagement and their level of audit fee;
- (g) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and
- (h) reviewing the interested person transactions, and improper activities of the Group, if any.

In FY22, the AC met two (2) times. Details of the members' attendance at AC meetings in FY22 are provided under Principle 1 of this report.

The Company has put in place a whistle-blowing policy, endorsed by the AC, where employees of the Group and any other persons including members of the public may, in confidence, raise concerns about the possible corporate improprieties in matters of financial reporting or other matters. Details of the whistle-blowing policy are disseminated to the employees of the Group, and is available on the Company's website. Employees and any other persons including members of the public may direct their concerns directly to the AC Chairman at email address [whistleblow@tshcorp.com.sg](mailto:whistleblow@tshcorp.com.sg). The AC's objectives are to ensure that arrangements are in



## C. ACCOUNTABILITY AND AUDIT - *continued*

Provisions 10.1, 10.2 and 10.3 – Composition of the AC - *continued*

Provision 10.4 – Internal audit function - *continued*

Provision 10.5 – AC activities during the financial year - *continued*

place for the independent investigation of such matters and for appropriate follow-up action. The AC is responsible for oversight and monitoring of whistleblowing and report to the Board. Safeguards are in place in the whistleblowing policy to allow whistleblowing reports be made in good faith and identity of the whistleblower kept confidential.

The AC performed the following functions in FY22:

### *(a) External Auditors*

The AC reviewed together with the external auditors:

- (i) the audit plan (including, among others, the nature and scope of the audit before the commencement of audit and the risk management issues of the Group);
- (ii) the consideration of financial controls in areas which could have a material impact on the financial statements;
- (iii) the audit report;
- (iv) the assistance given to them; and
- (v) the financial statements of the Group.

The AC is kept abreast by the external auditors of changes to accounting standards, the Catalist Rules and other regulations which could have an impact on the Group's business and financial statements. Where the external auditors raise any significant issue (e.g. adjustment) which has a material impact on the interim financial statements or financial updates previously announced by the Company, the AC will bring this to the Board's attention, and the Board will then consider whether an immediate announcement under Rule 703 of the Catalist Rules is required. The AC will also advise the Board if changes are needed to improve the quality of future interim financial statements or financial updates. In the report to the AC in relation to the FY22 audit results presented by the external auditors, there was no significant issue which has a material impact to the financial results of the Group raised by the external auditors except for the Key Audit Matters (the "KAM") which had been included in the Independent Auditor's Report of the "Financial Statements" section of the Annual Report.

The AC deliberated the KAM presented by EY together with Management. The AC reviewed the KAM and concurred with EY and Management on their assessment, judgements and estimates on the significant matters reported by EY as set out under the Independent Auditor's Report of the "Financial Statements" section of the Annual Report.

The AC considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with Management and the external auditors have been included as the KAM in the audit report for FY22. In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of the estimates and key assumptions used. The AC concluded that Management's accounting treatment and estimates in the KAM were appropriate.

**C. ACCOUNTABILITY AND AUDIT - continued**

Provisions 10.1, 10.2 and 10.3 – Composition of the AC - continued

Provision 10.4 – Internal audit function - continued

Provision 10.5 – AC activities during the financial year - continued

The AC constantly bears in mind the need to maintain a balance between independence and objectivity of the external auditors and the work carried out by the external auditors based on value for money considerations. The aggregate amount of fees payable to the external auditors for audit and non-audit services for the financial period from 1 January 2022 to 31 December 2022 amounted to S\$114,000 and S\$4,100 respectively.

The AC conducted a review of the nature and extent of non-audit services provided by the external auditors to satisfy itself that such services do not prejudice the independence and objectivity of the external auditors before confirming their re-nomination.

The AC, having reviewed all non-audit services provided by the external auditors to the Company, is satisfied that the nature and extent of such services would not affect the independence of the external auditors.

The AC shall continue to monitor the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditors. For FY22, the AC also received the Audit Quality Indicators as presented by the external auditors. The AC gives its recommendations to the Board and the Company regarding the appointment, re-appointment or removal of the external auditors. The AC is satisfied that the Company's external auditors are able to meet the audit requirements and statutory obligation of the Group. The AC has recommended to the Board the re-appointment of EY as the Company's external auditors at the forthcoming AGM.

The AC is satisfied that the Company is in compliance with Rules 712 and 715 of the Catalist Rules.

***(b) Review of financial statements***

For FY22, the AC reviewed the half-year and full year financial statements of the Group, including announcements relating thereto, to shareholders and the SGX-ST.

***(c) Review of interested person transactions and material contracts***

The Company monitors all its interested person transactions and ensures that all transactions with interested persons are reported in a timely manner for review by the AC.

There was no interested party transaction entered into with value more than S\$100,000 in FY22. The Company does not have a general mandate for interested person transactions pursuant to Rule 920 of the Catalist Rules.

The Group monitors all its interested person transactions and ensures that all transactions with interested persons are reported in a timely manner for review by the AC and that the transactions are conducted on an arms' length basis.

***(d) Internal auditors***

The Board believes in the importance of maintaining a sound system of internal controls to safeguard the interests of the shareholders and the Group's assets. The system of internal controls provides reasonable, but not absolute assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives.

## C. ACCOUNTABILITY AND AUDIT - *continued*

Provisions 10.1, 10.2 and 10.3 – Composition of the AC - *continued*

Provision 10.4 – Internal audit function - *continued*

Provision 10.5 – AC activities during the financial year - *continued*

The Company outsources its internal audit function to Foo Kon Tan Advisory Services Pte Ltd. The internal audit was led by a Partner who holds the Certified Internal Auditor qualification from the Institute of Internal Auditors and has over 18 years of internal audit and risk advisory experience. The primary reporting line of the internal auditors is to the AC and the AC decides on the appointment, evaluation, termination and remuneration of the internal auditors. The internal auditors have unfettered access to all the Group's documents, records, properties and personnel, including access to the AC.

The AC has reviewed and confirmed that Foo Kon Tan Advisory Services Pte Ltd is a suitable professional service firm to meet the Group's internal audit obligations, having regard to the adequacy of resources and experience of the firm and the assigned engagement Partner, number and experience of supervisory and professional staff assigned to internal audits. The internal auditors are guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

The AC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures that Management provides the necessary co-operation to enable the internal auditors to perform its function.

The internal auditors completed the internal audit assessment during FY22 in accordance with the internal audit plan approved by the AC. The Board has adopted the recommendations of the internal auditors set out in the risk assessment report.

The AC is satisfied that the internal audit function is independent, effective and adequately resourced (being outsourced to a reputable professional service firm). Hence, it has appropriate standing within the Group.

During FY22, the AC met once with internal and external auditors without the presence of Management. The AC will meet with them at least once annually.

## D. SHAREHOLDER RIGHTS AND ENGAGEMENT

### Shareholder Rights and Conduct of General Meetings

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

Provisions 11.1, 11.2, 11.3 and 11.4 - Conduct of general meetings

Shareholders are encouraged to attend the general meetings of the Company to participate effectively in and vote at such general meetings, to ensure a high level of accountability and to stay informed of the Company's strategy and goals. Shareholders are also informed of the rules and voting procedures governing such meetings. Notice of AGM is despatched to shareholders, together with explanatory notes or a circular (if necessary), at least fourteen (14) calendar days or twenty-one (21) calendar days (as the case may be) before the meeting. All Directors attend general meetings of shareholders. The Board welcomes questions from shareholders who have an opportunity to raise issues either informally or formally before or at the general meetings of the Company. The Chairman of the AC, RC and NC will be available at the meeting to respond to those questions relating to the functions of the Board Committees. The external auditors will also be present to address shareholders' queries on the conduct of audit and the preparation and content of the auditor's report.

**D. SHAREHOLDER RIGHTS AND ENGAGEMENT** - *continued*Provisions 11.1, 11.2, 11.3 and 11.4 - Conduct of general meetings - continued

The Company ensures that there are separate resolutions at general meetings on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are “bundled”, the Company explains the reasons and material implications in the notice of meeting.

To enhance shareholder participation and in adherence of the Catalist Rules, resolutions put forth at the forthcoming AGM and at all future general meetings will be voted by poll. Voting results of all votes cast for and against each resolution and the respective percentages will be announced via SGXNet.

On 3 January 2016, the legislation was amended, among other things to allow certain members, defined as “relevant intermediary” under Section 181(1C) of the Companies Act 1967, to attend and participate in general meetings without being constrained by the two (2)-proxy requirement. Relevant intermediary includes the provision of nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors. As a result, the relevant intermediaries are entitled to appoint more than two (2) proxies to attend, speak and vote at the Company’s forthcoming annual general meetings. As the authentication of shareholders’ identity information and other related integrity issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail or electronic means as required by Provision 11.4 of the 2018 Code. The Board will review its Constitution from time to time. Where amendment to its Constitution is required to align the relevant provisions with the requirements of the Catalist Rules, shareholders’ approval will be obtained.

The AGM of the Company held in respect of FY21 was convened and held by electronic means on 29 April 2022 pursuant to COVID-19 (Temporary Measure) (Alternative Arrangements for meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Due to COVID-19 restriction orders, there was no physical attendance at the AGM. Shareholders watched the AGM proceedings through live webcast or live audio stream by pre-registration. Shareholder could not vote at the AGM held by electronic means and appointed the Chairman of the AGM as proxy to vote on their behalf. As shareholders could not ask questions at the AGM conducted by electronic means, shareholders were given the opportunity to submit questions in advance prior to the AGM, and response to substantial and relevant questions was published on SGXNet and the Company’s website on 21 April 2022.

The forthcoming FY22 AGM of the Company will be held physically. Shareholders can attend the AGM, raise questions to the Directors and external auditor and vote in person or through an appointment of proxy. Nevertheless, shareholders may continue to submit questions in advance of the AGM. The Company will address substantial and relevant questions at or prior to the AGM and publish the minutes of AGM within one month from the AGM. Shareholders will have the option to appoint Chairman of the AGM as proxy at the forthcoming AGM of the Company.

Provision 11.5 – Minutes of general meetings

Minutes of general meetings including substantial and relevant queries or comments from shareholders relating to the agenda of the meeting and responses from the Board and Management would be published on SGXNet and the Company’s website for the information of the shareholders, within one month after the date of the meeting or as soon as practicable.

Minutes of the AGM held on 29 April 2022 were published on SGXNet and the Company’s website.

**D. SHAREHOLDER RIGHTS AND ENGAGEMENT** - continuedProvision 11.6 – Dividend policy

The Board notes that Provision 11.6 of the 2018 Code sets out that the Company should have a dividend policy and communicates it to shareholders. Currently, the Group does not have a fixed dividend policy. The Board would consider establishing a dividend policy when appropriate.

