



TSH Corporation Limited

ANNUAL REPORT 2025

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 Ms. Audrey Mok (Tel: (65) 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

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CORPORATE PROFILE

In 2025, TSH Corporation Limited (“TSH”) marked its first overseas operations with the establishment of two whisky and cocktail-oriented bars in Tianjin, China, namely Churchill Cigar & Whisky Lounge and The Lobby Lounge. In Singapore, TSH runs a chain of whisky and cocktail establishments, namely, Quaich Bar Collector, Quaich Bar Avant-garde, Quaich Bar Wanderlust, The Other Room, Signature Reserve, and Capitol Cigar & Whisky Lounge. TSH also distributes premium spirits through The Whisky Store and organises Singapore’s whisky-dedicated exhibition - Whisky Journey.

Operations in Singapore

(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 over 200-500 different whisky expressions, 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.

We differentiate and solidify the unique offerings of each *Quaich Bar* as follows:

- *Quaich Bar* at Waterfront Plaza, known as *Quaich Bar Collector*, was first established in 2007. It identifies itself as a whisky institution and hub, with the aim of being the epicenter for all information around the ‘water of life’. It regularly hosts globally acclaimed distillers for quality whisky tastings and masterclasses while providing a venue for those seeking more immersive ways to savor the golden spirit. *Quaich Bar Collector* houses an exquisite collection of over 500 whiskies, including boutique, old and vintage bottlings, to savor by the glass.



SG60 Single Casks Tasting Session



18th Friends & Family Reunion



18th Anniversary



Collector

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



https://www.instagram.com/quaichbar_collector/

- Quaich Bar* at South Beach, known as *Quaich Bar Avant-garde*, carries over 500 boutique whiskies and is at the forefront of introducing new and distinctive whisky and spirit releases in Singapore. It caters to accomplished professionals and enthusiasts seeking innovative and unique experiences, particularly those in the surrounding business district. Honoured as the “Best Glen Scotia Bar” in 2021, a prestigious accolade by Glen Scotia in collaboration with *Gentleman’s Journal*, *Quaich Bar Avant-garde* stands as a refined post-work retreat and a destination for whisky aficionados seeking the latest, rare, and distinctive whisky experience.



Anniversary



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



https://www.instagram.com/quaichbar_avantgarde/

- Quaich Bar* at Frasers House (former Intercontinental Hotel), known as *Quaich Bar Wanderlust*, offers an exciting and dynamic space for cocktail and whisky exploration. It caters to a diverse spectrum of events, from guest shifts featuring internationally renowned bartenders and whisky experts, to private events for any occasion.



Raasay Tasting

Anniversary



80 Middle Road
Frasers House
(former InterContinental Hotel)
Singapore 188966



https://www.instagram.com/quaichbar_wanderlustsg/

The three *Quaich Bar* establishments also host curated whisky tasting sessions and pairing events, designed to enhance knowledge and appreciation of whisky in Singapore. Additionally, they offer a retail selection of single malt Scotch whiskies, spirits, wines, and liquors.



www.quaichbar.com.sg

(b) **The Other Room**

The Other Room at the Marriott Tang Plaza Hotel is a speakeasy-style cocktail bar that was named one of Asia’s 50 Best Bars in 2019. It is among the few bars in Singapore offering vintage spirits and in-house cask-finished products. The unique cask-finishing process imparts distinctive flavours by aging spirits in barrels that previously held wine, sherry, Madeira, or port. It also features reinterpretations of classic cocktails alongside brand-new creations from around the globe by its group of skilled and world-class bartenders. The bar offers a wide selection of spirits, including whisky, rum, champagne, wine, beer, as well as food. *The Other Room* also hosts renowned global bartenders and industry figures, providing guests the opportunities to explore new flavours and craft memorable experiences.



Campari Guest shift with Bystrik Uko



Guest shift with Nibs Bar Korea

THE
OTHER
ROOM

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



www.theotherroom.com.sg



<https://www.instagram.com/theotherrooms/>

(c) **Signature Reserve**

Signature Reserve at The Fullerton Hotel pioneers the pairing of fine boutique whiskies with premium seafood from its dedicated seafood bar, set within an elegant and luxurious space designed for celebrating life’s meaningful moments and milestones. The bar celebrates both its guests and industry luminaries through an extensive whisky selection, including exclusive collaborations with legends such as Frank McHardy and Stuart Nickerson, guided by expert whisky specialists trained at distilleries across Scotland.

Signature Reserve offers a holistic experience through curated tasting sets, rare boutique bottlings paired with artisanal seafood, refined canapés and signature mains, immersive whisky events, as well as a curated range of boutique wines, fine bubbles, and signature cocktails inspired by Singapore’s gastronomic heritage.



SG60 Whiskies Launch



J Pendulum x Lamborghini Club SG Event

Signature Reserve

One Fullerton Square
#01-03 The Fullerton Hotel
Singapore 049178



www.signaturereserve.com.sg



<https://www.facebook.com/SignatureReserveSG>



<https://www.instagram.com/signaturereserve/>

(d) **Capitol Cigar & Whisky Lounge**

Capitol Cigar & Whisky Lounge at The Capitol Kempinski Hotel cossets one in plush and comfortable surroundings with high-backed leather chairs, private rooms, and a luxe environment to enhance any occasion with 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



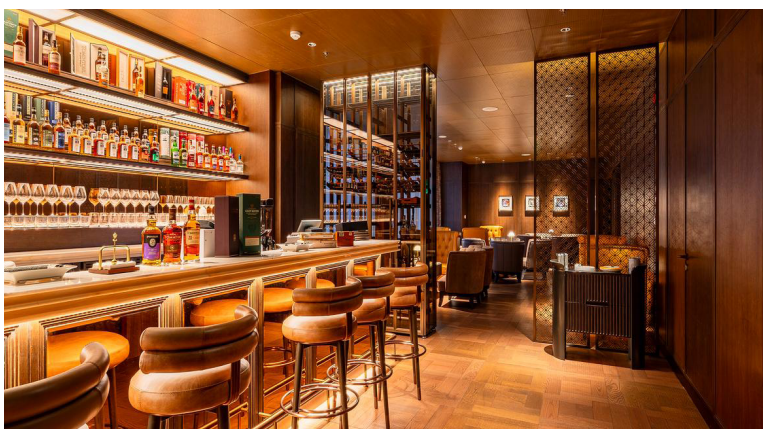
www.capitolcigarwhisky.com

Operations in China(a) **Churchill Cigar & Whisky Lounge**

Churchill Cigar & Whisky Lounge at The Perennial Tianjin, a JdV by Hyatt Hotel, was conceived to bring the heritage and whisky culture of *Quaich Bar* to the Chinese market. Rooted in the philosophy of our *Capitol Cigar & Whisky Lounge* in Singapore and backed by the *Quaich Bar* concept, the lounge continues the legacy of craftsmanship, deep knowledge, and refined hospitality in Tianjin.

Designed as a sanctuary for quiet conversations and discerning indulgence, the lounge is thoughtfully elevated by an advanced air purification system, ensuring a consistently fresh and comfortable environment where guests can fully appreciate the finer details of both whisky and cigar.

Churchill Cigar & Whisky Lounge serves as a platform to introduce the brand's holistic experience to a new audience—bringing together exceptional whisky, curated cigar offerings, and a carefully considered sense of occasion, shaped by the standards established in Singapore.



CHURCHILL
CIGAR & WHISKY LOUNGE
MANAGED BY QUAICH BAR

The Perennial Tianjin,
a JdV by Hyatt Hotel,
Level 19, 18 Liuqing Road,
Xiqing District,
Tianjin 300380, China



<https://www.facebook.com/profile.php?id=615791967592578&mibextid=LQQJ4d>



<https://www.instagram.com/churchillclounge>



<https://xhslink.com/m/AX3cdrjogRK>

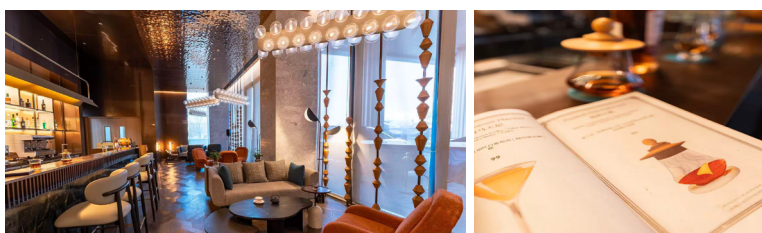


<https://v.douyin.com/9ahk5QWjWLw/>

(b) **The Lobby Lounge**

The Lobby Lounge at The Perennial Tianjin, a JdV by Hyatt Hotel, draws inspiration from *The Other Room* in Singapore. Known for its in-house cask-finished spirits and inventive reinterpretations of classic cocktails, it has established a benchmark in modern mixology. The cocktails at *The Lobby Lounge* reflects this philosophy, featuring refined infusions, barrel-aged elements, and balanced flavour profiles that celebrate both craftsmanship and creativity.

Introduced to Tianjin as a hotel lobby bar for the first time, *The Lobby Lounge* stands as one of the few cocktail bars in the area, presenting a unique opportunity to introduce our award-winning offerings to a new and promising market.



The Perennial Tianjin,
a JdV by Hyatt Hotel,
Level 1, 18 Liujing Road,
Xiqing District,
Tianjin 300380, China



<https://www.facebook.com/profile.php?id=61579347692065&mibextid=LQQJ4d>



<https://www.instagram.com/lobbyloungejdvhyatt>



<https://xhslink.com/m/284lw54Vv3r>



<https://v.douyin.com/aL3ED35mKzU/>

Other Businesses

(a) **The Whisky Store**

The Whisky Store imports whiskies with over 20 brands from boutique distilleries in Scotland, Ireland and South Africa, independent bottlers and wholesalers in the United Kingdom, as well as other spirits and liquors. It also distributes on a wholesale basis to other bars, country clubs, hotels, restaurants, corporates and individuals who wish to purchase whiskies in volume, and offers online retail sales of whiskies. In addition, *The Whisky Store* provides long-term bottle storage for its customers.

The Whisky Store also engages in the acquisition of entire whisky casks for bottling under its own brand names, and obtaining exclusive 'single cask' whiskies that are not available elsewhere.

Its services extend to whisky enthusiasts seeking to procure casks or specific-label whiskies of distinct maturities not readily available in the market.

In 2025, *The Whisky Store* expanded its portfolio with the release of the SG60 Series — a collaborative effort between several local whisky bars and renowned distilleries in both Scotland and Ireland.



SG60 collection (6 bottles)



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



<https://whiskystore.com.sg/>



<https://www.instagram.com/thewhiskystore>

(b) Whisky Journey

The inception of our annual flagship event, *Whisky Journey*, was driven by the strategic objectives of enhancing distribution and retail sales, fostering greater engagement within the local whisky ecosystem, promoting awareness of our whisky outlets, and fortifying our enduring whisky legacy in Singapore. It also provides whisky enthusiasts with an opportunity to discover, explore and deepen their knowledge of the vast and exciting world of whisky.

Conceptualised in 2019, *Whisky Journey* 2025 featured over 40 whisky brands from across the globe, including Scotland, Japan, the USA and India. In celebration of Singapore's 60th birthday, the two-day exhibition at the Marina Bay Sands Expo and Convention Centre showcased local bars, SG60-exclusive releases, complimentary tastings, special bottle pricing, and masterclasses conducted by master distillers and whisky experts. It also featured the first-ever Japanese Whisky Panel Discussion with five leading Japanese whisky makers in Singapore.



(c) Events and collaborations

In 2025, we curated an exceptional lineup of events and collaborations, featuring exclusive whisky launches and landmark collaborations that connected the industry both locally and internationally. Key highlights included two new releases in our dedicated series for friends of Quaich Bar — The Islay Giant 4th Edition, Laphroaig 1992, and The Islay Giant 5th Edition, Bruichladdich 1992 — as well as one of the largest islandwide whisky collaborations to date: six exclusive single casks for SG60, produced with eight of Singapore's distinguished whisky bars and six renowned distilleries from Scotland and Ireland, alongside a special SG60 bottling by whisky legend Frank McHardy, Speyside 28YO.

Beyond whisky, we explored innovative collaborations at *Signature Reserve* including a seasonal menu with a Spanish restaurant, and with Lush Cosmetics on a Father's Day cocktail and production collection as well as co-branded events and promotions. The year was further marked by monumental milestones, including the 18th anniversary of *Quaich Bar*, celebrated with a special Bunnahabhain 16 Year Old Manilla Cask Finish, and the 20th anniversary of *The Whisky Store*, cementing 2025 as a year of innovation, collaboration, and growth.



The Islay Giant Laphroaig 32YO & Bruichladdich 33YO



Frank McHardy SG60 Speyside 28YO

Loyalty program – Quaich Bar Club

The Quaich Bar Club Membership rewards members with Quaich Star points on every purchase across all three *Quaich Bar* locations and *Signature Reserve*. In 2025, the program saw an increase in new memberships, reflecting growing interest, and we aim to continue expanding our member base in the year ahead. Members enjoy a range of exclusive benefits, including priority access to tasting sessions and the opportunity to purchase whiskies made available exclusively to members before being offered to the general public.