Nonetheless, the Company is of the view that the following disclosure would constitute a balanced and understandable assessment of its position on a dividend policy, and such practice is consistent with the intent of Principle 11 of the 2018 Code. Additionally, the Company also discloses the reasons for the decision of the Board not to declare or recommend a dividend, together with the announcement of the financial statements, which is in line with Rule 704(23) of the Catalist Rules.

The form, frequency and amount of dividends declared each year will take into consideration the Group's profit, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate.

**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.**

Provisions 12.1, 12.2 and 12.3 – Stakeholder engagement

Information is communicated to shareholders on a timely basis and in an accurate and comprehensive manner, through annual reports that are issued to all shareholders within the mandatory period, half-year/full year announcements, disclosures to the SGX-ST via SGXNet and other announcements, where required, under the provision of the Catalist Rules. The Company adopts the practice of regularly communicating major developments in its businesses and operations through SGXNet and, where appropriate, directly to shareholders, other investors, analysts, the media, the public and its employees. The Company also encourages all shareholders to attend the AGM to keep informed of the Group's strategy and goals and participate in the question and answer session.

The Company does not practice selective disclosure of material information. Material information is excluded from briefings with investors or analysts, unless it has been publicly released either before, or concurrently with, such meetings. The Board provides the shareholders with a balanced and understandable assessment of the Group's performance, position and prospects on a half-yearly basis. Such responsibility is extended to the other price-sensitive public reports and reports to regulators (if required).

Provisions 12.2 and 12.3 of the 2018 Code sets out that the Company should have in place an investor relations policy that allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders, and the mechanism through which shareholders may contact the Company with questions. However, the Company does not have a standalone investor relations department, and there is no investor relations policy. Based on the current size and operations of the Group, the Board is of the view that the current practices and the disclosure of information to shareholders as set out above is in line with the intention of Principle 12. Further, shareholders can send questions to the Company's email at [ir@tshcorp.com.sg](mailto:ir@tshcorp.com.sg) and the Company will respond to such questions. Where required, the Company may, on an ad-hoc basis, hold media and analysts' briefings and publish press releases of its financial results.

## E. MANAGING STAKEHOLDERS RELATIONSHIPS

### 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.**

#### Provisions 13.1, 13.2 and 13.3 – Stakeholder engagement

The Company engages its material stakeholders through different engagement channels to establish, address and monitor the material environmental, social and governance (“ESG”) factors of the Group’s operations and the impact on them. Such stakeholders include employees, community, government, regulators, shareholders and investors.

Engagement channels and frequencies are reviewed periodically to ensure that they are sufficient to deal with current identified stakeholders’ ESG-related issues.

More information on the Company’s approach to stakeholder engagement are disclosed in the Sustainability Report.

The Company also maintains a corporate website to communicate and engage with stakeholders at [www.tshcorp.com.sg](http://www.tshcorp.com.sg).

## F. MATERIAL CONTRACTS

Save for the service agreement entered into between the Company and Mr Chua, there were no material contracts entered into by the Group in FY22.

## G. DEALINGS IN SECURITIES

The Company has adopted and implemented policies in line with the SGX-ST’s best practices in relation to the dealing of shares in the Company. The Company’s policies on share dealings have been issued to all Directors and employees of the Group. The Company has informed its Directors and employees not to deal in the Company’s shares on short-term considerations or whilst they are in possession of unpublished material price sensitive information and during the period commencing one (1) month before the half-year and full year announcement of the Group’s financial results and ending on the date of the announcement of such financial results. In addition, the Directors and employees of the Group are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

## H. SUSTAINABILITY REPORT

Catalist Rule 711A requires every listed issuer to prepare an annual sustainability report, which must describe the issuer’s sustainability practices with reference to the primary components set out in Catalist Rule 711B on a ‘comply or explain’ basis. The Board recognises its responsibility to provide a strategic direction, specifically considering sustainability issues as part of its strategic formulation. The Board also believes that to grow sustainably as a forward-looking entity, the Group has to regularly reach out and work with its stakeholders, from its employees to the community, and be a responsible steward to the natural environment. Please refer to the Sustainability Report for more information.

## I. NON-SPONSOR FEE

There was no non-sponsor fee paid/payable to its Sponsor, SAC Capital Private Limited, during the period from 1 January 2022 to 31 December 2022.

# FINANCIAL STATEMENTS

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## DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of TSH Corporation Limited (the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2022.

### 1. Opinion of the directors

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

### 2. Directors

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

Dr. Yu Lai Boon  
Chua Khoon Hui  
Tan Dah Ching  
Teo Kok Woon

The re-election of Dr. Yu Lai Boon and Chua Khoon Hui (who are due for retirement pursuant to Regulation 107 of the Company's Constitution) will be tabled at the forthcoming Annual General Meeting for shareholders' approval.

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

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 or debentures of the Company or any other body corporate.

### 4. Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings, required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

Name of director	Direct interest			Deemed interest		
	At 1.1.2022	At 31.12.2022	At 21.1.2023	At 1.1.2022	At 31.12.2022	At 21.1.2023
<b>The Company</b>						
<b>Ordinary shares</b>						
Chua Khoon Hui	6,500,216	6,500,216	6,500,216	–	–	–
Teo Kok Woon	–	–	–	28,410,666	28,410,666	28,410,666



**4. Directors' interests in shares and debentures - continued**

By virtue of Section 7 of the Singapore Companies Act 1967, Teo Kok Woon is deemed to have an interest in the subsidiaries of the Company.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning or at the end of the financial year.

**5. Options**

The Group does not have any Share Option Schemes or Share Schemes. No options were issued by the Company or its subsidiaries during the financial year. As at 31 December 2022, there were no options on the unissued shares of the Company or its subsidiaries which were outstanding.

**6. Audit Committee**

The Audit Committee performed the functions specified in the Singapore Companies Act 1967, and in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual, including the Code of Corporate Governance. The functions performed are detailed in the Report on Corporate Governance.

**7. Auditor**

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors,

Dr. Yu Lai Boon  
Director

Chua Khoon Hui  
Director

Singapore  
31 March 2023

# INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2022

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TSH CORPORATION LIMITED AND ITS SUBSIDIARIES

### Report on the audit of the financial statements

We have audited the financial statements of TSH Corporation Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 December 2022, the statements of changes in equity of the Group and the Company, and the consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

### Opinion

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and the 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 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and 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. For the matters below, our description of how our audit addressed the matters are provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to the matters below. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

**Key audit matters - continued***Risk of loss of inventories*

As of 31 December 2022, the Group's inventories amounted to \$7.4 million. Inventories consist principally of casks, bottled alcoholic beverages held for sale and include high value items of liquor which are susceptible to loss due to pilferage. As such, we consider the risk of loss of inventories to be a key audit matter.

We obtained an understanding of management's process for the purchase and management of inventories and tested key controls over the purchases and inventory management processes.

We evaluated management's instructions and procedures for recording and controlling the results of the Group's physical inventory count exercise to ascertain the inventory value at the financial year-end. We observed the Group's inventories count procedures and performed test counts. We traced the results from the test counts to management's inventory compilation and evaluated whether the inventory compilation accurately reflects actual inventory count results. We also requested direct confirmation of inventories held at third party locations at the financial year-end and traced confirmed quantities to management's inventory compilation.

We reviewed management's reconciliation of the physical inventory compilation with the general ledger account balances and the inventory records and investigated any unusual items and test reconciling items. We also traced cut-off information obtained during the physical observation to the accounting records of sales and purchases of inventories to check that inventory movements are recorded in the correct period. We performed analytical review procedures on the inventory balances at the financial year-end.

*Impairment assessment of plant and equipment ("PPE"), right-of-use assets ("ROUA") and investment in subsidiaries*

As of 31 December 2022, the carrying amounts of the Group's PPE and ROUA amounted to \$0.1 million and \$2.5 million respectively, and the carrying amount of the Company's investment in subsidiaries amounted to \$12.3 million. The Group recorded a net profit of \$0.9 million for the financial year ended 31 December 2022 as business performance improved after Singapore significantly relaxed COVID-19 safety measures in 2022. However, certain outlets did not perform according to expectations. Accordingly, there were indications that assets belonging to certain outlets may be impaired. Management performed impairment assessments on these assets and as a result, the Group recognised impairment losses of \$0.03 million and \$0.15 million in respect of PPE and ROUA for the financial year ended 31 December 2022. The Company also reversed an impairment loss of \$4.6 million recognised in previous years on investment in subsidiaries. Management's estimation of the recoverable amounts of cash generating units ("CGUs") to which the assets belong using value-in-use calculations involved the use of significant judgement and estimation. As such, we consider the impairment assessment of PPE, ROUA and investment in subsidiaries to be a key audit matter.

Our audit procedures included, amongst others, reviewing management's process in identification of impairment indicators. In evaluating management's estimation of the recoverable amounts of CGUs, we assessed the reasonableness of management's key assumptions underlying the value-in-use calculations. These assumptions include projections of revenue growth rate, gross profit margins, discount rates and long-term growth rates. We assessed the reasonableness of projected revenue growth rates and gross profit margins by comparing them to historical and current performance of the outlets as well as available external market data, taking into consideration the current market conditions.

### Key audit matters - continued

*Impairment assessment of plant and equipment ("PPE"), right-of-use assets ("ROUA") and investments in subsidiaries - continued*

We engaged our internal valuation specialists to assist us in reviewing the discount rates and long-term growth rates used in the value-in-use calculations. We compared the discount rates used to those of comparable companies in the same industry and compared the long-term growth rates to external market data such as economic growth and inflation rate. We also reviewed the adequacy of the related disclosures set out in Note 12, Note 13 and Note 15 to the financial statements.

### Other information

Management is responsible for the other information. The other information comprises the information included in the annual report 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.

### Auditor's responsibilities for the audit of the financial statements - *continued*

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

### Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Terry Wee Hiang Bing.

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore  
31 March 2023

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

		Group	
	Note	2022 \$	2021 \$
<b>Revenue</b>	4	<b>8,910,818</b>	5,168,251
Cost of sales		(2,170,177)	(1,451,604)
<b>Gross profit</b>		<b>6,740,641</b>	3,716,647
Other income	5	389,991	1,049,565
General and administrative expenses		(5,122,328)	(4,115,917)
Selling and distribution expenses		(214,366)	(108,378)
Other operating expenses	6	(747,119)	(755,097)
Finance costs	7	(134,949)	(81,767)
<b>Profit/(loss) before tax</b>	8	<b>911,870</b>	(294,947)
Income tax expense	10	(59,975)	(21,100)
<b>Profit/(loss) for the year attributable to owners of the Company</b>		<b>851,895</b>	(316,047)
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation reserve taken to profit or loss on striking-off of associate		–	(4,065)
<b>Total comprehensive income for the year attributable to owners of the Company</b>		<b>851,895</b>	(320,112)
<b>Earnings/(loss) per share</b>			
- Basic and diluted (cents per share)	11	1.92	(0.71)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022

	Note	Group		Company	
		2022 \$	2021 \$	2022 \$	2021 \$
<b>Non-current assets</b>					
Plant and equipment	12	83,619	89,663	–	–
Right-of-use assets	13	2,504,563	418,088	–	–
Intangible assets	14	1,650	7,105	–	–
Investments in subsidiaries	15	–	–	12,286,667	7,705,667
Other receivables	16	192,461	59,120	–	–
Deferred tax assets	10	29,600	93,700	–	–
		<b>2,811,893</b>	<b>667,676</b>	<b>12,286,667</b>	<b>7,705,667</b>
<b>Current assets</b>					
Inventories	17	7,380,687	5,460,484	–	–
Trade and other receivables	16	664,397	679,329	6,211,220	4,599,686
Cash and bank balances	18	3,668,003	4,691,512	2,125,132	3,288,066
		<b>11,713,087</b>	<b>10,831,325</b>	<b>8,336,352</b>	<b>7,887,752</b>
<b>Total assets</b>		<b>14,524,980</b>	<b>11,499,001</b>	<b>20,623,019</b>	<b>15,593,419</b>
<b>Current liabilities</b>					
Contract liabilities	4	95,761	128,039	–	–
Trade and other payables	19	2,211,290	1,553,541	1,056,659	411,898
Bank borrowing	20	616,686	553,339	616,686	553,339
Lease liabilities	13	829,501	500,272	–	–
Provision	21	69,375	72,035	–	–
Income tax payable		–	200	–	–
		<b>3,822,613</b>	<b>2,807,426</b>	<b>1,673,345</b>	<b>965,237</b>
<b>Net current assets</b>		<b>7,890,474</b>	<b>8,023,899</b>	<b>6,663,007</b>	<b>6,922,515</b>
<b>Non-current liabilities</b>					
Bank borrowing	20	1,329,975	1,946,661	1,329,975	1,946,661
Lease liabilities	13	1,978,828	207,405	–	–
Provision	21	47,260	43,100	–	–
		<b>3,356,063</b>	<b>2,197,166</b>	<b>1,329,975</b>	<b>1,946,661</b>
<b>Total liabilities</b>		<b>7,178,676</b>	<b>5,004,592</b>	<b>3,003,320</b>	<b>2,911,898</b>
<b>Net assets</b>		<b>7,346,304</b>	<b>6,494,409</b>	<b>17,619,699</b>	<b>12,681,521</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	22	4,569,422	4,569,422	12,545,472	12,545,472
Capital reserve	23	1,452,106	1,452,106	–	–
Foreign currency translation reserve	24	–	–	–	–
Revenue reserve		1,324,776	472,881	5,074,227	136,049
<b>Total equity</b>		<b>7,346,304</b>	<b>6,494,409</b>	<b>17,619,699</b>	<b>12,681,521</b>
<b>Total equity and liabilities</b>		<b>14,524,980</b>	<b>11,499,001</b>	<b>20,623,019</b>	<b>15,593,419</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



## STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

	Attributable to owners of the Company				
	Share capital (Note 22) \$	Capital reserve (Note 23) \$	Foreign currency translation reserve (Note 24) \$	Revenue reserve \$	Total equity \$
<b>Group</b>					
<b>At 1 January 2021</b>	4,569,422	1,452,106	4,065	788,928	6,814,521
Loss for the year	–	–	–	(316,047)	(316,047)
<u>Other comprehensive income</u>					
Foreign currency translation reserve taken to profit or loss on striking-off of associate	–	–	(4,065)	–	(4,065)
Total comprehensive income	–	–	(4,065)	(316,047)	(320,112)
<b>At 31 December 2021 and 1 January 2022</b>	<b>4,569,422</b>	<b>1,452,106</b>	<b>–</b>	<b>472,881</b>	<b>6,494,409</b>
Profit for the year	–	–	–	851,895	851,895
Total comprehensive income	–	–	–	851,895	851,895
<b>At 31 December 2022</b>	<b>4,569,422</b>	<b>1,452,106</b>	<b>–</b>	<b>1,324,776</b>	<b>7,346,304</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statements of changes in equity

	Share Capital (Note 22) \$	Revenue reserve \$	Total equity \$
<b>Company</b>			
<b>At 1 January 2021</b>	12,545,472	3,240	12,548,712
Profit for the year, representing total comprehensive income for the year	–	132,809	132,809
<b>At 31 December 2021 and 1 January 2022</b>	12,545,472	136,049	12,681,521
Profit for the year, representing total comprehensive income for the year	–	<b>4,938,178</b>	<b>4,938,178</b>
<b>At 31 December 2022</b>	<b>12,545,472</b>	<b>5,074,227</b>	<b>17,619,699</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

	Note	2022 \$	2021 \$
<b>Operating activities</b>			
Profit/(loss) before tax		911,870	(294,947)
Adjustments for:			
Amortisation of intangible assets	6	5,455	7,040
Depreciation of plant and equipment	6	67,148	141,503
Depreciation of right-of-use assets	6	491,558	474,042
Finance costs	7	134,949	81,767
Gain on striking-off of associate	5	–	(4,065)
Impairment of plant and equipment	6	27,219	91,704
Impairment of right-of-use assets	6	153,490	33,195
Interest income	5	(9,069)	(11,796)
Plant and equipment written off	6	1,171	4,314
Reversal of provision for restoration costs		–	(1,900)
<b>Operating cash flows before changes in working capital</b>		<b>1,783,791</b>	<b>520,857</b>
<u>Changes in working capital</u>			
Increase in inventories		(1,920,203)	(1,505,661)
Increase in trade and other receivables		(150,583)	(40,819)
Increase/(decrease) in trade and other payables and contract liabilities		618,647	(235,443)
<b>Cash flows generated from/(used in) operations</b>		<b>331,652</b>	<b>(1,261,066)</b>
Interest received		7,758	11,796
Income taxes refunded/(paid)		3,925	(360)
<b>Net cash flows generated from/(used in) operating activities</b>		<b>343,335</b>	<b>(1,249,630)</b>
<b>Investing activity</b>			
Purchase of plant and equipment		(80,454)	(150,382)
<b>Net cash flows used in investing activity</b>		<b>(80,454)</b>	<b>(150,382)</b>
<b>Financing activities</b>			
Payment of principal portion of lease liabilities	13	(630,871)	(765,096)
Interest paid		(102,180)	(78,531)
(Repayment of)/Proceeds from bank borrowing		(553,339)	2,500,000
<b>Net cash flow (used in)/generated from financing activities</b>		<b>(1,286,390)</b>	<b>1,656,373</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,023,509)</b>	<b>256,361</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>4,691,512</b>	<b>4,435,151</b>
<b>Cash and cash equivalents at end of the year</b>	18	<b>3,668,003</b>	<b>4,691,512</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

## 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”).

The registered office and principal place of business of the Company is located at 315 Outram Road, #14-02 Tan Boon Liat Building, Singapore 169074.

The principal activities of the Company are investment holding and the provision of management services. The principal activities of the subsidiaries are disclosed in Note 15 to the financial statements.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”).

The consolidated financial statements are presented in Singapore Dollars (“SGD” or “\$”) and have been prepared on the historical cost basis except as disclosed in the accounting policies below.

### 2.2 Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

### 2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
SFRS(I) 17 Insurance Contracts	1 January 2023
Amendments to SFRS(I) 17 Insurance Contracts	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 Disclosure of Accounting Policies	1 January 2023
Amendments to SFRS(I) 1-8 Definition of Accounting Estimates	1 January 2023
Amendments to SFRS(I) 1-12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to SFRS(I) 17 Initial Application of SFRS(I) 1-17 and SFRS(I) 9 – Comparative Information	1 January 2023
Amendments to SFRS(I) 1-1 Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 16 Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 10 and SFRS(I) 1-28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the financial year of initial application.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

### 2.4 Basis of consolidation and business combinations

#### (a) *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. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

#### (b) *Business combinations and goodwill*

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

### 2.4 Basis of consolidation and business combinations - continued

#### (b) Business combinations and goodwill - continued

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets and liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

### 2.5 Foreign currency

The financial statements are presented in SGD, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

#### *Transactions and balances*

Transactions in foreign currencies are measured in SGD and are recorded on initial recognition in SGD at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

#### *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

### 2.6 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Bar and tableware	– 2 years
Furniture and fittings	– 3 to 5 years
Equipment	– 3 to 5 years
Renovation	– 3 to 5 years

Assets under construction included in plant and equipment are not depreciated as these assets are not yet available for use.

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the financial year the asset is derecognised.

### 2.7 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, 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 finite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Amortisation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Software	– 3 years
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Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

### 2.8 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

### 2.9 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less impairment losses.

### 2.10 Financial instruments

#### (a) *Financial assets*

##### Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

At initial recognition, the Group measures a financial asset at its fair value, plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

### 2.10 Financial instruments - *continued*

#### (a) Financial assets - *continued*

##### Subsequent measurement

##### *Investments in debt instruments measured at amortised cost*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

##### Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

#### (b) Financial liabilities

##### Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are initially recognised at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

##### Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

##### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

### 2.11 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

### 2.11 Impairment of financial assets - *continued*

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

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, and short-term deposits with maturities of three-months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value.

### 2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for on a first-in first-out basis.

Where necessary, allowance is provided for damaged, obsolete or slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 2.14 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

### 2.15 Government grants

Government grants are not recognised until there is reasonable assurance that the grants will be received, and all attaching conditions will be complied with.

Where the grant relates to income, it shall be presented as a credit in profit or loss under "Other income". Alternatively, it is deducted in reporting the related expense. When the grant relates to an asset, it is presented in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset.

### 2.16 Borrowing costs

Borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 2.17 Employee benefits expense

#### (a) *Defined contribution plan*

The Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

#### (b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

### 2.18 Leases

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

#### *Group as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (i) *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). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leased premises	– 3 to 5 years
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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

### 2.18 Leases - continued

#### *Group as a lessee - continued*

#### (i) Right-of-use assets - continued

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 right-of-use assets are also subject to impairment. Refer to the accounting policy in Note 2.8.

#### (ii) Lease liabilities

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

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if 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.