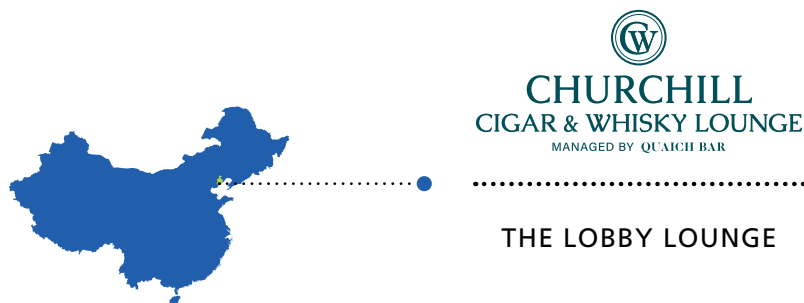
OUR PRESENCE

As at 31 March 2026

SINGAPORE



TIANJIN, CHINA

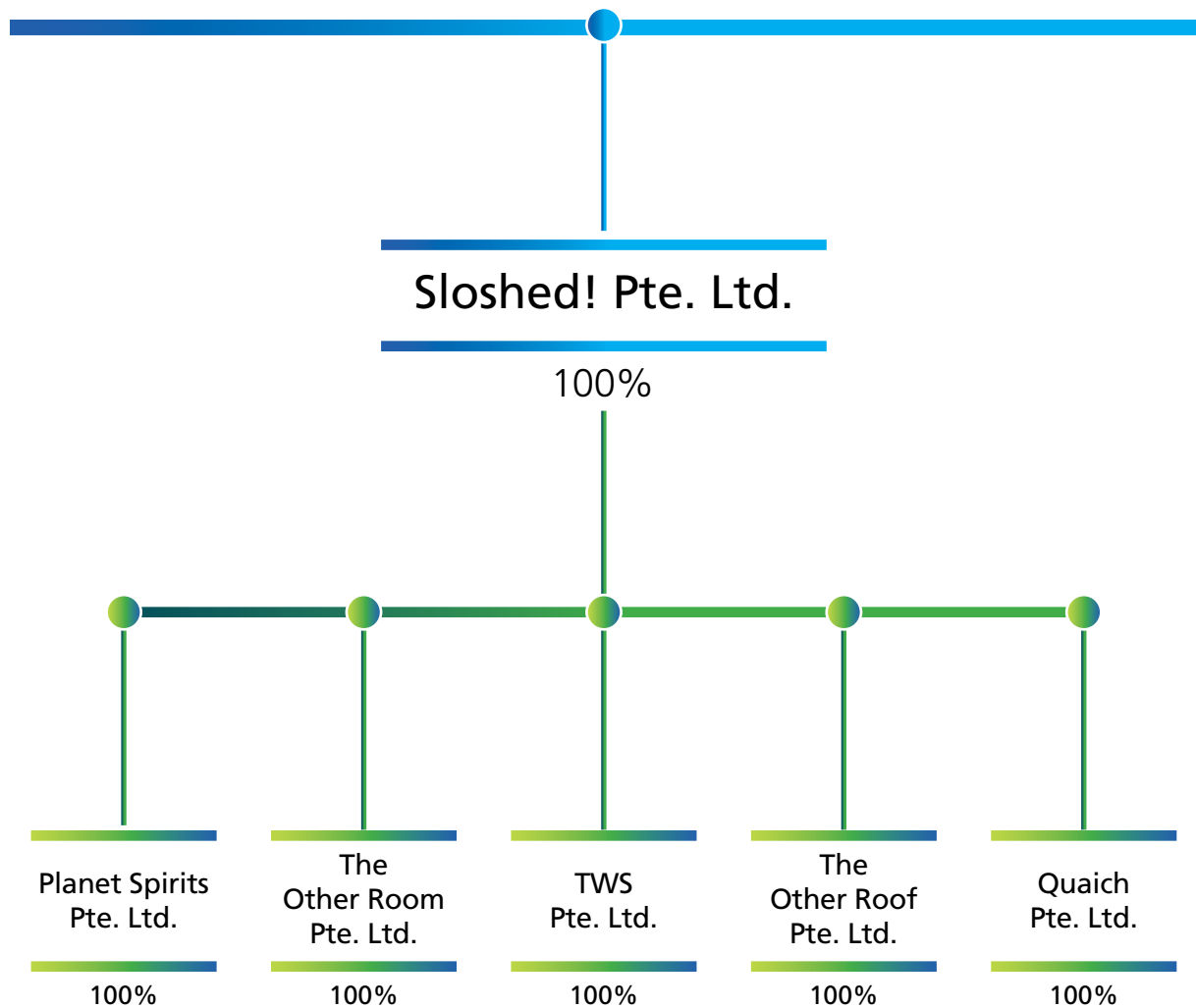


GROUP STRUCTURE

As at 31 March 2026



TSH Corporation Limited



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 2025 ("FY25").

The Group reported a 48% increase in its profit to \$1.3 million in FY25. This increase was primarily driven by higher revenue and reduction in expenses.

The revenue increased by \$0.9 million to \$12.6 million in FY25, attributed mainly to the increase in the revenue of the whisky and cocktail establishments and pre-order sales. The expenses decreased by \$0.1 million attributed to our prudent costs management but moderated mainly by the increase in manpower costs.

In FY25, we continued the cautious inventories procurement and maintained the inventories level at \$9.3 million to ensure resilience while committed to continue investing in premium whisky bottles and casks while collaborating with industry partners.

FY25 was a defining year for the Group, marked by our continued ability to balance tradition with innovation. Guided by our philosophy of curating rare and meaningful whiskies, we strengthened our role as a connector within the global whisky community. Through exclusive launches, milestone commemorations, and strategic collaborations, our offerings carried not only quality but also symbolic value rooted in friendship, heritage, and shared experiences.

During the year, we also achieved a significant milestone in our overseas expansion. As part of a strategic focus on growing our global footprint, we extended our experience in fine, boutique whiskies and award-winning cocktails into China, opening Churchill Cigar & Whisky Lounge and The Lobby Lounge in Tianjin. Both concepts are housed within The Perennial Tianjin, a JdV by Hyatt Hotel, allowing us to introduce a distinctive whisky and cocktail experience to an emerging market with strong growth potential.

Beyond bottlings, curated events remained integral to our business. These initiatives continue to foster whisky appreciation and strengthen industry ties. Creative collaborations across diverse industries added fresh dimensions to our offerings, delivering immersive experiences that complemented our core focus.

Our flagship event of the year, Whisky Journey 2025, featuring over 40 esteemed brands from around the world, including Scotland, Japan, the United States, and India, showcased our ability to unite enthusiasts, brands, and communities in celebration of the spirit we all share. Notably, the first-ever Japanese Whisky Panel Discussion was held in Singapore, led by the House of Suntory and featuring five leading Japanese whisky makers.

While being mindful of the challenges affecting the nightlife and F&B industries, we remain cautious about the overall business outlook. To drive growth, the Group will pursue organic revenue opportunities alongside acquisitions, partnerships, and alliances, while exploring new markets with long-term potential. At the same time, disciplined cost management will remain a key priority to safeguarding our resilience and ensuring sustainable performance.

DIVIDEND

The Board is pleased to recommend a final dividend (tax exempt one-tier) of 0.5 cent per share. This proposal reflects our commitment to reward shareholders for their continued support and trust in the Group.

ACKNOWLEDGEMENTS

On behalf of the Board, we extend our sincere appreciation to the entire TSH team for their dedication, diligence, and value contributions throughout the year. We also wish to express our heartfelt gratitude to our Board members, valued customers, vendors, business partners, and shareholders for their steadfast trust and support.

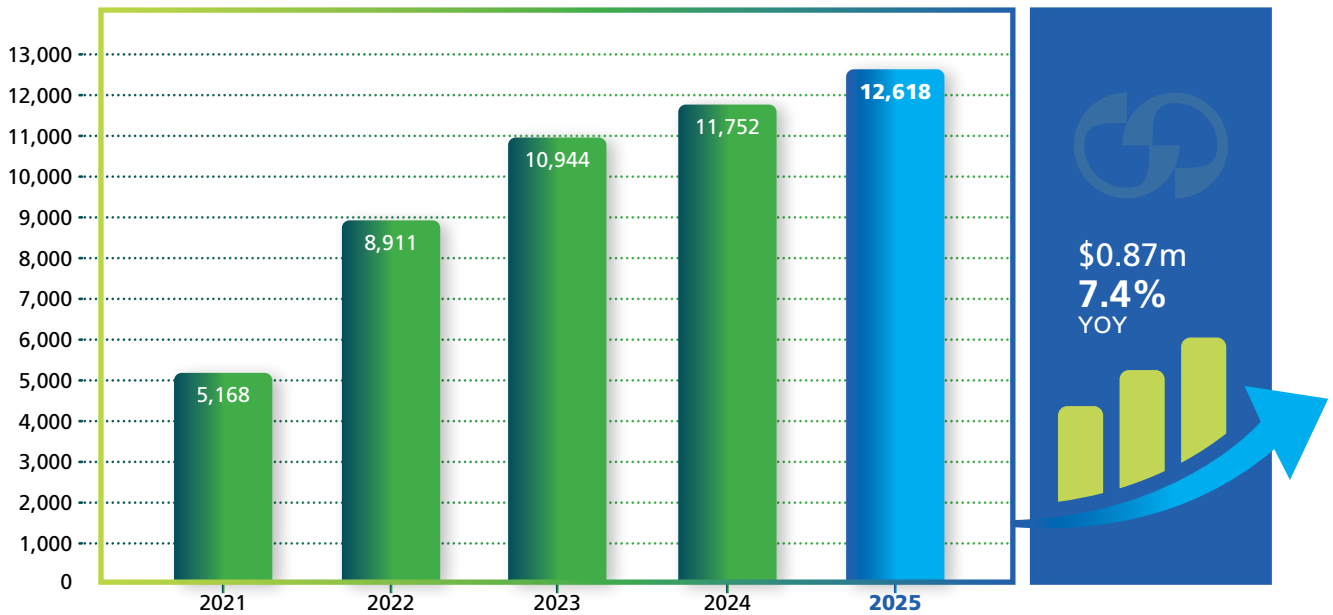
We look forward to continuing this strong partnership with all stakeholders in the years ahead.

Dr Yu Lai Boon
*Chairman of the Board and
Non-Executive Independent Director*

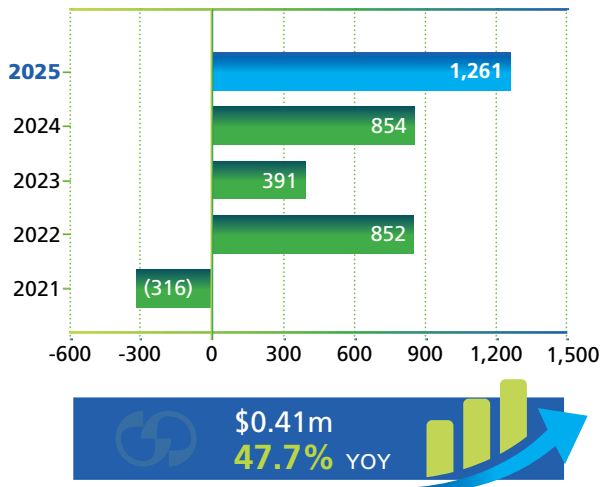
Chua Khoon Hui
*CEO and
Executive Director*

GROUP FINANCIAL HIGHLIGHTS

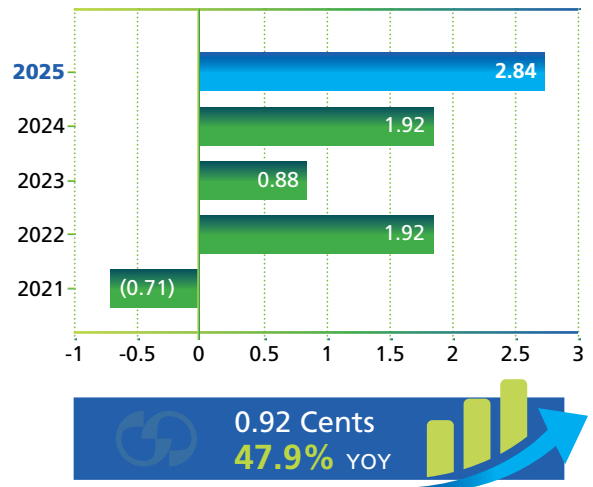
Revenue (S\$'000)



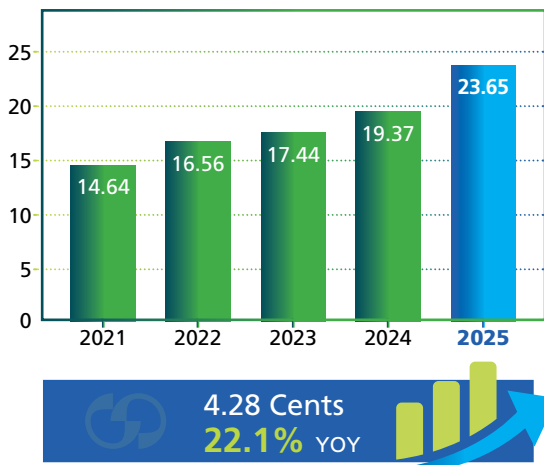
Profit/(Loss) for the year (S\$'000)



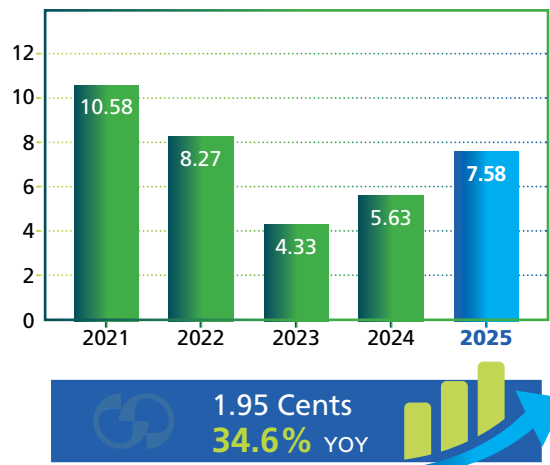
Earnings/(Loss) per share - basic (Cents)



Net assets value per share (Cents)



Cash per share (Cents)



GROUP FINANCIAL HIGHLIGHTS

	2025	2024	2023	2022	2021
Income Statement (\$S'000)					
Revenue	12,618	11,752	10,944	8,911	5,168
Gross profit	9,285	8,744	8,150	6,741	3,717
Profit/(Loss) before tax	1,292	866	398	912	(295)
Profit/(Loss) for the year	1,261	854	391	852	(316)
Balance Sheet (\$S'000)					
Plant and equipment	67	170	267	84	90
Right-of-use assets	2,278	1,357	2,821	2,505	418
Inventories	9,272	9,275	9,019	7,381	5,460
Cash and cash equivalents	3,362	2,499	1,922	3,668	4,692
Other assets	1,088	792	1,095	887	839
Total assets	16,067	14,093	15,124	14,525	11,499
Equity	10,489	8,591	7,738	7,346	6,494
Borrowings	54	699	1,330	1,947	2,500
Other liabilities	5,524	4,803	6,056	5,232	2,505
Total equity and liabilities	16,067	14,093	15,124	14,525	11,499
Financing Ratios					
Earnings/(Loss) per share - basic (cents)	2.84	1.92	0.88	1.92	(0.71)
Net assets value per share (cents)	23.65	19.37	17.44	16.56	14.64
Cash per share (cents)	7.58	5.63	4.33	8.27	10.58
Gearing ratio (times)	0.17	0.26	0.41	0.32	0.05
Return on equity (%)	12.0%	9.9%	5.1%	11.6%	(4.9%)
Return on total assets (%)	7.8%	6.1%	2.6%	5.9%	(2.7%)

BUSINESS REVIEW

BACKGROUND

TSH Corporation Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") are principally engaged in the business of operating a multi-concept chain of whisky and cocktail establishments, importation and distribution of spirits and wines, and organisation of alcohol beverage-related events.