#### (iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

### 2.19 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which usually coincides with the customer obtaining control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The following specific recognition criteria must also be met before revenue is recognised:

(a) *Sale of goods*

The Group principally engages in the sale of food and beverages to customers. Revenue from the sale of goods is recognised upon the satisfaction of each performance obligation, which is usually the delivery of goods to customers and all criteria for acceptance have been satisfied at a point in time. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(b) *Rendering of services*

The Group provides services such as events and management services to customers. Revenue from rendering of services is recognised over time as and when the services are rendered.

### 2.20 Taxes

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

### 2.20 Taxes - *continued*

#### (b) *Deferred tax - continued*

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

#### (c) *Sales tax*

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

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *continued*

### 2.21 Share capital and share issuance expenses

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

### 2.22 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group.

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### 3.1 Judgements made in applying accounting policies

Management is of the opinion that there is no significant judgement made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

### 3.2 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.

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES - *continued*

#### 3.2 Key sources of estimation uncertainty - *continued*

##### *Net realisable value of inventories*

Inventories are stated at the lower of cost and net realisable value ("NRV").

NRV in respect of inventories is assessed based on the best available facts and circumstances at the end of each reporting period, including but not limited to, the physical conditions of the inventories, their expected market selling prices and estimated costs to be incurred for their sale. The carrying amounts of the Group's inventories at the end of each reporting period are disclosed in Note 17 to the financial statements.

##### *Impairment of non-financial assets*

The Group assesses whether there are indicators of impairment for plant and equipment and right-of-use asset 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.

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% (2021: 9%). For the financial year ended 31 December 2022, the Group recognised impairment losses on its plant and equipment and right-of-use assets of \$27,219 (2021: \$91,704) and \$153,490 (2021: \$33,195) respectively and the Company reversed an impairment loss recognised previously on its investment in subsidiaries of \$4,581,000 (2021: \$Nil).

The carrying amounts of the Group's plant and equipment and right-of-use assets and the Company's investment in subsidiaries at the end of each reporting period are disclosed in Notes 12, 13 and 15 to the financial statements respectively.



## 4. REVENUE

	Group	
	2022	2021
	\$	\$
Sale of goods	8,759,412	5,077,033
Rendering of services	151,406	91,218
	<b>8,910,818</b>	<b>5,168,251</b>
At a point in time	8,759,412	5,077,033
Over time	151,406	91,218
	<b>8,910,818</b>	<b>5,168,251</b>

Contract liabilities

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers.

Contract liabilities are recognised as revenue as the Group performs its obligations under the contract.

Significant changes in contract liabilities are explained as follows:

	Group	
	2022	2021
	\$	\$
Revenue recognised that was included in the contract liabilities balance at beginning of year	<b>100,792</b>	3,264

Transaction price allocated to remaining performance obligations

	Group	
	2022	2021
	\$	\$
Aggregate amount of the transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations at end of year	<b>95,761</b>	128,039

## 5. OTHER INCOME

	Group	
	2022	2021
	\$	\$
Other income includes:		
Government grants	213,786	709,072
Gain on striking-off of associate	–	4,065
Interest income	9,069	11,796
Rental rebates	91,208	295,273
Sponsorship income	67,452	25,974

Government grants comprise mainly grant income received by the Group under the P-Max Programme, Special Employment Credit, Wage Credit Scheme, Job Support Scheme, Small Business Recovery, Enterprise Development Grant and Rental Support Scheme from the Singapore Government.

## 6. OTHER OPERATING EXPENSES

	Group	
	2022	2021
	\$	\$
Other operating expenses include:		
Amortisation of intangible assets (Note 14)	5,455	7,040
Depreciation of plant and equipment (Note 12)	67,148	141,503
Depreciation of right-of-use assets (Note 13)	491,558	474,042
Impairment of plant and equipment (Note 12)	27,219	91,704
Impairment of right-of-use assets (Note 13)	153,490	33,195
Net foreign exchange loss	1,078	3,299
Plant and equipment written off	1,171	4,314

## 7. FINANCE COSTS

	Group	
	2022	2021
	\$	\$
Interest expense on bank borrowing	50,354	54,709
Interest expense on lease liabilities (Note 13)	51,109	27,058
Interest expense on discounting of non-current receivables	33,486	–
	134,949	81,767

## 8. PROFIT/(LOSS) BEFORE TAX

The following items have been included in arriving at profit/(loss) before tax:

	Group	
	2022	2021
	\$	\$
Audit fees		
- Auditor of the Company	114,000	104,130
Non-audit fees		
- Auditor of the Company	4,100	3,500
Expenses not included in lease liabilities		
- Short-term leases and leases of low-value assets	392,421	231,767
- Variable lease payments	74,419	118

## 9. EMPLOYEE BENEFITS EXPENSE

	Group	
	2022	2021
	\$	\$
Employee benefits expense (including directors):		
Salaries, bonuses and other costs	2,997,383	2,614,648
Central Provident Fund contributions	303,482	256,725
	<b>3,300,865</b>	<b>2,871,373</b>

## 10. INCOME TAX

### (a) Income tax expense

The major components of income tax expense for the years ended 31 December 2022 and 2021 are as follows:

	Group	
	2022	2021
	\$	\$
<i>Current tax</i>		
- Current income tax	-	200
- Over provision in prior years	(4,125)	-
	<b>(4,125)</b>	<b>200</b>
<i>Deferred tax</i>		
- Origination and reversal of temporary differences	64,100	36,200
- Over provision in prior years	-	(15,300)
	<b>64,100</b>	<b>20,900</b>
Income tax expense recognised in consolidated statement of comprehensive income	<b>59,975</b>	<b>21,100</b>

## 10. INCOME TAX - continued

## (b) Relationship between tax expense and profit/(loss) before tax

The reconciliations between tax expense and the product of profit/(loss) before tax multiplied by the applicable corporate tax rate for the years ended 31 December 2022 and 2021 are as follows:

	Group	
	2022	2021
	\$	\$
Profit/(loss) before tax	911,870	(294,947)
Tax calculated at statutory tax rate of 17%	155,018	(50,141)
Adjustments:		
Non-deductible expenses	4,857	2,555
Income not subject to tax	(6,855)	(78,187)
Effects of partial tax exemption and tax relief	–	(470)
Over provision in prior years	(4,125)	(15,300)
Utilisation of deferred tax assets not recognised previously	(103,320)	–
Deferred tax assets not recognised	14,400	162,643
Income tax expense recognised in consolidated statement of comprehensive income	59,975	21,100

## (c) Deferred tax

Deferred tax as at 31 December relates to the following:

	Consolidated statement of financial position		Consolidated statement of comprehensive income	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>Deferred tax assets:</b>				
Differences in depreciation for tax purposes	26,900	28,200	(1,300)	(30,400)
Unused tax losses	–	63,600	(63,600)	15,500
Provisions	2,700	1,900	800	(7,900)
	<u>29,600</u>	<u>93,700</u>		
<b>Deferred tax liabilities:</b>				
Differences in depreciation for tax purposes	–	–	–	2,200
Provisions	–	–	–	(300)
	<u>–</u>	<u>–</u>		
	<u>29,600</u>	<u>93,700</u>		
Deferred tax expense			<u>(64,100)</u>	<u>(20,900)</u>

**10. INCOME TAX - continued****(c) Deferred tax - continued****Unrecognised tax losses**

At the end of the year, the Group has unrecognised tax losses of approximately \$6,733,000 (2021: \$7,386,000) that are available for offset against future taxable profits, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these unrecognised tax losses is subject to agreement of the tax authorities and compliance with certain provisions of the tax legislation in Singapore.

**11. EARNINGS/(LOSS) PER SHARE**

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

The following reflects the profit/(loss) and share data used in the basic and diluted profit/(loss) per share computations for the years ended 31 December 2022 and 2021:

	Group	
	2022	2021
	\$	\$
Profit/(loss) for the year attributable to owners of the Company	<b>851,895</b>	(316,047)
	Number of shares	Number of shares
Weighted average number of ordinary shares outstanding for basic and diluted earnings/(loss) per share computation	<b>44,355,491</b>	44,355,491

## 12. PLANT AND EQUIPMENT

Group	Bar and tableware \$	Equipment \$	Furniture and fittings \$	Renovation \$	Total \$
<b>Cost:</b>					
At 1 January 2021	40,424	359,283	406,729	1,257,086	2,063,522
Additions	9,967	46,400	57,112	28,804	142,283
Write-offs	(9,898)	(61,403)	–	(186,465)	(257,766)
At 31 December 2021 and 1 January 2022	<b>40,493</b>	<b>344,280</b>	<b>463,841</b>	<b>1,099,425</b>	<b>1,948,039</b>
Additions	18,902	60,957	8,135	1,500	89,494
Write-offs	–	(20,966)	(18,504)	–	(39,470)
At 31 December 2022	<b>59,395</b>	<b>384,271</b>	<b>453,472</b>	<b>1,100,925</b>	<b>1,998,063</b>
<b>Accumulated depreciation and impairment losses:</b>					
At 1 January 2021	40,424	318,494	360,307	1,159,396	1,878,621
Depreciation	4,151	30,560	34,622	72,170	141,503
Write-offs	(9,898)	(57,089)	–	(186,465)	(253,452)
Impairment losses	5,816	27,308	49,066	9,514	91,704
At 31 December 2021 and 1 January 2022	<b>40,493</b>	<b>319,273</b>	<b>443,995</b>	<b>1,054,615</b>	<b>1,858,376</b>
Depreciation	2,497	20,569	13,705	30,377	67,148
Write-offs	–	(19,795)	(18,504)	–	(38,299)
Impairment losses	1,359	8,547	2,783	14,530	27,219
At 31 December 2022	<b>44,349</b>	<b>328,594</b>	<b>441,979</b>	<b>1,099,522</b>	<b>1,914,444</b>
<b>Net carrying amount:</b>					
At 31 December 2021	–	25,007	19,846	44,810 <sup>#</sup>	89,663
At 31 December 2022	<b>15,046</b>	<b>55,677</b>	<b>11,493</b>	<b>1,403<sup>#</sup></b>	<b>83,619</b>

#: The amount includes capitalised restoration costs of \$1,403 (2021: \$3,942).

*Impairment of plant and equipment*

Please refer to Note 3.2 for details on the impairment assessment of plant and equipment.

### 13. LEASES

#### *Group as a lessee*

The Group has lease contracts for premises used for its operations. Leased premises generally have lease terms of 3 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning or subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments. The Group also has certain leases of premises with lease terms of 12 months or less and leases of low-value assets. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Group	Premises \$
At 1 January 2021	753,900
Additions	171,425
Depreciation	(474,042)
Impairment loss	(33,195)
At 31 December 2021 and 1 January 2022	<b>418,088</b>
Additions	2,731,523
Depreciation	(491,558)
Impairment loss	(153,490)
At 31 December 2022	<b>2,504,563</b>

#### *Impairment of right-of-use assets*

Please refer to Note 3.2 for details on the impairment assessment of right-of-use assets.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	\$
At 1 January 2022	707,677
Additions	2,731,523
Accretion of interest	51,109
Payments	(681,980)
At 31 December 2022	<b>2,808,329</b>
Current	829,501
Non-current	1,978,828
At 1 January 2021	1,351,748
Additions	171,425
Accretion of interest	27,058
Payments	(792,154)
Lease modification	(50,400)
At 31 December 2021	707,677
Current	500,272
Non-current	207,405

**13. LEASES - continued**

The aggregate amounts recognised in profit or loss in relation to the Group's leases were \$1,009,507 (2021: \$732,985) as disclosed in Notes 6, 7 and 8 to the financial statements.

The Group had total cash outflows for leases of \$1,148,820 (2021: \$1,024,039) in 2022. The Group also had non-cash additions to right-of-use assets and lease liabilities of \$2,731,523 (2021: \$171,425) in 2022.

**14. INTANGIBLE ASSETS**

Group	Software \$
<b>Cost:</b>	
At 1 January 2021, 31 December 2021, 1 January 2022 and 31 December 2022	28,512
<b>Accumulated amortisation:</b>	
At 1 January 2021	14,367
Amortisation	7,040
At 31 December 2021 and 1 January 2022	21,407
Amortisation	5,455
At 31 December 2022	26,862
<b>Net carrying amount:</b>	
At 31 December 2021	7,105
At 31 December 2022	1,650

Software has an average remaining amortisation period of less than 1 year (2021: less than 2 years).



## 15. INVESTMENT IN SUBSIDIARIES

	Company	
	2022	2021
	\$	\$
Unquoted equity shares, at cost	12,286,667	12,286,667
Less: Impairment loss	–	(4,581,000)
	<b>12,286,667</b>	<b>7,705,667</b>

*Composition of the Group*

The Group has the following subsidiaries as at 31 December:

Name of subsidiaries	Country of incorporation and place of business	Principal activities	Proportion of ownership interest	
			2022	2021
			%	%
<b><i>Held by the Company</i></b>				
Sloshed! Pte. Ltd.	Singapore	Investment holding	100	100
<b><i>Held through Sloshed! Pte. Ltd.</i></b>				
TWS Pte. Ltd.	Singapore	Food and beverage outlets operator	100	100
Quaich Pte. Ltd.	Singapore	Food and beverage outlets operator	100	100
The Other Room Pte. Ltd.	Singapore	Food and beverage outlets operator	100	100
The Other Roof Pte. Ltd.	Singapore	Food and beverage outlets operator	100	100
Planet Spirits Pte. Ltd.	Singapore	Import, export and distribution of spirits and wines	100	100

The subsidiaries are audited by Ernst & Young LLP, Singapore.

## 16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>Trade and other receivables (current)</b>				
Trade debtors:				
- Third parties	100,044	99,034	-	-
- Director-related companies	-	2,411	-	-
Advances to suppliers	248,892	254,352	-	-
Other debtors:				
- Third parties	62,709	22,055	-	-
- Subsidiaries	-	-	6,195,381	4,582,128
Prepayments	95,639	72,088	15,839	17,558
Deposits	148,863	185,889	-	-
Government grants receivable	8,250	43,500	-	-
	<b>664,397</b>	<b>679,329</b>	<b>6,211,220</b>	<b>4,599,686</b>
<b>Other receivables (non-current)</b>				
Deposits	192,461	59,120	-	-
Total trade and other receivables (current and non-current)	<b>856,858</b>	<b>738,449</b>	<b>6,211,220</b>	<b>4,599,686</b>
Add:				
Cash and bank balances (Note 18)	3,668,003	4,691,512	2,125,132	3,288,066
Less:				
Advance to suppliers	(248,892)	(254,352)	-	-
Prepayments	(95,639)	(72,088)	(15,839)	(17,558)
Government grants receivable	(8,250)	(43,500)	-	-
Total financial assets at amortised cost	<b>4,172,080</b>	<b>5,060,021</b>	<b>8,320,513</b>	<b>7,870,194</b>

Trade debtors are unsecured, non-interest bearing and are generally on 7 to 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The amounts due from subsidiaries are unsecured, interest bearing at rates ranging from 3.437% to 7.171% (2021: 3.250% to 3.437%) per annum, and are repayable on demand.

*Expected credit losses*

There was no allowance for expected credit losses as at 31 December 2022 and 2021.

There were no trade and other receivables denominated in foreign currencies as at 31 December 2022 and 2021.

## 17. INVENTORIES

	Group	
	2022	2021
	\$	\$
Goods for sale, representing mainly beverages	7,289,931	5,460,484
Goods-in-transit	90,756	–
	<b>7,380,687</b>	<b>5,460,484</b>
Recognised in statement of comprehensive income		
- Inventories recognised as cost of sales	2,161,354	1,435,343

There were no inventories written-down for the years ended 31 December 2022 and 2021.

## 18. CASH AND BANK BALANCES

	Group		Company	
	2022	2021	2022	2021
	\$	\$	\$	\$
Cash at banks and on hand	<b>3,668,003</b>	4,691,512	<b>2,125,132</b>	3,288,066

Cash and bank balances do not earn interest, except for a bank balance of \$1,486,602 (2021: \$3,043,914), which earns interest at floating rates based on daily bank deposit rates.

Cash and bank balances denominated in foreign currencies as at 31 December are as follows:

	Group		Company	
	2022	2021	2022	2021
	\$	\$	\$	\$
Great Britain Pound	<b>10,252</b>	1,221	–	–

## 19. TRADE AND OTHER PAYABLES

	Group		Company	
	2022	2021	2022	2021
	\$	\$	\$	\$
Trade creditors:				
- Third parties	490,111	225,232	5,467	12,899
- Director-related company	856	856	-	-
Accrued operating expenses	738,358	471,537	300,900	259,551
Other creditors:				
- Third parties	217,664	147,821	122,944	122,944
- Director-related companies	25,265	25,265	-	-
- Subsidiaries	-	-	594,500	-
- Shareholder	637,025	637,025	-	-
GST payable	102,011	45,805	32,848	16,504
Total trade and other payables	2,211,290	1,553,541	1,056,659	411,898
Add:				
Lease liabilities (Note 13)	2,808,329	707,677	-	-
Bank borrowing (Note 20)	1,946,661	2,500,000	1,946,661	2,500,000
Less:				
GST payable	(102,011)	(45,805)	(32,848)	(16,504)
Total financial liabilities carried at amortised cost	6,864,269	4,715,413	2,970,472	2,895,394

Trade creditors are unsecured, non-interest bearing and are generally on 30 days' terms.

The non-trade amounts due to third parties are unsecured, non-interest bearing and are repayable on demand.

*Related party balances*

The non-trade amounts due to subsidiaries, director-related companies and a shareholder are unsecured, non-interest bearing and are repayable on demand.

Trade and other payables denominated in foreign currencies are as follows:

	Group		Company	
	2022	2021	2022	2021
	\$	\$	\$	\$
Great Britain Pound	321,725	59,615	-	-
Renminbi	50,357	52,749	50,357	52,749
Swiss Franc	13,987	-	-	-

## 20. BANK BORROWING

	Group and Company	
	2022	2021
	\$	\$
Current	616,686	553,339
Non-current	1,329,975	1,946,661
	<b>1,946,661</b>	<b>2,500,000</b>

The bank borrowing is interest bearing at the weighted average effective interest rate of 2.25% per annum and is repayable in 48 instalments until 2025. Certain subsidiaries have provided corporate guarantee for the bank borrowing.

A reconciliation of liabilities arising from financing activities is as follows:

	2021	Cash flows	2022
	\$	\$	\$
Bank borrowing	2,500,000	(553,339)	1,946,661

	2020	Cash flows	2021
	\$	\$	\$
Bank borrowing	–	2,500,000	2,500,000

## 21. PROVISIONS

	Group	
	2022	2021
	\$	\$
At 1 January	115,135	125,135
Additions	1,500	18,000
Reversal	–	(1,900)
Utilisation	–	(26,100)
At 31 December	<b>116,635</b>	<b>115,135</b>
Current	69,375	72,035
Non-current	47,260	43,100

Provisions relate to the estimated costs to reinstate the Group's leased premises to their original state upon expiry of the leases.

## 22. SHARE CAPITAL

	Group		Company	
	No. of ordinary shares	\$	No. of ordinary shares	\$
<b>Issued and fully paid ordinary shares:</b>				
At 1 January 2021, 31 December 2021, 1 January 2022 and 31 December 2022	44,355,491	4,569,422	44,355,491	12,545,472

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 restrictions. The ordinary shares have no par value.

## 23. CAPITAL RESERVE

Capital reserve represents the amount waived by the former shareholders of Sloshed! Pte. Ltd.

## 24. FOREIGN CURRENCY TRANSLATION RESERVE

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

## 25. RELATED PARTY TRANSACTIONS

### (a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place on terms agreed between the parties during the year:

	2022	2021
	\$	\$
Sale of goods to a director	30,289	16,353
Sale of goods to director-related companies	761	4,073
Purchase of goods from director-related companies	–	2,814

### (b) Compensation of key management personnel

The compensation of 7 (2021: 5) key management personnel is included in the table below:

	2022	2021
	\$	\$
Salaries, bonuses and other costs	766,218	505,940
Central Provident Fund contributions	58,990	24,480
	825,208	530,420

## 26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and foreign currency risk. Management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. The Group does not hold or issue derivative financial instruments for speculative purposes.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

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

### (a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all borrowers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

A significant increase in credit risk is presumed if a debtor is more than 60 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- there is significant difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- there is a disappearance of an active market for that financial asset because of financial difficulty

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

## 26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

### (a) Credit risk - continued

#### Trade and other receivables

The Group's trade debtors at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Management considers 'low credit risk' for the debt instruments measured at amortised cost when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

As for other debtors, the Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in. The Group measured the impairment loss allowance using general approach of ECL and determined that the ECL is insignificant.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

#### Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and bank balances that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

#### Financial assets that are either past due or impaired

The Group does not have financial assets that are either past due or impaired.

### (b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group monitors and maintains a level of cash and bank balances deemed sufficient to finance the Group's operations.