PROFIT AND LOSS

Revenue

The revenue for FY25 increased by \$0.87 million or 7.4% to \$12.62 million from \$11.75 million in FY24 due mainly to higher outlet and pre-order sales.

Gross Profit and Margin

The gross profit for FY25 increased by \$0.54 million or 6.2% to \$9.28 million from \$8.74 million in FY24, in line with the increase in revenue. The gross margin for FY25 reduced marginally by 0.8 percentage points to 73.6% from 74.4% in FY24.

Other Income

The other income for FY25 decreased by \$0.20 million or 45.1% to \$0.24 million from \$0.45 million in FY24 due mainly to the decrease in government grants and sponsorship income from suppliers.

General and Administrative Expenses

The general and administrative expenses for FY25 increased by \$0.30 million or 4.9% to \$6.31 million from \$6.02 million in FY24 due mainly to the increase in manpower costs.

Selling and Distribution Costs

The selling and distribution costs for FY25 decreased by \$0.09 million or 27.2% to \$0.24 million from \$0.33 million in FY24 due mainly to cost savings associated with marketing activities, reduction in promotional events and marketing activities targeted to create awareness, but was moderated by an increase in travelling expenses to explore and develop overseas market.

Other Operating Expenses

The other operating expenses for FY25 decreased by \$0.23 million or 12.8% to \$1.56 million from \$1.79 million in FY24 due mainly to the decrease in impairment of right-of-use assets ("**ROUA**") of non-performing outlets and the decrease in depreciation of ROUA following the impairment made in FY24.

Finance Costs

The finance costs for FY25 decreased by \$0.07 million or 34.0% to \$0.13 million from \$0.20 million in FY24 due mainly to lower average lease liabilities balance in FY25.

Profit Before Taxation

The profit before tax for FY25 increased by \$0.43 million or 49.2% to \$1.29 million from \$0.87 million in FY24 due mainly to the increase in gross profit and the decrease in other operating expenses, but moderated by the increase in the general and administrative expenses and the decrease in other income.

Profit For the Year

Consequently, the net profit for FY25 increased by \$0.41 million or 47.7% to \$1.26 million from \$0.85 million in FY24.

FINANCIAL POSITION

Non-Current Assets

The non-current assets as at 31 December 2025 increased by \$0.83 million or 47.7% to \$2.58 million from \$1.75 million as at 31 December 2024 due mainly to the following:

- a) Increase in ROUA by \$0.92 million or 67.8% to \$2.28 million as at 31 December 2025 from \$1.36 million as at 31 December 2024 due mainly to additions of ROUA attributed to renewal of certain leases, but moderated by the depreciation and impairment in FY25; and
- b) Decrease in plant and equipment by \$0.10 million or 60.7% to \$0.07 million as at 31 December 2025 from \$0.17 million as at 31 December 2024 due mainly to the depreciation and impairment in FY25.

Current Assets

The current assets as at 31 December 2025 increased by \$1.14 million or 9.2% to \$13.48 million from \$12.34 million as at 31 December 2024 due mainly to additions of ROUA attributed to the increase in cash and cash equivalents and trade and other receivables. The trade and other receivables increased by \$0.28 million or 49.2% to \$0.85 million as at 31 December 2025 from \$0.57 million as at 31 December 2024 due mainly to the increase in advance to suppliers, prepaid expenses, and trade debtors in line with the increase in activities.

Current Liabilities

The current liabilities as at 31 December 2025 decreased by \$0.79 million or 17.6% to \$3.72 million from \$4.51 million as at 31 December 2024 due mainly to the following:

- a) Decrease in bank borrowing by \$0.59 million or 91.6% to \$0.05 million as at 31 December 2025 from \$0.65 million as at 31 December 2024 due to repayments in FY25;
- b) Decrease in trade and other payables by \$0.19 million or 8.5% to \$2.00 million as at 31 December 2025 from \$2.19 million as at 31 December 2024 due mainly to an amount due to a shareholder irrevocably forgiven (refer to "Retained Earnings" below for more details), but moderated mainly by the increase in accrued operating expenses in line with the increase in activities;
- c) Decrease in lease liabilities by \$0.13 million or 9.2% to \$1.26 million as at 31 December 2025 from \$1.39 million as at 31 December 2024 attributed to certain leases expiring in 2026; and partially offset by
- d) Increase in contract liabilities by \$0.11 million or 48.0% to \$0.33 million as at 31 December 2025 from \$0.22 million as at 31 December 2024 due mainly to advance received from customers for pre-order sales.

Non-Current Liabilities

The non-current liabilities as at 31 December 2025 increased by \$0.87 million or 87.5% to \$1.86 million from \$0.99 million as at 31 December 2024 due mainly to the increase in lease liabilities. The lease liabilities increased by \$0.92 million or 102.0% to \$1.82 million as at 31 December 2025 from \$0.90 million as at 31 December 2024 due mainly to the renewal of certain leases as mentioned above.

Retained Earnings

The retained earnings of the Group as at 31 December 2025 increased by \$1.90 million or 73.9% to \$4.47 million from \$2.57 million as at 31 December 2024. The increase was attributable to (i) the profit for the year of \$1.26 million and (ii) debt forgiveness of \$0.64 million due to a shareholder, who is also the Non-Executive Non-Independent Director of the Company, namely Mr Teo Kok Woon ("Mr Teo"), which was charged directly to retained earnings. The interest-free advance was extended by Mr Teo to a subsidiary, The Other Roof Pte. Ltd.¹, to set up an outlet, The Other Roof, in 2018. The outlet has since ceased operations in 2023.

Note 1: Please refer to the Company's circular dated 31 December 2018 relating to the reverse acquisition of Sloshed! Pte Ltd for information on the interest-free advance from Mr Teo.

CASH FLOWS

Cash and Cash Equivalents

The cash and cash equivalents as at 31 December 2025 increased by \$0.86 million or 34.5% to \$3.36 million from \$2.50 million as at 31 December 2024 due to the net cash flows generated from operating activities of \$3.20 million, but moderated by the net cash used in investing and financing activities totalling \$2.33 million.

Operating Activities

The net cash generated from operating activities of \$3.20 million was attributed mainly to the operating cash flows before changes in working capital of \$2.96 million and the increase in trade and other payables, contract liabilities and provisions of \$0.54 million, but moderated by the increase in trade and other receivables of \$0.30 million.

Investing Activities

The net cash used in investing activities of \$0.01 million was related to the payments made for the purchase of plant and equipment.

Financing Activities

The net cash used in financing activities of \$2.32 million was attributed to the repayment of principal portion of lease liabilities of \$1.55 million, repayment of bank borrowing of \$0.65 million, and the payment of interests of \$0.12 million.

The Group is cautious about the business outlook, given the challenges faced by nightlife and F&B industry, and continues to explore ways to strengthen its revenue organically, or through acquisitions, partnerships, collaborations and strategic alliances. Concurrently, the Group will assess new markets with long-term growth potential, while maintaining disciplined cost management to ensure resilience and sustainable performance.

BOARD OF DIRECTORS

Dr. Yu Lai Boon

Non-Executive Chairman and Independent Director

Board Committees served	Chairman of AC and RC and a member of NC
Date of first appointment as Director	16 November 2018
Date of last re-election as Director	24 April 2023
Length of service as a director (as at 31 December 2025)	7 years 1 month
Present directorships in other listed companies (as at 31 December 2025)	OTS Holdings Limited
Past directorships in other listed companies (within the last 5 years from 31 December 2025)	Koufu Group Limited
Other present principal commitments	Nil

Dr. Yu has over 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 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 National University of Singapore. He also holds a Doctor of Philosophy degree in Urban Land Economics from University of Aberdeen in Scotland. He is a member of Singapore Institute of Surveyors and Valuers.

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

Board Committees served	Nil
Date of first appointment as director	7 February 2019
Date of last re-election as director	29 April 2025
Length of service as a director (as at 31 December 2025)	6 years 10 months
Present directorships in other listed companies (as at 31 December 2025)	Nil
Past directorships in other listed companies (within the last 5 years from 31 December 2025)	Nil
Other present principal commitments	Nil

Mr. Chua KH 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 KH was with the Audit Division of KPMG LLP between 1999 and 2001. Between 2002 to 2005, he operated several food and beverages businesses 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 lifestyle business today.

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

Mr. Chua Khing Seng

Non-Executive Independent Director

Board Committees served	Chairman of NC and a member of AC and RC
Date of first appointment as director	18 July 2024
Date of last re-election as director	29 April 2025
Length of service as a director (as at 31 December 2025)	1 year 5 months
Present directorships in other listed companies (as at 31 December 2025)	Nil
Past directorships in other listed companies (within the last 5 years from 31 December 2025)	Nil
Other present principal commitments	Director of Sail Playhouse Pte Ltd Director of Sail Early Intervention Pte Ltd

Mr. Chua KS has over 30 years of managerial and C-suite experiences in diverse sectors covering computer systems and software development, logistics and financial institutions. Mr. Chua KS was with NEC Singapore Pte Ltd from 1984 to 1988 where he held different positions in the Channel Sales and System Sales Divisions. He later joined Singapore Technologies Industrial Corporation as Manager in the Business Development Department and was posted to its Japan subsidiary as the Representative Director of Singapore Technologies Industrial K. K. (Japan) between 1989 and 1990. From 1990 to 1994, he joined Standard Chartered Bank as Manager of the Cross Border Investment Unit and later served as Senior Account Relationship Manager in the Corporate Banking Division. Between 1994 and 1999, Mr. Chua KS held regional director roles at the Singapore Economic Development Board, focusing on international business development, particularly in China and Japan.

In 1999, he transitioned to logistics, joining Yusen Logistics (Singapore) Pte Ltd, where he advanced from General Manager and Chief Information Officer to Director of South Asia & Oceania Region and Logistics & Sea Freight Business, and later becoming the Managing Director of Singapore in 2005. In 2013, Mr. Chua KS joined Yamato Transport (S) Pte Ltd as Vice President, Regional HQ, and served as Managing Director & Group CEO of Yamato Asia Pte Ltd between 2014 and 2021. Concurrently, he was also an Executive Officer at Yamato Holdings Co., Ltd. Between 2016 and 2021, Mr. Chua KS was assigned to GDEX Bhd., a Bursa listed company, as a Non-Executive Non-Independent Director when Yamato Holdings Co., Ltd acquired substantial shares in GDEX Bhd. Mr. Chua KS was appointed as an Independent Director of Pick Network Pte Ltd, a subsidiary of the Infocomm Media Development Authority of Singapore between 2020 and 2024.

Mr. Chua KS is currently an Executive Director of Sail Playhouse Pte Ltd and Sail Early Intervention Pte Ltd, both of which are involved in the nursery, kindergarten and early intervention development and education business.

Mr. Chua KS holds a Bachelor of Engineering (Mechanical Engineering) degree from Tokyo Institute of Technology, Japan.

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

Board Committees served	Member of AC, NC and RC
Date of first appointment as Director	11 August 2006
Date of last re-election as Director	29 April 2024
Length of service as a director (as at 31 December 2025)	19 years 4 months
Present directorships in other listed companies (as at 31 December 2025)	Nil
Past directorships in other listed companies (within the last 5 years from 31 December 2025)	Nil
Other present principal commitments	Chairman of Cockpit International Pte. Ltd. Group Executive Director of Goodearth Realty Private Limited

Mr. Teo has approximately 31 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 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.

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 and types of companies 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. The businesses involved were distribution and repair services of aircraft parts, homeland security services, events management, research and development, manufacturing, distribution and retailing of consumer electronic products, and property development. The operations spanned across 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 involved in the reverse acquisition of Slosed! Pte Ltd, which focuses on the food and beverages business, and was re-appointed as the Group CFO in February 2019.

Mr. Ng is a Fellow of Association of Chartered Certified Accountants and Institute of Singapore Chartered Accountants. He holds an MBA as well as a Graduate Certificate in Real Estate Finance from National University of Singapore. He also holds a 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 2018 (the “**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 Code aims to promote high levels of corporate governance by putting forth Principles of good corporate governance and Provisions with which companies are expected to comply. The Practice Guidance complements the Code by providing guidance on the application of the Principles and Provisions and setting out best practices for companies.

This report on corporate governance summarises the Company’s practices of the Code (this “**Report**”). The Board confirms that the Company had, for the financial year ended 31 December 2025 (“**FY25**”), complied with and observed the Principles as set out in the 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 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 executive officers and the Directors. Where a Director has any conflict of interest arise during the meeting, he shall disclose his interest and recuse himself 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 are familiar with 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 at all times considers the best interests of the Group. The Directors attend other trainings, conferences and seminars that are relevant to their duties and contributions 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 courses on the roles and responsibilities of a listed company director as prescribed by the SGX-ST, in accordance to Rule 406(3)(a) of the Catalist Rules, and all Directors have completed the mandatory training on sustainability matters as prescribed under Rule 720(6) of the Catalist Rules.

There was no director appointed in FY25.

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 personnel ("KMP").

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 subsequent sections 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 - continuedProvision 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 FY25, 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 they had been passed at the Directors' meeting.

The number of Board meetings and Board Committee meetings and general meetings held in FY25 and the attendance of each Board member at those meetings are as follows:

	Board	Audit Committee	Remuneration Committee	Nominating Committee	AGM
No. of meetings held	2	2	1	1	1
	No. of meetings attended				
Dr Yu Lai Boon	2	2	1	1	1
Mr Chua Khoon Hui	2	N.A.	N.A.	N.A.	1
Mr Teo Kok Woon	2	2	1	1	-
Mr Chua Khing Seng	2	2	1	1	1

Note:

N.A. : Not applicable

All Directors update and declare their board appointments to the Board and the Company Secretary. When a Director has multiple board representations, the NC considers whether the Director is able to and has adequately carried out his 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 representations, 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 is provided with timely, adequate and complete information, enabling Directors to engage in meaningful discussions for decision-making in the best interests of the Company. The Chief Executive Officer ("**CEO**") provides the Board with business updates from time to time. For other matters requiring the Board's decision making, Directors receive sufficient background and explanatory information on financial, business and corporate 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 and/or their representatives attend all Board and Board Committee meetings and assist 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 of risk management and the key changes in relevant regulatory requirements and accounting standards. In FY25, the Directors received updates on changes to relevant laws, regulations and Singapore Financial Reporting Standards (International) by the external auditor, 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

As at date of this Report, 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 Chua Khing Seng	(Non-Executive Independent Director)
Mr Teo Kok Woon	(Non-Executive Non-Independent Director)

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.

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 definition and circumstances as provided in the Code, Practice Guidance to the Code and Rule 406(3)(d) of the Catalist Rules. The Board and NC consider a Director to be "independent" as one who has no relationship with the Company, its related corporations, substantial shareholders or officers, which could interfere or be perceived to interfere with the Directors' independent judgment with a view to the best interests of the Group.

A. BOARD MATTERS - continuedProvision 2.1 – Board Independence - continued

The NC had reviewed the declaration of independence of each Independent Director for FY25 and was satisfied that they are considered independent in view of the following:

- (a) the Independent Directors: (i) are not employed or have been employed by the Company or any of its related corporations in the current or any of the past three financial years; and (ii) do not have 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;
- (b) none of the Independent Directors has been appointed for an aggregate period of more than nine (9) years (whether before or after listing);
- (c) none of the Independent Directors and their immediate family members had, in the current or immediate past financial year, (i) 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) aggregated over any financial year in excess of S\$50,000, other than compensation for the board service; or (ii) 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) aggregated over any financial year in excess of S\$200,000.
- (d) none of the Independent Directors is, or has been directly associated with, a substantial shareholder of the Company, in the current or immediate past financial year.

The Board concurred with the aforementioned independence review of the NC.

Provision 2.2 - Majority Independent Directors where Chairman is not independentProvision 2.3 - Majority Non-Executive Directors in a BoardProvision 2.4 - Board composition and diversity

As the Chairman of the Board is independent, Provision 2.2 does 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 Board is of the opinion that the current Board size of four (4) Directors is appropriate to facilitate effective decision making, taking into account the current scale and nature of the Group's operations and the requirements of its business. The Board is further of the view that the current members of the Board, collectively as a group, provide 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, business management and relevant industry knowledge and strategic planning experience. The age profiles of the Board are spread across two (2) age groups of 50 to 59 years and 60 to 69 years old.

The Board has always placed diversity as an agenda in strengthening the performance of the Board and its Board Committees. The 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.

A. BOARD MATTERS - *continued*

Provision 2.2 - Majority Independent Directors where Chairman is not independent - *continued*

Provision 2.3 - Majority Non-Executive Directors in a Board - *continued*

Provision 2.4 - Board composition and diversity - *continued*

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. As the Company is exploring new markets for long-term growth, the Board hope to have at least one director with operational experience in the areas that are relevant to the Group. 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, when identifying suitable candidates for the Board renewal process. Although the Board does not currently have a female director, the Board and NC will continue to ensure that female candidate(s) are included for consideration as and when a vacancy arises.

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

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 Non-Executive Chairman of the Board and Independent Director while Mr Chua Khoon Hui ("Mr Chua KH") 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; and
- (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.

A. BOARD MATTERS - continued

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

Provision 3.2 – Role of the Chairman and the CEO - continued

The CEO is responsible for formulating corporate strategies for the Group as well as day-to-day management, ensuring that its operations run smoothly and overseeing the business development activities, sales, 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 comprise mainly Independent Directors, the Board believes that there is a sufficiently strong element of independence on the Board and that adequate safeguards are in place to prevent a concentration of power and authority in any one individual.

Provision 3.3 – Lead Independent Director

The Chairman is independent with each Board Committee chaired and led by an Independent Director. 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, the appointment of a Lead Independent Director as set out in Principle 3.3 of the 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.

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 Chua Khing Seng (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;
- (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 FY25, the NC performed the aforementioned activities.

A. BOARD MATTERS - *continued*

Provision 4.3 – Board renewal

Provision 4.4 – Independence review of Directors

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 factors and select the appropriate candidate for the position.

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.

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 (3) 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. 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 will be retiring pursuant to Regulation 107 of the Constitution and being eligible for re-election, has offered himself for re-election at the forthcoming AGM. Dr Yu will, upon re-election as a Director, remain as Non-Executive Chairman, Independent Director, Chairman of the Audit Committee and Remuneration Committee, and a member of the Nominating Committee. Pursuant to Rule 720(5) of the Catalist Rules, detailed information on Dr Yu who is seeking re-election at the AGM can be found under the "Disclosure of Information on Director Seeking Re-election" section of this 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 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 Director, namely Dr Yu and Mr Chua Khing Seng ("Mr Chua KS"), based on the criteria of independence defined in the 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 Chua KS, or that would render them not independent, in acting in the best interests of the Group. Dr Yu and Mr Chua KS had abstained from deliberations in respect of assessment of their own independence.

A. BOARD MATTERS - continuedProvision 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 Kok Woon who is a Non-Executive 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 this Annual Report for the profiles of the Directors, including their listed company directorships and principal commitments. The shareholdings of the individual Directors of the Company are set out in the Directors' Statement of the "Financial Statements" section of this Annual Report.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

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 FY25, 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 FY25 and is of the view that the performance of the Board as a whole and each individual Director was satisfactory and continues to contribute effectively and demonstrate commitment to their appointed role.

A. BOARD MATTERS - *continued*

Provisions 5.1 and 5.2 – Board evaluation process - *continued*

There was no change in the process of evaluation in FY25.

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 FY25. 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 RC comprises the following Non-Executive Directors, majority of whom including the Chairman are independent:

Dr Yu Lai Boon (Independent Director)	(Chairman)
Mr Chua Khing Seng (Independent Director)	(Member)
Mr Teo Kok Woon (Non-Independent Director)	(Member)

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 framework of remuneration and implementation of formal and transparent processes by which the remuneration packages of all the Executive Directors (in the form of service agreements) and the KMPs (in terms of aggregate remuneration) for recommendation 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 Directors and KMPs and review their eligibility for benefits under the schemes.

In FY25, the RC has duly performed the aforementioned activities.

Provision 6.3 – Remuneration framework

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 forthcoming AGM.

B. REMUNERATION MATTERS - continuedProvision 6.4 – Remuneration consultant

The RC has access to professional advice from experts outside the Company on remuneration matters for Directors and KMPs as and when necessary. No remuneration consultants were engaged by the Company in FY25.

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.

The RC considers the Group's relative performance, the contributions and responsibilities of the individual Executive Director and KMPs 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 KH, 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 KH shall be automatically renewed on a year-to-year basis on such terms and conditions as the parties may agree. Mr Chua KH's employment was renewed in February 2025. The remuneration of Mr Chua KH 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 KH.

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 are subject to approval 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.

B. REMUNERATION MATTERS - *continued*

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.

At the AGM held on 24 April 2023, shareholders approved the adoption of the TSH Performance Share Plan 2023 (“TSH PSP 2023”) and is subject to a maximum period of 10 years commencing on the date of adoption. The TSH PSP 2023 is a share incentive scheme that grants fully paid shares to (i) Non-Executive Directors as part of their remuneration in lieu of cash or, where the RC deems appropriate, to give recognition to their contributions to the success and development of the Group and (ii) employees whose contributions are essential to the long-term growth and profitability of the Group, and to give recognition to outstanding employees who have contributed to the success and development of the Group. The TSH PSP 2023 provides an opportunity for the employees and Non-Executive Directors to have a personal equity interest in the Company and will help to achieve positive objectives for long-term success of the Group.

The TSH PSP 2023 is based on the principle of pay-for-performance and under the TSH PSP 2023, the RC, in consultation with the Executive Director, will determine the performance conditions that employees (including the Executive Director) shall fulfil, upon which they may be awarded shares. As employees work towards attaining such performance conditions, which can be tied to the financial performance or results of the Company, an anticipated award of shares can provide additional motivation for employees to achieve or exceed such performance conditions, thereby aligning the employees’ interests with the positive performance and long-term success of the Group.

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 of remedies against the Executive Director in the event of such breach of fiduciary duties. The RC will review such contractual provisions 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**(a) Directors and CEO**

In accordance with Rule 1204(10D) of the Catalist Rules, a breakdown of the remuneration paid/payable to each Director and the CEO by the Company and its subsidiaries in FY25 is as follows:

<i>Name of Director and CEO</i>	<i>Fee¹</i>	<i>Salary²</i>	<i>Bonus²</i>	<i>Other Benefits</i>	<i>Total</i>
	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>
Chua Khoon Hui	—	308,604	73,020	—	381,624
Dr Yu Lai Boon	45,000	—	—	—	45,000
Chua Khing Seng	35,000	—	—	—	35,000
Teo Kok Woon	—	—	—	—	—

Notes:

¹ The fees are subject to approval by shareholders at the forthcoming AGM.

² The salary and bonus amounts are inclusive of employer's contribution for Singapore Central Provident Fund ("CPF").

(b) Key Management Personnel

The Code recommends the Company to disclose the names, amounts and breakdown of remuneration of at least the top five (5) KMPs, who are not directors or CEO of the Company. For FY25, 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>Name of KMP (designation)</i>	<i>Fee</i>	<i>Salary¹</i>	<i>Bonus¹</i>	<i>Other Benefits</i>	<i>Total</i>
	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>
Between S\$250,001 and S\$500,000					
Ng Kim Chew (Group CFO)	—	81.3	18.7	—	100
Below S\$250,000					
New Kheng Tiong (Director, HR and Admin)	—	100.0	—	—	100
Ng Pei Wah (Director, Operations)	—	81.5	18.5	—	100

Note:

¹ The salary and bonus amounts are inclusive of employer's contribution for CPF.

There were no termination, retirement and post-employment benefits granted to any Directors or KMPs during FY25, and there are no termination, retirement and post-employment benefits that may be granted to the KMPs.

B. REMUNERATION MATTERS - *continued*

Provision 8.1 – Disclosure of remuneration - *continued*

(b) Key Management Personnel - *continued*

The Board is of the opinion that it is not in the best interests of the Company or its shareholders to disclose the aggregate remuneration paid/payable to the KMPs due to commercial sensitivity reasons, which may adversely affect talent attraction and retention. Despite its deviation from Provision 8.1(b) of the Code, the Board is of the view that the Company has provided a high level of transparency on remuneration matters, as information on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation had been disclosed in detail in the preceding sections of this Report. Further, the disclosure of remuneration bands no wider than S\$250,000 and a breakdown of the level and mix of remuneration, aligns with the intent of Principle 8 of the Code, is sufficient to enable shareholders to understand Company's remuneration policies in relation to its KMPs.

Provision 8.2 – Remuneration of related employees

Ms Ng Pei Wah, Director, Operations of the Group, is the spouse of Mr Chua KH, CEO and Executive Director. Her remuneration for FY25 was in the band of S\$200,001 to S\$250,000.

The remuneration of related employee is reviewed annually by the RC and Board to ensure that their remuneration packages are 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 exceeded 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. No share awards were granted to any Group Employees and Non-executive Directors under the TSH PSP 2023 in FY25 and since its adoption on 24 April 2023.

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 auditor was tasked to review key internal controls and highlight any significant matters to the AC and the Board.

C. ACCOUNTABILITY AND AUDIT - *continued*

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, Group CFO and the other KMPs have provided assurance regarding the adequacy and effectiveness of the Group’s risk management and internal control systems.

The Board and 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

As at the date of this Report, 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 Chua Khing Seng (Independent Director)	(Member)
Mr Teo Kok Woon (Non-Independent Director)	(Member)

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 auditor, RSM SG Assurance LLP (“RSM”).

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. 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*

- (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 auditor, 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 auditor provides 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 auditor;
- (f) recommending to the Board the nomination for appointment, re-appointment and removal of the external auditor and the terms of engagement and the 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 FY25, the AC met two (2) times. Details of the members' attendance at AC meetings in FY25 are provided under Provision 1.5 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. The AC's objectives are to ensure that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. The AC is responsible for the oversight and monitoring of whistleblowing matters and reports to the Board. Safeguards are in place in the whistleblowing policy to allow whistleblowing reports to be made in good faith and that the identity of the whistleblower is kept confidential.

The AC performed the following functions in FY25:

(a) External Auditor

The AC reviewed together with the external auditor:

- (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.

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 is kept abreast by the external auditor 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 auditor raises 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 FY25 audit results presented by the external auditor, there was no significant issue which has a material impact to the financial results of the Group raised by the external auditor except for the Key Audit Matters (the "KAM") which had been included in the Independent Auditor's Report of the "Financial Statements" section of this Annual Report.

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

The AC considered the report from the external auditor, including the findings on the significant risks and audit focus areas. Significant matters that were discussed with Management and the external auditor have been included as the KAM in the audit report for FY25. 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.

The AC constantly bears in mind the need to maintain a balance between independence and objectivity of the external auditor and the work carried out by the external auditor based on value for money considerations. The aggregate amount of fees payable to the external auditor for audit and non-audit services for the financial period from 1 January 2025 to 31 December 2025 amounted to S\$131,000 and S\$Nil respectively.