## 26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

## (b) Liquidity risk - continued

*Analysis of financial instruments by remaining contractual maturities*

The table below summarises the maturity profile of the financial assets used for managing liquidity risk and financial liabilities at the end of the year based on contractual undiscounted repayment obligations.

Group	One year or less \$	More than one year to less than five years \$	Total \$
<b>2022</b>			
<b>Financial assets:</b>			
Trade and other receivables	311,616	225,947	537,563
Cash and bank balances	3,668,003	–	3,668,003
Total undiscounted financial assets	3,979,619	225,947	4,205,566
<b>Financial liabilities:</b>			
Trade and other payables	2,109,279	–	2,109,279
Bank borrowing	616,686	1,329,975	1,946,661
Lease liabilities	950,791	2,131,875	3,082,666
Total undiscounted financial liabilities	3,676,756	3,461,850	7,138,606
Total net undiscounted financial assets/(liabilities)	302,863	(3,235,903)	(2,933,040)
<b>2021</b>			
<b>Financial assets:</b>			
Trade and other receivables	310,420	59,400	369,820
Cash and bank balances	4,691,512	–	4,691,512
Total undiscounted financial assets	5,001,932	59,400	5,061,332
<b>Financial liabilities:</b>			
Trade and other payables	1,507,736	–	1,507,736
Bank borrowing	553,339	1,946,661	2,500,000
Lease liabilities	511,783	210,174	721,957
Total undiscounted financial liabilities	2,572,858	2,156,835	4,729,693
Total net undiscounted financial assets/(liabilities)	2,429,074	(2,097,435)	331,639

## 26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

## (b) Liquidity risk - continued

Company	One year or less \$	More than one year to less than five years \$	Total \$
<b>2022</b>			
<b>Financial assets:</b>			
Trade and other receivables	6,195,381	–	6,195,381
Cash and bank balances	2,125,132	–	2,125,132
Total undiscounted financial assets	8,320,513	–	8,320,513
<b>Financial liabilities:</b>			
Trade and other payables	1,023,812	–	1,023,812
Bank borrowing	616,686	1,329,975	1,946,661
Total undiscounted financial liabilities	1,640,498	1,329,975	2,970,473
Total net undiscounted financial assets/(liabilities)	6,680,015	(1,329,975)	5,350,040
<b>2021</b>			
<b>Financial assets:</b>			
Trade and other receivables	4,582,128	–	4,582,128
Cash and bank balances	3,288,066	–	3,288,066
Total undiscounted financial assets	7,870,194	–	7,870,194
<b>Financial liabilities:</b>			
Trade and other payables	395,394	–	395,394
Bank borrowing	553,339	1,946,661	2,500,000
Total undiscounted financial liabilities	948,733	1,946,661	2,895,394
Total net undiscounted financial assets/(liabilities)	6,921,461	(1,946,661)	4,974,800

## 26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

### (c) Foreign currency risk

The Group has transactional currency exposures arising from purchases that are mainly denominated in Great Britain Pound ("GBP"). Approximately 70% (2021: 63%) of the Group's purchases are denominated in GBP.

#### *Sensitivity analysis for foreign currency risk*

The following table demonstrates the sensitivity of the Group's profit/(loss) before tax to a reasonably possible change in the GBP exchange rate against the SGD, with all other variables held constant.

	Profit before tax (lower)/ higher 2022 \$	Loss before tax (higher)/ lower 2021 \$
GBP against SGD		
– strengthened by 5%	(15,522)	(5,326)
– weakened by 5%	15,522	5,326

## 27. FAIR VALUE OF ASSETS AND LIABILITIES

### (a) Fair value hierarchy

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The carrying amount of financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the year. In 2021, the fair value of non-current deposits paid to landlords are not materially different from their carrying amounts.

**27. FAIR VALUE OF ASSETS AND LIABILITIES - continued****(b) Assets measured at fair value**

The following table shows an analysis of each class of assets measured at fair value at the end of the reporting period:

Group	Significant unobservable inputs (Level 3) \$	Total \$
<b>31 December 2022</b>		
<b>Assets measured at fair value</b>		
Deposits	192,461	192,461

**(c) Level 3 fair value measurements**

Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value at 31 December 2022 \$	Valuation techniques	Unobservable inputs	Range of unobservable inputs
<b>Recurring fair value measurements</b>				
Deposits	192,461	Discounted cash flow	Discount rate	3.84% - 5.63%

**28. CAPITAL MANAGEMENT**

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios to support its business and maximises shareholder value.

The Group and Company manage its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2022 and 2021.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, trade and other payables, lease liabilities, contract liabilities and provisions less cash and bank balances. Capital refers to equity attributable to owners of the Company.

**28. CAPITAL MANAGEMENT - continued**

	Note	Group	
		2022 \$	2021 \$
Trade and other payables	19	2,211,290	1,553,541
Lease liabilities	13	2,808,329	707,677
Contract liabilities	4	95,761	128,039
Bank borrowing	20	1,946,661	2,500,000
Provisions	21	116,635	115,135
Less: Cash and bank balances	18	(3,668,003)	(4,691,512)
Net debt		3,510,673	312,880
Equity attributable to owners of the Company		7,346,304	6,494,409
Capital and net debt		10,856,977	6,807,289
Gearing ratio (times)		0.32	0.05

**29. SEGMENT INFORMATION***Reportable segment*

Information reported 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.

*Geographical information*

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.

*Information about major customers*

During the years ended 31 December 2022 and 2021, there is no single major customer that contributed more than 5% of the Group's total revenue. The revenue is spread over a broad base of customers.

**30. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE**

The financial statements for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 31 March 2023.

## STATISTICS OF SHAREHOLDERS

As at 10 March 2023

### SHARE CAPITAL

Total number of issued shares excluding treasury shares and subsidiary holdings	:	44,355,491
Number of treasury shares held	:	Nil
Number of subsidiary holdings held	:	Nil
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per share

### DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholdings
1 - 99	91	10.95	3,319	0.01
100 - 1,000	311	37.43	177,016	0.40
1,001 - 10,000	363	43.68	1,173,842	2.65
10,001 - 1,000,000	63	7.58	6,938,432	15.64
1,000,001 AND ABOVE	3	0.36	36,062,882	81.30
<b>TOTAL</b>	<b>831</b>	<b>100.00</b>	<b>44,355,491</b>	<b>100.00</b>

### LIST OF TWENTY LARGEST SHAREHOLDERS

(as shown in the Register of Members)

No.	Name of Shareholders	No. of Shares	% of Shareholdings
1	UOB KAY HIAN PRIVATE LIMITED	26,534,303	59.82
2	CHUA KHOON HUI (CAI KUNHUI)	6,500,216	14.65
3	COCKPIT INTERNATIONAL PTE LTD	3,028,363	6.83
4	H'NG TIEN YAO	916,700	2.07
5	LIM KIAN BOON CHARLES	838,737	1.89
6	DANIEL GOH YING WAI	655,120	1.48
7	DARIO NOCENTINI	638,900	1.44
8	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	468,051	1.06
9	WANG YANLI	436,400	0.98
10	MAYBANK SECURITIES PTE. LTD.	408,039	0.92
11	KHO CHUAN THYE PATRICK	254,210	0.57
12	OCBC SECURITIES PRIVATE LIMITED	252,324	0.57
13	CHEONG CHI KIN	220,000	0.50
14	LOH WAI LENG	155,520	0.35
15	TIO HONG TJOEN @ TARWIDJAJA WIHARDJA OR THAM MEI KHENG	113,635	0.26
16	PHILLIP SECURITIES PTE LTD	102,177	0.23
17	DBS NOMINEES (PRIVATE) LIMITED	102,120	0.23
18	GOH HAN PENG (WU HANPING)	84,255	0.19
19	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	79,733	0.18
20	LEE SZE KIAN	64,550	0.15
	<b>TOTAL</b>	<b>41,853,353</b>	<b>94.37</b>

**SUBSTANTIAL SHAREHOLDERS**

(As recorded in the Register of Substantial Shareholders as at 10 March 2023)

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of shares	%	No. of shares	%	No. of shares	%
Teo Kok Woon	-	-	28,410,666 <sup>(1)</sup>	64.05	28,410,666	64.05
Cockpit International Pte Ltd	3,028,363	6.83	-	-	3,028,363	6.83
Yeo Gek Lang, Susie	-	-	3,028,363 <sup>(2)</sup>	6.83	3,028,363	6.83
Goodearth Realty Private Limited	-	-	3,028,363 <sup>(2)</sup>	6.83	3,028,363	6.83
Chua Khoon Hui	6,500,216	14.65	-	-	6,500,216	14.65

Notes :-

- (1) Teo Kok Woon is deemed to be interested in 3,028,363 shares held by Cockpit International Pte Ltd and 25,382,303 shares held by UOB Kay Hian Private Limited as nominee of Teo Kok Woon.
- (2) 3,028,363 shares were held in the name of Cockpit International Pte Ltd in which Yeo Gek Lang, Susie and Goodearth Realty Private Limited are deemed to be interested.

**COMPLIANCE WITH RULE 723 OF THE SGX-ST LISTING MANUAL  
SECTION B : RULES OF CATALIST ("CATALIST RULES")**

Based on information available and to the best knowledge of the Company as at 10 March 2023, 21.29% of the ordinary shares of the Company are held by the public. Therefore, the Company is in compliance with Rule 723 of the Catalist Rule.