The AC conducted a review of the nature and extent of non-audit services provided by the external auditor for FY25 to satisfy itself that such services do not prejudice the independence and objectivity of the external auditor.

The AC monitors the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditor. For FY25, the AC also received the Audit Quality Indicators as presented by the external auditor. The AC gives its recommendations to the Board and the Company regarding the appointment, re-appointment or removal of the external auditor. The AC, having reviewed the adequacy of resources and experience of the firm, the assigned audit engagement partner, other audit engagements, size and nature of the Group, and the number and experience of supervisory and professional staff assigned to the audit, is satisfied that RSM is a suitable audit firm to meet the audit requirements and statutory obligation of the Group. The AC has recommended to the Board the re-appointment of RSM as the Company's external auditor 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 FY25, 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. 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*

(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 and that the transactions are conducted on an arms' length basis for review by the AC.

There was no interested party transaction entered into with value more than S\$100,000 in FY25. The Company does not have a general mandate for interested person transactions pursuant to Rule 920 of the Catalist Rules.

(d) Internal Auditor

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.

The Company outsources its internal audit function to Foo Kon Tan Advisory Services Pte Ltd ("FKT"). The internal audit was led by a Partner who holds the Certified Internal Auditor qualification from the Institute of Internal Auditors and has over 22 years of internal audit and risk advisory experience. The primary reporting line of the internal auditor is to the AC and the AC decides on the appointment, evaluation, termination and remuneration of the internal auditor. The internal auditor has unfettered access to all the Group's documents, records, properties and personnel, including access to the AC.

The AC has reviewed and confirmed that FKT 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 auditor is 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 auditor to perform its function.

The internal auditor completed the internal audit assessment for FY25 in accordance with the internal audit plan approved by the AC. The Board has adopted the recommendations of the internal auditor 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.

The AC will meet with the internal and external auditors without the presence of Management at least once annually. During FY25, the AC met twice with internal and external auditors without the presence of Management.

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 14 calendar days or 21 calendar days (as the case may be) before the meeting. 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. Directors and Chairman of the AC, RC and NC will attend the general meetings to address questions from shareholders, including those relating to the functions of the Board Committees. The external auditor will also be present to address shareholders' queries on the conduct of audit and the preparation and content of the auditor's report. The attendance of the Directors at the AGM held on 29 April 2025 is set out under Provision 1.5 of this Report above.

The Company ensures that separate resolutions are proposed at general meetings for 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 provides an explanation of the reasons and material implications in the notice of meeting. All items of Special Business included in the Notice of AGM dated 14 April 2025 were accompanied by explanatory notes to provide shareholders with clear and comprehensive information to support their decision-making.

To enhance Shareholder's participation and in adherence of the Catalist Rules, resolutions put forth at the general meetings are voted by poll. Voting results of all votes cast for and against each resolution and the respective percentages will be announced via SGXNet. Independent scrutineer is appointed to oversee the voting process at the AGM to ensure satisfactory procedure of the voting process in place before the AGM while a poll counting agent is appointed to count the votes cast through proxy and in person at the AGM. The independent scrutineer direct and supervise the counting of votes at the AGM.

If any shareholders are unable to attend the general meetings of the Company, he/she (who is not a relevant intermediary) is allowed to appoint up to two (2) proxies to vote on his/her behalf at the general meeting through proxy form sent in advance. Relevant intermediary includes the provision of nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors and are entitled to appoint more than two (2) proxies to attend, speak and vote at the Company's forthcoming AGM provided that each proxy is appointed to exercise the rights attached to different shares held by shareholders. 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 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 forthcoming 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. Shareholders will have the option to appoint Chairman of the AGM as proxy at the forthcoming AGM of the Company.

D. SHAREHOLDER RIGHTS AND ENGAGEMENT - *continued*

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 (1) month from the date of the meeting or as soon as practicable.

Minutes of the AGM held on 29 April 2025 were published on SGXNet and the Company's website on 23 May 2025.

Provision 11.6 – Dividend policy

The Board notes that Provision 11.6 of the Code sets out that the Company should have a dividend policy and communicate 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 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.

For FY25, the Company had declared a final dividend (tax exempt one-tier) of 0.50 Singapore cent per ordinary share, subject to shareholders' approval at the forthcoming AGM.

Engagement with Shareholders

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

Provisions 12.1, 12.2 and 12.3 – Shareholder 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 or 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).

D. SHAREHOLDER RIGHTS AND ENGAGEMENT - continuedProvisions 12.1, 12.2 and 12.3 – Shareholder engagement - continued

Provisions 12.2 and 12.3 of the Code set out that the Company should have in place an investor relations policy that allows for an ongoing exchange of views 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 are in line with the intention of Principle 12. Further, shareholders can send questions to the Company's email at 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, customers, communities, regulators, shareholders, suppliers and shareholders.

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 is disclosed in the Sustainability Report for FY25, which will be published as a standalone report by 30 April 2026.

The Company also maintains a corporate website to communicate and engage with stakeholders at www.tshcorp.com.sg.

F. MATERIAL CONTRACTS

Save for the service agreement entered into between the Company and Mr Chua KH, there were no material contracts entered into by the Group in FY25.

G. DEALINGS IN SECURITIES

The Company has adopted and implemented policies in line with 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 or trade-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 Company, 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 communities, 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 FY25.

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Dr Yu Lai Boon is the Director seeking re-election (the “Retiring Director”) at the forthcoming Annual General Meeting of the Company to be convened on 29 April 2026 (“AGM”).

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 Director as set out in Appendix 7F to the Catalist Rules:

	DR YU LAI BOON
Date of Appointment	16 November 2018
Date of last re-appointment	24 April 2023
Age	63
Country of principal residence	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 Lai Boon as Non-Executive Chairman and Independent Director of the Company, the Board has considered the recommendation of the Nominating Committee and reviewed, among others, his qualifications, independence, performance, participations, candour and overall contributions to the Company.</p> <p>The Board has reviewed and concluded that Dr Yu Lai Boon 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
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.
Professional qualifications	Member of Singapore Institute of Surveyors and Valuers
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 National University of Singapore.</p> <p>July 2014 to July 2016: Member of Advisory Panel within Singapore Land Authority.</p>
Shareholding interest in the listed issuer and its subsidiaries	No
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

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

	DR YU LAI BOON
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships#	
Past (for the last 5 years)	DIRECTOR OF KOUFU GROUP LIMITED DIRECTOR OF STORCK BICYCLE (ASIA PACIFIC) PTE. LTD.
Present	DIRECTOR OF OTS HOLDINGS LIMITED

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

DR YU LAI BOON	
<p>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.</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>	<p>No</p>
<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>	<p>No</p>
<p>(c) Whether there is any unsatisfied judgment against him?</p>	<p>No</p>
<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>	<p>No</p>

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

	DR YU LAI BOON
(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
(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
(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
(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

	DR YU LAI BOON
(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
(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
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
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
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
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 DIRECTOR SEEKING RE-ELECTION

DR YU LAI BOON	
<p>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	<p>No</p>
Disclosure applicable to the appointment of Director only	
<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>	<p>N.A.</p>

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STATEMENT BY DIRECTORS

The directors are pleased to present their statement together with the consolidated financial statements of TSH Corporation Limited (the “Company”) and its subsidiaries (collectively, the “Group”) and the statement of financial position and statement of changes in equity of the Company for the reporting year ended 31 December 2025.

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 2025 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the reporting 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.

The board of directors approved and authorised these financial statements for issue.

2. Directors

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

Dr Yu Lai Boon
Chua Khing Seng
Chua Khoon Hui
Teo Kok Woon

3. Directors’ interests in shares and debentures

The directors of the Company holding office at the end of the reporting year had no interests in shares or debentures of the Company or other related body corporate as recorded in the register of directors’ interests in shares or debentures kept by the Company under Section 164 of the Companies Act 1967 (the “Act”) except as follows:

Name of directors and Company	Direct interest		Deemed interest	
	1.1.2025	31.12.2025	1.1.2025	31.12.2025
<u>The Company</u>				
Number of ordinary shares				
Chua Khoon Hui	6,552,016	6,607,016	—	—
Teo Kok Woon	—	—	28,410,666	28,410,666

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

The directors’ interests as at 21 January 2026 were the same as those at the end of the reporting year.

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

5. Options

During the reporting year, no option to take up unissued shares of the Company or other body corporate in the Group was granted.

During the reporting year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares under option.

6. Share-based Incentive Plans

Performance Share Plan 2023

The Performance Share Plan (the "Plan") was approved at the annual general meeting held on 24 April 2023 (the "Commencement Date") to motivate, retain and recognise eligible participants, instil loyalty and stronger identification with the long-term growth and profitability of the Company, attract potential employees, and to align with the interests of the Shareholders.

The Plan is administered by the Nominating Committee and the Remuneration Committee, duly authorised and appointed by the Board.

The aggregate number of Shares which may be issued and/or transferred pursuant to awards granted under the Plan shall not exceed 15% of the total number of Shares (excluding Treasury Shares and subsidiary holdings) on the date preceding the award date. The Plan shall be in force up to a maximum period of 10 years from the Commencement Date and may continue beyond the stipulated period with the approval of members by way of ordinary resolution in general meeting and of such relevant authorities which may then be required.

There were no awards granted from the commencement of the Plan to the end of the reporting year.

7. Report of 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.

The Audit Committee has recommended to the board of directors that the independent auditor, RSM SG Assurance LLP, be nominated for re-appointment as independent auditor at the next annual general meeting of the Company.

8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the board, with the concurrence of the Audit Committee, is of the opinion that the Company's internal controls (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at 31 December 2025 to address the risks that the Company considers relevant and material to its operations.

On behalf of the directors

.....
Dr. Yu Lai Boon
Director

.....
Chua Khoon Hui
Director

7 April 2026

Opinion

We have audited the accompanying financial statements of TSH Corporation Limited (the “Company”) and its subsidiaries (collectively, the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and statement of changes in equity of the Company for the reporting year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the reporting 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 Company in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also 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 year. 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.

Key audit matters (cont'd)

(a) Allowance on slow moving inventories

Please refer to Note 2A “Inventories” for relevant accounting policies, Note 2C “Assessing slow moving allowance on inventories” for discussion of significant accounting estimates, and Note 15 on the inventories.

Inventories amounted to \$9,272,377 (2024: \$9,275,349), representing approximately 58% (2024: 66%) of the Group's total assets as at the reporting year end. Inventories consist principally of whisky casks and bottled alcoholic beverages held for sale, including high-value liquor items. Due to the nature of the whiskies and spirits, these inventories may be held for long periods, and their market demand and realisable value may vary depending on factors such as age profile, consumer preferences and market conditions.

The estimation of the allowance for slow-moving inventories involves a significant degree of judgement. Management assesses the allowance for slow-moving inventories and the net realisable value of inventories by considering recent sales experience, the age profile of the whisky, potential cask deterioration, and prevailing and anticipated market demand and pricing trends in the whisky market which requires management's judgment. Subsequent events and changes in market conditions are also considered in the assessment. We focused on this area because the determination of the allowance on slow moving inventories involves a high level of judgement and is subject to uncertainty due to the challenging market conditions amid the current economic conditions.

How we addressed the matter in our audit

We reviewed with management the results of their allowance review procedures. We evaluated the evidence supporting management's estimates, including recent selling prices, prices from secondary market sources used to determine the carrying amounts of inventories.

We selected samples for testing. Our audit procedures included (a) discussing with management on the appropriateness of their basis and approach towards determining allowance for inventories; (b) verifying the net realisable value of the inventories by considering post year-end sales and to identify any sales made at a loss; (c) reviewing prices from secondary market sources used to determine the carrying amounts of inventories; and (d) reviewing the inventory turnover days to identify unusual movements.

In addition, we assessed management's analysis of market demand and the appreciation of whisky to understand the assumptions applied to potential inventory allowance. This included reviewing historical sales data, and demand patterns for specific whisky brands and vintages. We also considered external market information, such as auction results, industry reports, and secondary market pricing, to evaluate the reasonableness of management's assumptions regarding future selling prices and potential slow-moving or obsolete inventory. Additionally, we analysed how factors used by management such as rarity, age, and collectability of specific whisky inventories could affect their valuation and the adequacy of the related allowance.

We evaluated the adequacy of the disclosures included in the financial statements.

Key audit matters (cont'd)**(b) Impairment assessment of plant and equipment ("PPE"), right-of-use assets ("ROUA") and investment in subsidiaries**

Please refer to Note 2A "Plant and equipment", "Right-of-use assets", "Subsidiaries" and "Carrying amounts and assessment of impairment loss on non-financial assets" for the relevant accounting policies, Note 2C "Impairment of non-financial assets" for a discussion of the significant accounting estimates and key assumptions used in impairment testing of non-financial assets, and Notes 12, 13 and 14 for disclosures relating to PPE, ROUA and investment in subsidiaries, respectively.

(i) Impairment assessment of the Group's PPE and ROUA

The Group holds significant assets in relation to its various outlets, primarily consisting of ROUA, as well as certain PPE. At 31 December 2025, the carrying amounts of the Group's PPE and ROUA were \$66,997 and \$2,277,635 (2024: \$170,421 and \$1,357,315), respectively. These balances, in aggregate, represented approximately 15% (2024: 11%) of the Group's total assets as at the reporting year end.

An impairment review is performed when there are indications of impairment. Certain outlets did not perform in line with expectations during the reporting year. Accordingly, there were indications that assets used in these underperforming outlets may be impaired.

(ii) Impairment assessment of the Company's Investment in subsidiaries

The carrying amounts of the Company's investment in subsidiaries amounted to \$12,286,667. This represented approximately 60% (2024: 61%) of the Company's total assets as at the reporting year end.

Where there is an indication of impairment, management is required to assess the recoverable amount of its investment in subsidiaries, which is the higher of the fair value less costs of disposal and value in use of the subsidiaries assessed as a CGU.

Management applies the value-in-use method to determine the recoverable amounts of PPE, ROUA and investments in subsidiaries. The value-in-use calculation requires management to exercise significant judgment in estimating the future cash flows arising from the cash-generating units ("CGUs") and in determining an appropriate discount rate to measure the recoverable amount of each CGU. Any shortfall of the recoverable amount against the carrying amount would be recognised as an impairment loss in the profit or loss of the Group and or the Company.

Management determined the recoverable amounts based on the forecasted revenue, profit margins, terminal growth rates and discount rates using presently available information. As these estimates require management's judgement and there are estimation uncertainties over the appropriate terminal growth rate and discount rate applied to the projected cashflows, the determination of the recoverable amounts was a key focus area for our audit.

Key audit matters (cont'd)

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

How we addressed the matter in our audit

We reviewed management's process for identification of impairment indicators.

We discussed with management the processes over the determination of the forecasted revenue growth, profit margins, terminal growth rates and discount rates. As management's assessment process is judgmental and is based on assumptions that are affected by expected future market or economic conditions, our audit procedures included, among others, engaging our in-house valuation specialists to assist us in evaluating the assumptions and methodologies used by management.

We, together with our internal valuation specialists, assessed management's estimates applied in the value in use models based on our knowledge of the CGUs' operations and compared them against historical forecasts and performance and industry benchmarks. Our in-house valuation specialists reviewed the appropriateness of management's methodology, the reasonableness of expectations and the discount rates used in the impairment assessment and tested the mechanical accuracy of the computations. We reviewed the findings of our in-house valuation specialists and assessed the reasonableness of these findings in relation to external data obtained in our audit.

We also assessed on the adequacy of disclosures in the financial statements about those assumptions to which the outcome of the impairment test is most sensitive, that is, those that have the most significant effect on the determination of the recoverable amount of the assets.

Other matters

The financial statements of the reporting entity for the reporting year ended 31 December 2024 were audited by another independent auditor who expressed an unqualified opinion on those financial statements on 28 March 2025.

Other information

Management is responsible for the other information. The other information comprises the information included in the statement by directors and 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 the financial reporting standards, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- a) 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- e) 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.
- f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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, actions taken to eliminate threats or safeguards applied.

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 Pang Hui Ting.

RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

7 April 2026

Engagement partner – effective from year ended 31 December 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year Ended 31 December 2025

	Note	Group	
		2025	2024
		\$	\$
Revenue	5	12,617,807	11,752,152
Cost of sales		(3,333,007)	(3,008,112)
Gross profit		9,284,800	8,744,040
Other income	6	244,376	445,467
General and administrative expenses		(6,312,886)	(6,015,585)
Selling and distribution costs		(237,290)	(325,794)
Other operating expenses	7	(1,557,943)	(1,787,034)
Finance costs	8	(128,742)	(195,185)
Profit before tax	9	1,292,315	865,909
Income tax expense	10	(31,551)	(12,300)
Profit		1,260,764	853,609
Earnings per share			
- Basic and diluted (cents per share)	11	2.84	1.92

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

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group		Company	
		2025 \$	2024 \$	2025 \$	2024 \$
ASSETS					
Non-current assets					
Plant and equipment	12	66,997	170,421	–	–
Right-of-use assets	13	2,277,635	1,357,315	–	–
Intangible assets		527	1,160	–	–
Investment in subsidiaries	14	–	–	12,286,667	12,286,667
Other receivables	16	222,422	208,006	–	–
Deferred tax assets	10	15,800	11,600	–	–
		<u>2,583,381</u>	<u>1,748,502</u>	<u>12,286,667</u>	<u>12,286,667</u>
Current assets					
Inventories	15	9,272,377	9,275,349	–	–
Trade and other receivables	16	849,637	569,561	6,664,009	7,028,362
Cash and cash equivalents	17	3,361,714	2,499,358	1,542,889	914,134
		<u>13,483,728</u>	<u>12,344,268</u>	<u>8,206,898</u>	<u>7,942,496</u>
Total assets		<u>16,067,109</u>	<u>14,092,770</u>	<u>20,493,565</u>	<u>20,229,163</u>
LIABILITIES AND EQUITY					
Current liabilities					
Income tax payable		28,500	600	–	–
Provisions	18	41,255	63,360	–	–
Bank borrowing	19	54,304	645,042	54,304	645,042
Lease liabilities	20	1,262,143	1,389,677	–	–
Contract liabilities	21	327,653	221,448	–	–
Trade and other payables	22	2,003,102	2,188,712	1,604,355	1,093,714
		<u>3,716,957</u>	<u>4,508,839</u>	<u>1,658,659</u>	<u>1,738,756</u>
Non-current liabilities					
Provisions	18	45,760	39,575	–	–
Bank borrowing	19	–	54,304	–	54,304
Lease liabilities	20	1,815,292	898,739	–	–
		<u>1,861,052</u>	<u>992,618</u>	<u>–</u>	<u>54,304</u>
Total liabilities		<u>5,578,009</u>	<u>5,501,457</u>	<u>1,658,659</u>	<u>1,793,060</u>
Equity					
Share capital	23	4,569,422	4,569,422	12,545,472	12,545,472
Retained earnings		4,467,572	2,569,785	6,289,434	5,890,631
Capital reserve	24	1,452,106	1,452,106	–	–
		<u>10,489,100</u>	<u>8,591,313</u>	<u>18,834,906</u>	<u>18,436,103</u>
Total equity and liabilities		<u>16,067,109</u>	<u>14,092,770</u>	<u>20,493,565</u>	<u>20,229,163</u>

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

STATEMENTS OF CHANGES IN EQUITY

Year Ended 31 December 2025

	Share capital \$	Retained earnings \$	Capital reserve \$	Total equity \$
Group				
At 1 January 2025	4,569,422	2,569,785	1,452,106	8,591,313
Profit and total comprehensive income for the year	–	1,260,764	–	1,260,764
Amount due to a shareholder irrevocably forgiven	–	637,023	–	637,023
At 31 December 2025	<u>4,569,422</u>	<u>4,467,572</u>	<u>1,452,106</u>	<u>10,489,100</u>
At 1 January 2024	4,569,422	1,716,176	1,452,106	7,737,704
Profit and total comprehensive income for the year	–	853,609	–	853,609
At 31 December 2024	<u>4,569,422</u>	<u>2,569,785</u>	<u>1,452,106</u>	<u>8,591,313</u>
	Share capital \$	Retained earnings \$	Total equity \$	
Company				
At 1 January 2025	12,545,472	5,890,631	18,436,103	
Profit and total comprehensive income for the year	–	398,803	398,803	
At 31 December 2025	<u>12,545,472</u>	<u>6,289,434</u>	<u>18,834,906</u>	
At 1 January 2024	12,545,472	4,994,683	17,540,155	
Profit and total comprehensive income for the year	–	895,948	895,948	
At 31 December 2024	<u>12,545,472</u>	<u>5,890,631</u>	<u>18,436,103</u>	

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended 31 December 2025

	2025	2024
	\$	\$
Cash flows from operating activities		
Profit before tax	1,292,315	865,909
Adjustment for:		
Amortisation of intangible assets	633	633
Depreciation of plant and equipment	95,088	113,417
Depreciation of right-of-use assets	1,214,684	1,296,392
Finance costs	128,742	195,185
Impairment loss on plant and equipment	25,720	34,000
Impairment loss on right-of-use assets	207,056	330,000
Interest income	(5,833)	(22,123)
Inventories written off	10,319	–
Plant and equipment written off	–	647
Reversal of provision for reinstatement costs	(9,300)	–
Write-back of payables	(800)	(5,000)
Operating cash flows before changes in working capital	<u>2,958,624</u>	<u>2,809,060</u>
Inventories	(7,347)	(256,714)
Trade and other receivables	(299,969)	310,754
Trade and other payables, contract liabilities and provisions	542,563	13,759
Net cash flows from operations	<u>3,193,871</u>	<u>2,876,859</u>
Interest received	2,672	3,155
Income taxes paid	(961)	–
Net cash generated from operating activities	<u>3,195,582</u>	<u>2,880,014</u>
Cash flows used in investing activity		
Purchase of plant and equipment	(14,204)	(47,970)
Net cash used in investing activity	<u>(14,204)</u>	<u>(47,970)</u>
Cash flows used in financing activities		
Bank borrowing paid	(645,042)	(630,629)
Interest paid	(120,939)	(194,817)
Lease liabilities – principal portion paid	(1,553,041)	(1,429,269)
Net cash used in financing activities	<u>(2,319,022)</u>	<u>(2,254,715)</u>
Net increase in cash and cash equivalents	862,356	577,329
Cash and cash equivalents at beginning of the year	<u>2,499,358</u>	<u>1,922,029</u>
Cash and cash equivalents at end of the year (Note 17)	<u>3,361,714</u>	<u>2,499,358</u>

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

1. General information

The Company (Registration No. 200003865N) is incorporated in Singapore with limited liabilities. The financial statements are presented in Singapore dollars and they cover the Company and the subsidiaries.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the Company are investment holding and the provision of management services. It is listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST").

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

The registered office is at 315 Outram Road, #14-02 Tan Boon Liat Building, Singapore 169074.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS (I)s") and the related interpretations to SFRS (I) ("SFRS (I) INT") as issued by the Accounting Standards Committee under ACRA ("ASC"). They comply with the provisions of the Companies Act 1967 and with the IFRS Accounting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB").

Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basis of presentation and principles of consolidation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the Company and all of its subsidiaries. The consolidated financial statements are the financial statements of the Group presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

1. General information (cont'd)

Basis of presentation and principles of consolidation (cont'd)

Changes in the Group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the Group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

The Company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the Company's separate statement of comprehensive income is not presented.

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Revenue and income recognition

General – Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, and modifications), net of any related taxes and excluding any amounts collected on behalf of third parties, which usually coincides with the customer obtaining control of that asset (goods or services). As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sales of food and beverage – Revenue is recognised upon the satisfaction of each performance obligation which is usually on serving or delivery of food and beverages to customers at a point in time.

Rendering of services – Revenue from services such as events and management services to customers is recognised over time or / and point in time as and when the services are rendered.

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

2. Material accounting policy information and other explanatory information (cont'd)**2A. Material accounting policy information (cont'd)****Employee benefits**

Employee benefits are all forms of consideration given in exchange for service rendered by employees. Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Income tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the reporting year end date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. The annual rates of depreciation are as follows:

Bar and tableware	– 50%
Furniture and fittings	– 20% to 33%
Plant and equipment	– 20% to 33%
Renovation	– 20% to 33%

2. Material accounting policy information and other explanatory information (cont'd)

2A. Material accounting policy information (cont'd)

Plant and equipment (cont'd)

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by the Group. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs when the item is acquired during that period (Note 18).

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The annual rates of depreciation are as follows:

Leased premises	– 20% to 50%
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Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum unavoidable lease payments. A corresponding right-of-use asset is recorded. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Carrying amounts and assessment of impairment loss on non-financial assets

The amounts of the non-current non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the statement of profit or loss whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

2. Material accounting policy information and other explanatory information (cont'd)

2A. Material accounting policy information (cont'd)

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity 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. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity. In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary 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. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the first-in first-out method. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

2. Material accounting policy information and other explanatory information (cont'd)

2A. Material accounting policy information (cont'd)

Financial instruments (cont'd)

Classification of financial assets and financial liabilities and subsequent measurement:

The financial reporting standard on financial instruments requires the certain classification of financial assets and financial liabilities. At the end of the reporting year, the reporting entity had the following classes:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other debtors, deposits, bank and cash balances are classified in this category.
- Financial liabilities are categorised as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and bank balances less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash and cash equivalents are short-term (three months or less), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

2. Material accounting policy information and other explanatory information (cont'd)**2A. Material accounting policy information (cont'd)****Fair value measurement (cont'd)**

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie. as prices) or indirectly (ie. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are material differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates approximating those ruling at the dates of the transactions and if applicable at the fair value measurement dates. At the end of each reporting year, non-functional monetary items are translated using rates ruling at the end of the reporting year; non-monetary items are translated using the exchange rate at the date of the transactions; and non-monetary items that are measured at fair value are translated using the exchange rates at the date when the fair value was measured. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

2B. Other explanatory information**Provisions**

A liability or provision is recognised when there is 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 a reliable estimate can be made of the amount of obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the financial year they occur.

2. Material accounting policy information and other explanatory information (cont'd)**2C. Judgements and sources of estimation uncertainties**

Disclosures on significant judgements made in the process of applying the accounting policies and on material information about the assumptions the Group made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next reporting year can be found in the relevant Notes to these financial statements. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assessing allowance on slow moving inventories:

The estimation of the allowance for slow-moving inventories involves a significant degree of judgement. The Group assesses the allowance for slow-moving inventories and the net realisable value of inventories by considering recent sales experience, the age profile of the whisky, potential cask deterioration, and prevailing and anticipated market demand and pricing trends in the whisky market which requires the Group's judgment. Subsequent events and changes in market conditions are also considered in the assessment. The determination of the allowance on slow moving inventories involves a high level of judgement and is subject to uncertainty due to the challenging market conditions amid the current economic conditions. Changes in these estimates could result in revisions to the stated value of the inventories. As at the end of the year, there are no amounts that are impaired. The carrying amounts of inventories at the end of the reporting year is disclosed in Note 15.

Impairment of non-financial assets:

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

Certain outlets did not perform in line with expectations during the reporting period. Accordingly, there were indications that the assets used in those outlets may be impaired.

The recoverable amounts of the plant and equipment, right-of-use assets and investment in subsidiaries have been determined based on value-in-use calculations using cash flow projections prepared by the Group. 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 rates applied to cash flow projections are 9% to 76% (2024: 9% to 38%). For the reporting period ended 31 December 2025, the Group recognised impairment losses on the Group's plant and equipment and right-of-use assets of \$25,720 (2024: \$34,000) and \$207,056 (2024: \$330,000) respectively.

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 14 respectively.