### BOARD OF DIRECTORS

**Dr. Yu Lai Boon**  
*Non-Executive Chairman  
and Independent Director*

**Mr. Chua Khoo Hui**  
*Chief Executive Officer  
and Executive Director*

**Mr. Tan Dah Ching**  
*Non-Executive Independent Director*

**Mr. Teo Kok Woon**  
*Non-Executive Non-Independent Director*

### NOMINATING COMMITTEE

**Mr. Tan Dah Ching**  
*Chairman*

**Mr. Teo Kok Woon**  
**Dr. Yu Lai Boon**

### REMUNERATION COMMITTEE

**Dr. Yu Lai Boon**  
*Chairman*

**Mr. Tan Dah Ching**  
**Mr. Teo Kok Woon**

### AUDIT COMMITTEE

**Dr. Yu Lai Boon**  
*Chairman*

**Mr. Tan Dah Ching**  
**Mr. Teo Kok Woon**

### COMPANY SECRETARY

**Ms. Chan Lai Yin**

### REGISTERED OFFICE

315 Outram Road  
#14-02 Tan Boon Liat Building  
Singapore 169074  
Tel : (65) 6732 3452  
Email : contact@tshcorp.com.sg

### COMPANY REGISTRATION NO.

200003865N

### AUDITORS

Ernst & Young LLP  
Engagement Partner: Terry Wee Hiang Bing (with  
effect from financial year ended 31 December  
2018)

### SHARE REGISTRAR

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

### PRINCIPAL BANKERS

DBS Bank Ltd  
Oversea-Chinese Banking Corporation Limited  
RHB Bank Berhad  
United Overseas Bank Limited



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Annual General Meeting of TSH Corporation Limited (the “**Company**”) will be held at Holiday Inn Singapore Atrium, Level 4 Kallang Room, 317 Outram Road, Singapore 169075 on Monday, 24 April 2023 at 3.00 p.m. to transact the following businesses:

### AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Directors’ Statement and the Auditor’s Report thereon.  
**(Resolution 1)**
2. To approve Directors’ Fees of S\$80,000.00 for the financial year ended 31 December 2022 (2021: S\$80,000.00).  
**(Resolution 2)**
3. To re-elect Dr Yu Lai Boon who is retiring in accordance with Regulation 107 of the Company’s Constitution as a Director of the Company.  
(See *Explanatory Note 1*) **(Resolution 3)**
4. To re-elect Mr Chua Khoon Hui who is retiring in accordance with Regulation 107 of the Company’s Constitution as a Director of the Company.  
(See *Explanatory Note 2*) **(Resolution 4)**
5. To re-appoint Messrs Ernst & Young LLP as auditors of the Company and to authorise the Directors to fix their remuneration.  
**(Resolution 5)**
6. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions as Ordinary Resolutions, with or without modifications:

#### 7. Authority to issue shares

“That, pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”) and Rule 806 of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Catalist Rules**”), authority be and is hereby given to the Directors of the Company to:-

- (a) (i) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (i) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,  
  
at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force), issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares to be issued (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed one hundred per cent. (100%) of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below).
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) is based on the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
  - (i) new Shares arising from the conversion or exercise of convertible securities;
  - (ii) new Shares arising from the exercise of share options or vesting of share awards, provided the share options or share awards (as the case may be), were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (iii) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with (i), (ii) and (iii) above are only to be made in respect of new shares arising from convertible securities, share options or shares awards which were issued and outstanding or subsisting at the time of the passing of this resolution.
- (3) in exercising the authority conferred by this Resolution, the Directors shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, and the Constitution for the time being of the Company; and

unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."

(See *Explanatory Note 3*)

(Resolution 6)

## 8. The Proposed Adoption of the Share Buyback Mandate

"That:

- (a) for the purposes of the Catalist Rules and the Companies Act, the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or acquire its issued and fully paid-up Shares representing not more than ten per cent. (10%) of the total number of issued Shares of the Company at such price(s) as may be determined by the Directors or a committee of Directors that may be constituted for the purposes of effecting purchases or acquisitions of Shares by the Company from time to time up to the Maximum Price (as defined below), whether by way of:
  - (i) an on-market purchase ("**Market Purchase**"), transacted on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted through one or more duly licensed stockbrokers appointed by the Company; and/or

- (ii) an off-market purchase (“**Off-Market Purchase**”) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by Section 76C of the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buyback Mandate**”)

- (b) unless varied or revoked by the Shareholders in a general meeting, the authority conferred on the Directors of the Company pursuant to the proposed Share Buyback Mandate may be made, at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the date on which the next annual general meeting of the Company is required by law to be held;
  - (iii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
  - (iv) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Shareholders in a general meeting.

Collectively known as the “**Relevant Period**”.

- (c) in this Resolution:

“**Maximum Buyback Shares**” means ten per cent. (10%) of the total number of issued and paid-up Shares of the Company (excluding treasury shares and subsidiary holdings) as at the date of passing of this resolution, unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company as altered, excluding any treasury shares, that may be held by the Company from time to time;

“**Maximum Price**”, in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a Market Purchase, 105 per cent. (105%) of the Average Closing Price (as defined below); and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120 per cent. (120%) of the Average Closing Price, where:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days period;

“**day of the making of the offer**” means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution.”

(See *Explanatory Note 4*)

(Resolution 7)

9. **The Proposed Adoption of the TSH Performance Share Plan 2023**

“That:

- (a) the performance share plan to be known as the “TSH Performance Share Plan 2023” (“**TSH PSP 2023**”), of which rules are set out in Annex A to the Appendix dated 6 April 2023 under which awards (“**Awards**”) of Shares, will be granted, free of payment, to selected employees of the Group, be and are hereby approved and adopted;
- (b) the Directors of the Company be and are hereby authorised:
- (i) to establish and administer the TSH PSP 2023;
  - (ii) to modify and/or alter the TSH PSP 2023 at any time and from time to time, provided that such modification and/or alteration is effected in accordance with the rules of the TSH PSP 2023;
  - (iii) to grant Awards in accordance with the rules of the TSH PSP 2023 and, subject to the provisions of the Companies Act and the Constitution of the Company, from time to time to issue such number of new Shares and/or transfer such number of treasury shares as may be required to be delivered pursuant to the vesting of such awards, provided that the total number of new Shares which may be issued and/or transferred pursuant to awards granted under the TSH PSP 2023 on any date, when aggregated with the total number of Shares issued and/or transferred in respect of all awards granted under the TSH PSP 2023, and all options and awards granted under any other share incentive scheme(s) implemented by the Company and for the time being in force, shall not exceed fifteen per cent. (15%) of the total number of Shares (excluding treasury shares and subsidiary holdings) on the day preceding the Award Date;
  - (iv) subject to the same being allowed by law, apply any share purchased or acquired under any share purchase mandate and to deliver such existing Shares (including any shares held in treasury) towards the satisfaction of Awards granted under the TSH PSP 2023; and
  - (v) to complete and to do all such acts and things (including executing all such documents as may be required and to approve any amendments or modifications to any such documents) as they may consider necessary, desirable or expedient to give full effect to this resolution.

(See *Explanatory Note 5*)

(Resolution 8)

**BY ORDER OF THE BOARD**

Chan Lai Yin  
Company Secretary

Singapore, 6 April 2023

**Explanatory notes to the Notice of the AGM**

1. Dr Yu Lai Boon, if re-elected as a Director, will remain as Non-Executive Chairman, Independent Director, Chairman of the Audit Committee and Remuneration Committee, and a member of the Nominating Committee. The Board considers Dr Yu to be independent pursuant to Rule 704(7) of the Catalist Rules. Pursuant to Rule 720(5) of the Catalist Rules, detailed information of Dr Yu Lai Boon can be found under the "Disclosure of Information on Directors Seeking Re-election" of the 2022 Annual Report.
2. Mr Chua Khoon Hui, if re-elected as a Director, will remain as Chief Executive Officer and Executive Director of the Company. Pursuant to Rule 720(5) of the Catalist Rules, detailed information of Mr Chua Khoon Hui can be found under the "Disclosure of Information on Directors Seeking Re-election" of the 2022 Annual Report.
3. The Ordinary Resolution 6 proposed in item 7 above, if passed, will empower the Directors of the Company from the date of the above Annual General Meeting until the date of the next annual general meeting, to allot and issue Shares and/or Instruments in the Company. The aggregate number of Shares (including any Shares issued pursuant to Instruments made or granted) which the Directors may allot and issue under this Resolution, shall not exceed one hundred per cent. (100%) of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings). For issues of Shares other than on a pro-rata basis to all shareholders, the aggregate number of Shares to be issued shall not exceed fifty per cent. (50%) of Company's total number of issued Shares (excluding treasury shares and subsidiary holdings). This authority will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier. However, notwithstanding the cessation of this authority, the Directors are empowered to issue Shares pursuant to any Instruments made or granted under this authority.
4. The Ordinary Resolution 7 proposed in item 8 above, if passed, will empower the Directors of the Company from the date of the above Annual General Meeting to purchase or acquire Shares by way of Market Purchases or Off-Market Purchases, provided that the aggregate number of Shares to be purchased or acquired under the Share Buy-back Mandate does not exceed the Prescribed Limited, and at such price(s) as may be determined by the Directors of the Company from time to time up to but not exceeding the Maximum Price. The information relating to the adoption of Share Buyback Mandate is set out in the Appendix enclosed together with the 2022 Annual Report.
5. The Ordinary Resolution 8 proposed in item 9 above, if passed, will empower the Directors of the Company to allot and issue Shares pursuant to the grant of awards to eligible participants of the TSH PSP 2023 in accordance with the terms set out in the Appendix as well as the rules and regulations set forth in the Companies Act and the Catalist Rules. The information relating to the adoption of TSH PSP 2023 is set out in the Appendix enclosed together with the 2022 Annual Report.

**Notes: -**

- (i) The Annual General Meeting ("AGM") will be convened and held physically. There will be no option for shareholders to participate virtually. The 2022 Annual Report can be accessed at the Company's website at <https://tshcorp.com.sg/annual-reports/> or the SGXNet. A printed copy of this Notice will NOT be despatched to shareholders. Instead, this Notice will be sent to shareholders by electronic means via publication on the Company's website at <https://tshcorp.com.sg/announcements/> and the SGXNet.
- (ii) Members (including investors who holds shares under the Central Provident Fund Investment Scheme and Supplementary Retirement Scheme ("CPF/SRS Investors")) may participate in the AGM by:
  - (a) Attending the AGM in person;
  - (b) Asking questions at the AGM or submitting questions in advance of the AGM; and/or
  - (c) Voting at the AGM (i) personally; or (ii) through duly appointed proxy(ies).

- (iii) Substantial and relevant questions related to the agenda of AGM may be submitted in advance of the AGM by 3.00 p.m. on 14 April 2023 in the following manner:
- via email to [agm@tshcorp.com.sg](mailto:agm@tshcorp.com.sg); or
  - via post to the registered office of the Company at 315 Outram Road, #14-02 Tan Boon Liat Building, Singapore 169074.

When submitting the questions, please provide the Company with the following details, for verification purpose:

- (i) full name (for individuals)/company name (for corporates);
- (ii) NRIC/passport/company registration number;
- (iii) mailing address;
- (iv) contact number; and
- (v) shareholding type (e.g. via CDP, CPF or SRS) and number of shares held.

Responses to these questions from shareholders will be posted on the SGXNet and the Company's website by 3.00 p.m. on 18 April 2023. Where substantial and relevant questions submitted by shareholders are unable to be addressed prior to the AGM, including any questions received by the Company after 3:00 p.m. on 14 April 2023, the Company will address them during the AGM.