3. Related party relationships and transactions

3A. Related party transactions and balances

In addition to the information disclosed elsewhere in the financial statements, other significant related party transactions include the following:

	Group	
	2025	2024
	\$	\$
Sale of goods to a director	66,222	42,065
Sale of goods to director-related parties	5,237	72,964
Purchase of goods from director-related parties	9,724	–
Rental income from a director	5,642	5,655
Amount due to a shareholder irrevocably forgiven	<u>637,023</u>	<u>–</u>

3B. Key management compensation

	Group	
	2025	2024
	\$	\$
Salaries and other short-term employee benefits	903,479	889,863
Central Provident Fund contributions	<u>69,462</u>	<u>76,687</u>
	<u>972,941</u>	<u>966,550</u>

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

4. Segment information

4A. 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. The Group considers the aggregated wholesale and retail sale of food and beverages businesses as a single operating segment.

4B. Geographical information

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

4C. Information about major customers

During the years ended 31 December 2025 and 2024, there is no single major customer that contributes more than 5% of the Group's total revenue.

5. Revenue

	Group	
	2025	2024
	\$	\$
Sale of goods	12,227,076	11,446,571
Rendering of services	390,731	305,581
	<u>12,617,807</u>	<u>11,752,152</u>
At a point in time	12,252,324	11,446,571
Over time	365,483	305,581
	<u>12,617,807</u>	<u>11,752,152</u>

6. Other income

	Group	
	2025	2024
	\$	\$
Government grants	87,218	237,569
Interest income from bank	2,672	3,155
Interest income from unwinding of discount on deposits	3,161	18,968
Others	95,513	33,863
Rental rebates	–	9,817
Sponsorship income	55,012	137,095
Write-back of payables	800	5,000
	<u>244,376</u>	<u>445,467</u>

7. Other operating expenses

The material and other selected components include the following:

	Group	
	2025	2024
	\$	\$
Depreciation of plant and equipment (Note 12)	95,088	113,417
Depreciation of right-of-use assets (Note 13)	1,214,684	1,296,392
Impairment loss on plant and equipment (Note 12)	25,720	34,000
Impairment loss on right-of-use assets (Note 13)	207,056	330,000
Net foreign exchange translation loss	4,443	11,945
	<u>4,443</u>	<u>11,945</u>

8. Finance costs

	Group	
	2025	2024
	\$	\$
Interest expense on bank borrowing	8,267	22,700
Interest expense on lease liabilities (Note 20)	111,837	171,302
Interest expense on discounting of non-current receivables	8,638	1,183
	<u>128,742</u>	<u>195,185</u>

9. Profit before tax

The following items have been included in arriving at profit before tax:

	Group	
	2025	2024
	\$	\$
Fees paid/payable to auditor of the Company in respect of:		
- Audit services	131,000	114,200
- Audit-related services	–	2,200
- Non-audit services	–	3,500
Employee benefits expense recorded within general and administrative expenses:		
- Salaries, bonuses and other costs	4,046,549	3,700,682
- Central Provident Fund contributions	<u>369,223</u>	<u>359,691</u>

10. Income tax
10A. The major components of tax expense recognised in profit or loss

	Group	
	2025	2024
	\$	\$
Current tax:		
Current tax expense	28,500	600
Under provision in respect of prior years	361	–
Withholding tax	6,890	–
	<u>35,751</u>	<u>600</u>
Deferred tax:		
Origination and reversal of temporary differences	(3,000)	13,000
Over provision in respect of prior years	(1,200)	(1,300)
	<u>(4,200)</u>	<u>11,700</u>
Total income tax expense	<u>31,551</u>	<u>12,300</u>

The reconciliations between tax expense and the product of profit before tax multiplied by the applicable Singapore income tax rate of 17.0% (2024: 17.0%) are as follows:

	Group	
	2025	2024
	\$	\$
Profit before tax	<u>1,292,315</u>	<u>865,909</u>
Income tax expense at the above rate	219,694	147,205
Not deductible items	400	4,241
Income not subject to tax	(3,820)	(8,497)
Effects of partial tax exemption and tax relief	(31,000)	(2,700)
Over provision in respect of prior years	(839)	(1,300)
Utilisation of deferred tax assets not recognised previously	(150,149)	(122,147)
Effect of double deductions	(11,671)	–
Deferred tax assets not recognised	–	2,411
Withholding tax	6,890	–
Others	2,046	(6,913)
Total income tax expense	<u>31,551</u>	<u>12,300</u>

10. Income tax (cont'd)

10B. Deferred tax expense recognised in profit or loss

	Group	
	2025	2024
	\$	\$
Plant and equipment	850	10,450
Right-of-use assets	(156,400)	(248,900)
Lease liabilities	158,400	250,900
Provisions	200	(800)
Unused tax losses	(300)	(300)
Others	1,450	350
	<u>4,200</u>	<u>11,700</u>

10C. Deferred tax assets in the statements of financial position

	Group	
	2025	2024
	\$	\$
Plant and equipment	1,300	450
Right-of-use assets	(387,200)	(230,800)
Lease liabilities	392,200	233,800
Provisions	7,400	7,200
Unused tax losses	–	300
Others	2,100	650
	<u>15,800</u>	<u>11,600</u>

10D. Unrecognised tax losses and capital allowances

At the end of the year, the Group has unrecognised tax losses and capital allowances of approximately \$5,155,000 and \$1,000 (2024: \$5,770,000 and \$1,000) respectively 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 and capital allowances is subject to agreement of the tax authority and compliance with certain provisions of the tax legislation in Singapore.

11. Earnings per share

The following table illustrates the numerator and denominator used to calculate the basic and diluted earnings per share:

	Group	
	2025	2024
	\$	\$
A. Numerator: Earnings attributable to equity holders	<u>1,260,764</u>	<u>853,609</u>
B. Denominator: Weighted average number of equity shares: Basic and diluted	<u>44,355,491</u>	<u>44,355,491</u>

11. Earnings per share (cont'd)

The weighted average number of ordinary shares refers to shares in issue outstanding during the year.

The basic amount per share ratio is based on the weighted average number of ordinary shares outstanding during each year.

There is no dilution of earnings per share as there are presently no dilutive shares outstanding as at the end of the year.

12. Plant and equipment

	Bar and tableware \$	Equipment \$	Furniture and fittings \$	Renovation \$	Total \$
Group Cost:					
At 1 January 2024	37,280	321,764	440,178	800,755	1,599,977
Additions	–	17,980	–	33,590	51,570
Write-offs	–	(21,952)	(5,445)	(6,635)	(34,032)
At 31 December 2024	37,280	317,792	434,733	827,710	1,617,515
Additions	–	11,018	3,186	3,180	17,384
Write-offs	–	(24,780)	(1,930)	(19,100)	(45,810)
At 31 December 2025	37,280	304,030	435,989	811,790	1,589,089
Accumulated depreciation and impairment loss:					
At 1 January 2024	32,954	234,235	360,773	705,100	1,333,062
Depreciation	4,326	42,029	17,956	49,106	113,417
Write-offs	–	(21,305)	(5,445)	(6,635)	(33,385)
Impairment loss	–	9,095	12,336	12,569	34,000
At 31 December 2024	37,280	264,054	385,620	760,140	1,447,094
Depreciation	–	32,398	15,039	47,651	95,088
Write-offs	–	(24,780)	(1,930)	(19,100)	(45,810)
Impairment loss	–	6,180	12,104	7,436	25,720
At 31 December 2025	37,280	277,852	410,833	796,127	1,522,092
Carrying value:					
At 31 December 2024	–	53,738	49,113	67,570	170,421
At 31 December 2025	–	26,178	25,156	15,663	66,997

13. Right-of-use assets

	Premises \$
Group	
Cost:	
At 1 January 2024	4,602,232
Additions	162,687
At 31 December 2024	<u>4,764,919</u>
Additions	2,342,060
Write-offs	<u>(1,618,112)</u>
At 31 December 2025	<u>5,488,867</u>
Accumulated depreciation and impairment loss:	
At 1 January 2024	1,781,212
Depreciation	1,296,392
Impairment loss	330,000
At 31 December 2024	<u>3,407,604</u>
Depreciation	1,214,684
Impairment loss	207,056
Write-offs	<u>(1,618,112)</u>
At 31 December 2025	<u>3,211,232</u>
Carrying value:	
At 31 December 2024	<u>1,357,315</u>
At 31 December 2025	<u>2,277,635</u>

14. Investment in subsidiaries

	Company	
	2025	2024
	\$	\$
Unquoted equity shares at cost	<u>12,286,667</u>	<u>12,286,667</u>

The Group has the following subsidiaries, and they are wholly owned by the Group as at 31 December 2025 and 2024:

Name of subsidiaries	Principal activities
<i>Held by the Company</i>	
Sloshed! Pte. Ltd.	Investment holding
<i>Held through Sloshed! Pte. Ltd.</i>	
Planet Spirits Pte. Ltd.	Import, export and distribution of spirits and wines
Quaich Pte.Ltd.	Food and beverage outlets operator
The Other Roof Pte. Ltd.	Inactive
The Other Room Pte. Ltd.	Food and beverage outlets operator
TWS Pte.Ltd.	Food and beverage outlets operator

14. Investment in subsidiaries (cont'd)

The country of incorporation and the principal place of business of the subsidiaries are in Singapore and they are audited by RSM SG Assurance LLP, Singapore.

15. Inventories

	Group	
	2025	2024
	\$	\$
Goods for resale	<u>9,272,377</u>	<u>9,275,349</u>
Recognised in statement of comprehensive income:		
Inventories recognised as cost of sales	2,964,976	2,537,631
Inventories written off as other operating expenses	<u>10,319</u>	<u>–</u>

16. Trade and other receivables

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Trade and other receivables (Current)				
Trade debtors:				
- Third parties	209,134	177,301	–	–
- Director-related parties	–	1,608	–	–
- Director	6,371	3,367	–	–
Other debtors:				
- Third parties	8,486	2,799	37	–
- Subsidiaries	–	–	6,639,513	7,007,193
Advance to suppliers	258,385	72,578	–	–
GST receivable	3,747	–	3,747	–
Prepayments	187,270	139,403	20,712	21,169
Deposits	<u>176,244</u>	<u>172,505</u>	<u>–</u>	<u>–</u>
	<u>849,637</u>	<u>569,561</u>	<u>6,664,009</u>	<u>7,028,362</u>
Other receivables (Non-current)				
Deposits	<u>222,422</u>	<u>208,006</u>	<u>–</u>	<u>–</u>
Total trade and other receivables (current and non-current)	1,072,059	777,567	6,664,009	7,028,362
Add:				
Cash and cash equivalents (Note 17)	3,361,714	2,499,358	1,542,889	914,134
Less:				
Advance to suppliers	(258,385)	(72,578)	–	–
GST receivable	(3,747)	–	(3,747)	–
Prepayments	<u>(187,270)</u>	<u>(139,403)</u>	<u>(20,712)</u>	<u>(21,169)</u>
Total financial assets carried at amortised cost	<u>3,984,371</u>	<u>3,064,944</u>	<u>8,182,439</u>	<u>7,921,327</u>

Trade debtors are unsecured, non-interest bearing and are generally on 7 to 30 days' terms.

16. Trade and other receivables (cont'd)

Ageing analysis of the age of trade debtors that are past due as at the end of the year but not impaired:

	Group	
	2025	2024
	\$	\$
30 days	30,121	76,700
31 to 60 days	15,132	5,546
61 to 90 days	17,009	18,272
91 to 120 days	22,072	6,392
Over 120 days	12,509	5,346
	<u>96,843</u>	<u>112,256</u>

The Group does not have significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to trade and other receivables.

The amount of \$6,485,769 (2024: \$6,750,000) due from a subsidiary is unsecured, interest bearing at rates ranging from 4.61% to 6.40% (2024: 6.30% to 7.06%) per annum and is repayable on demand.

17. Cash and cash equivalents

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Cash at banks and on hand	<u>3,361,714</u>	<u>2,499,358</u>	<u>1,542,889</u>	<u>914,134</u>
Interest earning balance	<u>397,677</u>	<u>395,056</u>	<u>397,677</u>	<u>395,056</u>

The interest earning balance earns interest at floating rates based on daily bank deposit rates.

17A. Reconciliation of liabilities arising from financing activities

	At 1 January	Cash flows	Non-cash changes	At 31 December
	\$	\$	\$	\$
Group				
2025:				
Lease liabilities	2,288,416	(1,553,041)	2,342,060 ^(a)	3,077,435
Bank borrowing	<u>699,346</u>	<u>(645,042)</u>	<u>–</u>	<u>54,304</u>
2024:				
Lease liabilities	3,554,998	(1,429,269)	162,687 ^(a)	2,288,416
Bank borrowing	<u>1,329,975</u>	<u>(630,629)</u>	<u>–</u>	<u>699,346</u>

^(a) Due to additions.

18. Provisions

	Group	
	2025	2024
	\$	\$
At 1 January	102,935	99,335
Additions	3,180	3,600
Reversals	(9,300)	–
Utilisation	(9,800)	–
At 31 December	<u>87,015</u>	<u>102,935</u>
Non-current	45,760	39,575
Current	<u>41,255</u>	<u>63,360</u>
	<u>87,015</u>	<u>102,935</u>

The provision is based on the present value of costs to be incurred to remove leasehold improvements from the leased premises.

19. Bank borrowing

	Group and Company	
	2025	2024
	\$	\$
Non-current	–	54,304
Current	<u>54,304</u>	<u>645,042</u>
	<u>54,304</u>	<u>699,346</u>

The bank borrowing is interest bearing at the weighted average effective interest rate of 2.25% (2024: 2.25%) per annum and is repayable in equal instalments until January 2026. Certain subsidiaries have provided corporate guarantees for the bank borrowing.

The loan has been fully repaid as at 31 January 2026.

20. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	Group	
	2025	2024
	\$	\$
Non-current	1,815,292	898,739
Current	<u>1,262,143</u>	<u>1,389,677</u>
	<u>3,077,435</u>	<u>2,288,416</u>

At year end, there are no commitments on leases which have not yet commenced.

The future cash outflows commitments to which the lessee is potentially exposed are not reflected in the measurement of lease liabilities above. This includes exposure arising from: (1) variable lease payments and (2) extension options and termination options.

20. Lease liabilities (cont'd)

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	Group	
	2025	2024
	\$	\$
Expenses not included in lease liabilities:		
- Short-term leases and leases of low-value assets	56,401	49,877
- Variable lease payments	<u>187,410</u>	<u>171,680</u>

Other information about the leasing activities relating to the right-to-use assets is summarised as follows:

	Premises	
	2025	2024
Number of right-to-use assets	8	8
Remaining term – range (years)	0.1 to 4.8	0.3 to 2.8
Remaining term – average (years)	1.7	1.2
Weighted average incremental borrowing rate applied to lease liabilities	<u>4.8%</u>	<u>5.7%</u>

The lease contracts are for fixed periods of two to five years. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

21. Contract liabilities

Contract liabilities relate to the advances received from customers for goods to be delivered or services to be rendered, and outstanding customer loyalty points. The Group has a loyalty program which allows members to accumulate points when they spend in certain outlets. The points can be offset against subsequent spendings at certain outlets.

Contract liabilities are recognised as revenue as the Group performs its obligations under the contract. The substantial portion of contract liabilities as at the year end is expected to be recognised as revenue within one year from the year end date.

	Group	
	2025	2024
	\$	\$
Advance from customers	198,994	110,661
Customer loyalty points	<u>128,659</u>	<u>110,787</u>
	<u>327,653</u>	<u>221,448</u>
At 1 January	221,448	238,210
Additions for performance obligations not fulfilled	290,181	197,774
Revenue recognised that was included in the contract liabilities balance at the beginning of year	(172,673)	(214,536)
Advance refunded	<u>(11,303)</u>	–
At 31 December	<u>327,653</u>	<u>221,448</u>

22. Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Trade creditors:				
- Third parties	409,436	395,282	19,915	19,598
- Director-related company	767	856	–	–
Accrued operating expenses	1,204,993	813,017	373,220	352,839
Other creditors:				
- Third parties	200,164	176,928	122,794	122,944
- Director-related companies	9,692	9,692	–	–
- Subsidiaries	–	–	1,088,426	573,682
- Shareholder	2	637,025	–	–
GST payables	178,048	155,912	–	24,651
Total trade and other payables	<u>2,003,102</u>	<u>2,188,712</u>	<u>1,604,355</u>	<u>1,093,714</u>
Add:				
Bank borrowing (Note 19)	54,304	699,346	54,304	699,346
Lease liabilities (Note 20)	3,077,435	2,288,416	–	–
Less:				
GST payables	<u>(178,048)</u>	<u>(155,912)</u>	<u>–</u>	<u>(24,651)</u>
Total financial liabilities carried at amortised cost	<u>4,956,793</u>	<u>5,020,562</u>	<u>1,658,659</u>	<u>1,768,409</u>

Trade creditors are unsecured, non-interest bearing and are generally on 7 to 90 days' terms.

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.

23. Share capital

	Group		Company	
	No. of shares issued	Share capital	No. of shares issued	Share capital
	\$	\$	\$	\$
At 1 January 2024, 31 December 2024 and 31 December 2025	<u>44,355,491</u>	<u>4,569,422</u>	<u>44,355,491</u>	<u>12,545,472</u> ^(a)

^(a) The higher share capital of the Company is attributable to the reverse acquisition of Sloshed! Pte. Ltd. in prior years.

The ordinary shares of no par value are fully paid, carry one vote each without restrictions. The holders of ordinary shares are entitled to dividends as and when declared by the Company.

23. Share capital (cont'd)

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 manages its capital structure and makes 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 2025 and 2024.

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 cash equivalents. Capital refers to equity attributable to owners of the Company.

	Group	
	2025	2024
	\$	\$
Trade and other payables	2,003,102	2,188,712
Lease liabilities	3,077,435	2,288,416
Contract liabilities	327,653	221,448
Bank borrowing	54,304	699,346
Provisions	87,015	102,935
Less: Cash and cash equivalents	<u>(3,361,714)</u>	<u>(2,499,358)</u>
Net debt	<u>2,187,795</u>	<u>3,001,499</u>
Equity attributable to owners of the Company	<u>10,489,100</u>	<u>8,591,313</u>
Capital and net debt	<u>12,676,895</u>	<u>11,592,812</u>
Gearing ratio (times)	<u>0.17</u>	<u>0.26</u>

The Group does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

24. Capital reserve

Capital reserve represents the amount waived by the former shareholders of Sloshed! Pte. Ltd. arising from the reverse acquisition of Sloshed! Pte. Ltd. by the Company in prior years.

25. Financial instruments: information on financial risks and other explanatory information**25A. Financial risk management**

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Group's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate and currency risk exposures. There have been no changes to the exposures to risk, the objectives, policies and processes for managing the risk and the methods used to measure the risk.

25B. Fair values of financial instruments

The analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3, are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statements of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

25C. Credit risk on financial assets

Financial assets subject to concentration of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balance with banks, receivables and other financial assets. For trade debtors that do not contain a material financing component or when the Group applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating expected credit losses ("ECL") is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 17 discloses the cash balance. There is no identified impairment loss.

25D. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The classification of the financial assets is shown in Note 16, as they may be available to meet liquidity needs, no further analysis is deemed necessary.

25. Financial instruments: information on financial risks and other explanatory information (cont'd)

25D. Liquidity risk – financial liabilities maturity analysis (cont'd)

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows) at the end of the year:

	Less than one year \$	More than one year to less than five years \$	Total \$
Group			
2025:			
Trade and other payables	1,825,054	–	1,825,054
Bank borrowing	54,408	–	54,408
Lease liabilities	1,369,590	1,917,426	3,287,016
	<u>3,249,052</u>	<u>1,917,426</u>	<u>5,166,478</u>
2024:			
Trade and other payables	2,032,800	–	2,032,800
Bank borrowing	654,144	54,408	708,552
Lease liabilities	1,477,509	931,420	2,408,929
	<u>4,164,453</u>	<u>985,828</u>	<u>5,150,281</u>
Company			
2025:			
Trade and other payables	1,604,355	–	1,604,355
Bank borrowing	54,408	–	54,408
	<u>1,658,763</u>	<u>–</u>	<u>1,658,763</u>
2024:			
Trade and other payables	1,069,063	–	1,069,063
Bank borrowing	654,144	54,408	708,552
	<u>1,723,207</u>	<u>54,408</u>	<u>1,777,615</u>

The undiscounted amounts on the borrowings are determined by reference to the conditions existing at the year end.

25. Financial instruments: information on financial risks and other explanatory information (cont'd)
25E. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Financial liabilities:				
Fixed rates	(3,077,435)	(2,288,416)	–	–
Floating rates	(54,304)	(699,346)	(54,304)	(699,346)
	<u>(3,131,740)</u>	<u>(2,987,762)</u>	<u>(54,304)</u>	<u>(699,346)</u>
Financial assets:				
Floating rates	397,677	395,056	6,883,446	7,145,056
	<u>397,677</u>	<u>395,056</u>	<u>6,883,446</u>	<u>7,145,056</u>

The interest rates are disclosed in the respective notes.

Sensitivity analysis:

	2025	2024
	\$	\$
Group		
A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would result in an increase / (decrease) in pre-tax profit for the year by	<u>3,434</u>	<u>(3,043)</u>
Company		
A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would result in an increase in pre-tax profit for the year by	<u>68,291</u>	<u>64,457</u>

The analysis has been performed for floating interest rate over a year for financial instruments. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

25. Financial instruments: information on financial risks and other explanatory information (cont'd)

25F. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency that is a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency as defined in the financial reporting standard on financial instruments.

Analysis of amounts denominated in non-functional currencies:

	United States Dollar \$	Great Britain Pound \$	Renminbi \$
2025			
Financial assets:			
Trade and other receivables	–	–	21,061
Cash and cash equivalents	–	68,000	–
	<u>–</u>	<u>68,000</u>	<u>21,061</u>
Financial liabilities:			
Trade and other payables	<u>(1,812)</u>	<u>(152,109)</u>	<u>(6,890)</u>
	<u>(1,812)</u>	<u>(152,109)</u>	<u>(6,890)</u>
Net financial (liabilities) / assets	<u>(1,812)</u>	<u>(84,109)</u>	<u>14,171</u>
	United States Dollar \$	Great Britain Pound \$	Renminbi \$
2024			
Financial assets:			
Trade and other receivables	–	57,492	–
Cash and cash equivalents	–	51,518	–
	<u>–</u>	<u>109,010</u>	<u>–</u>
Financial liabilities:			
Trade and other payables	<u>(89)</u>	<u>(53,487)</u>	<u>(48,368)</u>
	<u>(89)</u>	<u>(53,487)</u>	<u>(48,368)</u>
Net financial (liabilities) / assets	<u>(89)</u>	<u>55,523</u>	<u>(48,368)</u>

Sensitivity analysis: The effect on pre-tax profit is not material.

26. Events after the end of reporting year

Subsequent to the reporting year ended 31 December 2025, the directors proposed a final dividend (tax exempt one-tier) of 0.50 Singapore cent per ordinary share (2024: Nil Singapore cent) of approximately \$222,000 (2024: \$Nil). There are no income tax consequences. This dividend is subject to approval by shareholders at the forthcoming annual general meeting and has not been included as a liability in these financial statements. The proposed dividend is payable in respect of all ordinary shares in issue at the end of the year and including any new qualifying shares issued up to the date the dividend becomes payable.

27. Changes and adoption of financial reporting standards

For the current year the ASC issued certain new or revised financial reporting standards. None had material impact on the Group.

28. New or amended standards in issue but not yet effective

The ASC issued certain new or revised financial reporting standards for the future years. The transfer to the applicable new or revised standards from the effective dates is not expected to result in material modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the Company's financial statements in the period of initial application. Those applicable to the reporting entity for future years are listed below.

SFRS (I) No.	Title	Effective date for periods beginning on or after
Various	Annual Improvements – Volume 11	1 January 2026
SFRS(I) 18	Presentation and Disclosures in Financial Statements	1 January 2027
SFRS(I) 19	Subsidiaries and Small Entities without Public Accountability: Disclosures	1 January 2027

SFRS(I) 18 Presentation and Disclosure in Financial Statements replaces SFRS(I) 1-1. The new version includes (a) revised presentation of specified categories and defined subtotals in the statement of profit or loss; (b) new disclosures on management-defined performance measures in the notes to the financial statements; and (c) improved disclosures of aggregation and disaggregation of balances. It also requires the disclosure, for the comparative period immediately preceding the period in which this standard is first applied, a reconciliation for each line item in the statement of profit or loss between (a) the restated amounts and (b) the amounts previously presented applying the replaced version.

29. Comparative figures

The financial statements for the year ended 31 December 2024 were audited by other independent auditor (other than RSM SG Assurance LLP) whose report dated 28 March 2025 expressed an unqualified opinion on those financial statements.

STATISTICS OF SHAREHOLDERS

As at 18 March 2026

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	94	12.38	3,538	0.01
100 - 1,000	288	37.94	162,611	0.37
1,001 - 10,000	319	42.03	1,025,560	2.31
10,001 - 1,000,000	55	7.25	6,570,780	14.81
1,000,001 AND ABOVE	3	0.40	36,593,002	82.50
TOTAL	759	100.00	44,355,491	100.00

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	26,957,623	60.78
2	CHUA KHOON HUI (CAI KUNHUI)	6,607,016	14.90
3	COCKPIT INTERNATIONAL PTE LTD	3,028,363	6.83
4	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	966,051	2.18
5	H'NG TIEN YAO	916,700	2.07
6	LIM KIAN BOON CHARLES	838,737	1.89
7	DARIO NOCENTINI	638,900	1.44
8	WANG YANLI	436,400	0.98
9	MAYBANK SECURITIES PTE. LTD.	422,038	0.95
10	KHO CHUAN THYE PATRICK	254,210	0.57
11	OCBC SECURITIES PRIVATE LIMITED	252,424	0.57
12	DBS NOMINEES (PRIVATE) LIMITED	248,770	0.56
13	LOH WAI LENG	155,520	0.35
14	TIO HONG TJOEN @ TARWIDJAJA WIHARDJA OR THAM MEI KHENG	113,635	0.26
15	PHILLIP SECURITIES PTE LTD	89,671	0.20
16	GOH HAN PENG (WU HANPING)	84,255	0.19
17	NG SOON HOCK (HUANG SHUNFU)	82,500	0.19
18	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	76,233	0.17
19	LEE SZE KIAN	64,550	0.15
20	KHOO BEE LENG, JOANNA (QIU MEILING, JOANNA)	64,520	0.15
	TOTAL	42,298,116	95.38

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 18 March 2026)

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of shares	%	No. of shares	%	No. of shares	%
Teo Kok Woon	-	-	28,410,666 ⁽¹⁾	64.05	28,410,666	64.05
Cockpit International Pte Ltd	3,028,363	6.83	-	-	3,028,363	6.83
Goodearth Realty Private Limited	-	-	3,028,363 ⁽²⁾	6.83	3,028,363	6.83
Chua Khoon Hui	6,607,016	14.90	-	-	6,607,016	14.90

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 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 RULE)**

Based on information available and to the best knowledge of the Company as at 18 March 2026, approximately 21.05% 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.

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

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

Mr. Chua Khing Seng
Non-Executive Independent Director

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

NOMINATING COMMITTEE

Mr. Chua Khing Seng
Chairman

Mr. Teo Kok Woon
Dr. Yu Lai Boon

REMUNERATION COMMITTEE

Dr. Yu Lai Boon
Chairman

Mr. Chua Khing Seng
Mr. Teo Kok Woon

AUDIT COMMITTEE

Dr. Yu Lai Boon
Chairman

Mr. Chua Khing Seng
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 OFFICE

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

COMPANY REGISTRATION NO.

200003865N

AUDITOR

RSM SG Assurance LLP
8 Wilkie Road
#03-08 Wilkie Edge
Singapore 228095
Engagement Partner: Ms. Pang Hui Ting
(with effect from financial year ended
31 December 2025)

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



TSH Corporation Limited

Company Registration No: 200003865N