- (iv) A member who is not a Relevant Intermediary\* is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member who is not a Relevant Intermediary appoints more than one (1) proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no percentage is specified, the first named proxy shall be treated as representing 100 per cent. of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
- (v) The Chairman of the meeting, as proxy, need not be a member of the Company. A member may appoint the Chairman of the meeting as his/her/its proxy. 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, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
- (vi) A member who is a Relevant Intermediary is entitled to attend, speak and vote at the AGM, and is entitled to appoint more than two (2) proxies to attend, speak and vote, but each proxy must be appointed to exercise the rights attached to a different share or shares held by each member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.
- (vii) The instrument appointing a proxy must be signed and:
- sent via email to [agm@tshcorp.com.sg](mailto:agm@tshcorp.com.sg); or
  - deposited at the registered office of the Company at 315 Outram Road, #14-02 Tan Boon Liat Building, Singapore 169074.

not less than seventy-two (72) hours before the time appointed for holding the AGM, i.e. **3.00 p.m. on 21 April 2023**.

The completion and return of the proxy form by a Shareholder will not prevent him from attending, speaking and voting at the AGM in place of his proxy should he subsequently wish to do so.

- (viii) A CPF/SRS Investor who wishes to exercise his/her vote should approach his/her respective Relevant Intermediary, including CPF Agent Bank or SRS Operator to submit his/her voting instructions by **3.00 p.m. on 13 April 2023**, being seven (7) working days before the date of the AGM. CPF/SRS Investors are encouraged to contact their respective Relevant Intermediary for any queries they may have with regard to the appointment of proxy(ies) for the AGM.
- (ix) A depositor shall not be regarded as a member of the Company entitled to attend and vote at the AGM unless his/her name appears on the Depository Register not less than seventy-two (72) hours before the time of the AGM, i.e. 3.00 p.m. on 21 April 2023.

\*“A 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.

### Personal data privacy:

By (a) submitting an instrument appointing a proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof or (b) submitting any question prior to the AGM in accordance with Note (iii) above, a member of the Company consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents or service providers) for the purposes of:

- (i) processing and administration by the Company (or its agents or service providers) of the appointment of proxy(ies) for the AGM (including any adjournment thereof);
- (ii) addressing relevant and substantial questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions;
- (iii) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and
- (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

## DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Dr Yu Lai Boon (“**Dr Yu**”) and Mr Chua Khoon Hui (“**Mr Chua**”) are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 24 April 2023 (“**AGM**”) (collectively, the “**Retiring Directors**” and each a “**Retiring Director**”).

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”), the following is the information relating to the Retiring Directors as set out in Appendix 7F to the Catalist Rules:

	DR YU LAI BOON	MR CHUA KHOON HUI
Date of Appointment	16 November 2018	7 February 2019
Date of last re-appointment	28 April 2021	29 April 2020
Age	60	47
Country of principal residence	Singapore	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	<p>In the re-election of Dr Yu as Non-Executive Chairman and Independent Director of the Company, the Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (“<b>NC</b>”) and has reviewed and considered the contributions to the Company and his performance, participations, candour and special contributions.</p> <p>The Board has reviewed and concluded that Dr Yu possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>	<p>In the re-election of Mr Chua as Executive Director of the Company, the Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the contributions to the Company and his performance, including attendance at meetings of the Board, participations, candour and special contributions.</p> <p>The Board has reviewed and concluded that Mr Chua possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Chairman and Independent Director, Chairman of the Audit Committee and Remuneration Committee and a member of the Nominating Committee.	Chief Executive Officer and Executive Director.
Professional qualifications	Member of Singapore Institute of Surveyors and Valuers	None



## DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Dr YU LAI BOON	MR CHUA KHOON HUI
Working experience and occupation(s) during the past 10 years	<p>March 2014 to December 2015: Adjunct Associate Professor of the then Department of Real Estate, School of Design and Environment at the National University of Singapore</p> <p>July 2014 to July 2016: Member of Advisory Panel within the Singapore Land Authority.</p>	In November 2005, Mr Chua founded The Whisky Store, and has since been in-charge of the day-to-day management of the operations and oversees the business development activities, sales and marketing, and procurement functions.
Shareholding interest in the listed issuer and its subsidiaries	No	6,500,216 ordinary shares in the Company
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	No	No
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships		
Past (for the last 5 years)	Director of: <ul style="list-style-type: none"> <li>• Koufu Group Limited</li> <li>• Storck Bicycle (Asia Pacific) Pte. Ltd.</li> </ul>	Director of CJ's Bar Pte. Ltd. (formerly known as Quaich@RWS Pte. Ltd.)
Present	Director of OTS Holdings Limited	Director (within the Group) of: <ul style="list-style-type: none"> <li>• Planet Spirits Pte. Ltd.</li> <li>• Quaich Pte. Ltd.</li> <li>• Sloshed! Pte. Ltd.</li> <li>• The Other Roof Pte. Ltd.</li> <li>• The Other Room Pte. Ltd.</li> <li>• TWS Pte. Ltd.</li> </ul>

\*: Principal Commitments has the same meaning as defined in the 2018 Code.

## DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

DR YU LAI BOON	MR CHUA KHOON HUI
<p><b>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.</b></p>	
<p>(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?</p>	No
<p>(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?</p>	No
<p>(c) Whether there is any unsatisfied judgment against him?</p>	No
<p>(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?</p>	No

## DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	DR YU LAI BOON	MR CHUA KHOON HUI
(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

## DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	DR YU LAI BOON	MR CHUA KHOON HUI
(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
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-		
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
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	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		

## DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	DR YU LAI BOON	MR CHUA KHOON HUI
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
<b>Disclosure applicable to the appointment of Director only</b>		
<p>Any prior experience as a director of a listed company?</p> <p>If yes, please provide details of prior experience.</p> <p>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.</p> <p>Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</p>	N.A.	N.A.

# PROXY FORM

## TSH CORPORATION LIMITED

(Company Registration No. 200003865N)

### IMPORTANT:

- For investors who have used their CPF monies and/or SRS monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
- A CPF/SRS Investor who wishes to vote should approach his/her respective CPF Agent Bank or SRS Operator by 3.00 p.m. on 13 April 2023, being seven (7) working days before the date of the AGM to submit his/her voting instructions.
- 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 6 April 2023.
- Printed copies of the Notice of AGM and Proxy Form will not be despatched to shareholders. Instead, they have been made available to members on the Company's website <https://tshcorp.com.sg/aggm-and-egm/> and SGXNet.

\*I/We \_\_\_\_\_ (Name)

\_\_\_\_\_ (\*NRIC/Passport No./Company Registration No.)

of \_\_\_\_\_ (Address)

being \*a member/members of TSH CORPORATION LIMITED (the "Company"), hereby appoint:

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

\*and/or

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

OR failing the person, or either or both of the persons, referred to above, the Chairman of the Annual General Meeting ("AGM") as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us and on \*my/our behalf, at the AGM to be held at Holiday Inn Singapore Atrium, Level 4 Kallang Room, 317 Outram Road, Singapore 169075 on Monday, 24 April 2023 at 3.00 p.m. and at any adjournment thereof.

\*I/We direct \*my/our \*proxy/proxies to vote for, against or abstain from voting on the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, this Proxy Form shall be disregarded and the proxy shall abstain from voting on any matter arising at the AGM and at any adjournment thereof.

No.	Ordinary Resolutions	For**	Against**	Abstain**
<b>Ordinary Business</b>				
1.	Adoption of the Audited Financial Statements, Directors' Statement and Auditor's Report for the financial year ended 31 December 2022.			
2.	Approval of Directors' fees of S\$80,000.00 for the financial year ended 31 December 2022 (2021: S\$80,000.00).			
3.	Re-election of Dr Yu Lai Boon as a Director of the Company.			
4.	Re-election of Mr Chua Khoon Hui as a Director of the Company.			
5.	Re-appointment of Messrs Ernst & Young LLP as Auditors and to authorise the Directors to fix their remuneration.			
<b>Special Business</b>				
6.	Authority to allot and issue shares pursuant to Section 161 of the Companies Act 1967.			
7.	Proposed Adoption of the Share Buyback Mandate.			
8.	Proposed Adoption of the TSH Performance Share Plan 2023.			

\*\* Voting will be conducted by Poll. If you wish to exercise all your votes "For" or "Against", please indicate an "X" or "✓" within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark "X" or "✓" in the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

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

\*Delete accordingly

**IMPORTANT.** Please read notes overleaf

**Notes:-**

1. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 815F of the Securities and Futures Act 2001), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register as well as shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
2. The instrument appointing a proxy must be signed and:
  - Sent via email to [agm@tshcorp.com.sg](mailto:agm@tshcorp.com.sg); or
  - Deposited via post at the registered office of the Company at 315 Outram Road, #14-02 Tan Boon Liat Building, Singapore 169074; by **3.00 p.m. on 21 April 2023**, not less than seventy-two (72) hours before the time appointed for holding the AGM.
3. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member who is not a Relevant Intermediary appoints more than one (1) proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
4. The Chairman of the meeting, as proxy, need not be a member of the Company. A member may appoint the Chairman of the meeting as his/her/its proxy. 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, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
5. A member who is a Relevant Intermediary is entitled to attend, speak and vote at the AGM, and is entitled to appoint more than two (2) proxies to attend, speak and vote, but each proxy must be appointed to exercise the rights attached to a different share or shares held by each member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.
6. A CPF/SRS Investor who wishes to exercise his/her vote should approach his/her respective Relevant Intermediary, including CPF Agent Bank or SRS Operator to submit his/her voting instructions by **3.00 p.m. on 13 April 2023**, being seven (7) working days before the date of the AGM to submit his/her voting instructions. CPF/SRS Investors are encouraged to contact their respective Relevant Intermediary for any queries they may have with regard to the appointment of proxy(ies) for the AGM.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
8. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
9. A corporation which is a member of the Company may, in accordance with Section 179 of the Companies Act, authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM.

**General:**

The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of members whose shares are entered in the Depository Register, the Company may reject an instrument of proxy lodged if the member, being the appointer, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM.

**Personal data privacy:**

By (a) submitting an instrument appointing a proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof or (b) submitting any question prior to the AGM in accordance with Note (iii) of the Notice of AGM, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purposes of:

- (i) processing and administration by the Company (or its agents or service providers) of the appointment of proxy(ies) for the AGM (including any adjournment thereof);
- (ii) addressing relevant and substantial questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions;
- (iii) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and
- (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

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Please  
affix  
postage  
stamp

The Company Secretary  
**TSH CORPORATION LIMITED**  
315 Outram Road  
#14-02 Tan Boon Liat Building  
Singapore 169074

.....  
*2nd fold here*

.....  
*3rd fold here and seal*



TSH Corporation Limited

315 Outram Road, #14-02 Tan Boon Liat Building, Singapore 169074

Company Registration No: 200003865N