

GENERAL ANNOUNCEMENT::PROVISIONAL LIQUIDATION OF SUBSIDIARY AND VOLUNTARY TRADING SUSPENSION

Issuer & Securities

Issuer/ Manager

TA CORPORATION LTD.

Securities

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Announcement Details

Announcement Title

General Announcement

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Announcement Sub Title

Provisional Liquidation of Subsidiary and Voluntary Trading Suspension

Announcement Reference

SG230717OTHRDZ1

Submitted By (Co./ Ind. Name)

Tam Siew Kheong / Foo Soon Soo

Designation

Chief Financial Officer / Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the attached.

Attachments

[TA Provisional Liquidation and Voluntary Trading Suspension.pdf](#)

Total size =205K MB



TA CORPORATION LTD.

(Incorporated in the Republic of Singapore)

Company Registration No.: 201105512R

- (1) **PROVISIONAL LIQUIDATION OF TIONG AIK CONSTRUCTION PTE LTD**
 - (2) **VOLUNTARY TRADING SUSPENSION**
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The board of directors (the "**Board**") of TA Corporation Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") wishes to inform of the following:

1. Provisional Liquidation of Tiong Aik Construction Pte Ltd

Tiong Aik Construction Pte Ltd ("**TA Construction**"), a wholly-owned subsidiary of the Company, has been placed under provisional liquidation ("**PL**"), pursuant to which Mr. Lin Yueh Hung and Mr. Ng Kian Kiat of Messrs RSM Corporate Advisory Pte. Ltd. of 8 Wilkie Road, #03-08 Wilkie Edge, Singapore 228095 have been appointed as joint and several provisional liquidators.

TA Construction is principally engaged in building and construction works. The board of directors of TA Construction has resolved to appoint provisional liquidators after having assessed that the financial condition of TA Construction is such that it is presently unable to pay its debts as and when they fall due. TA Construction is experiencing an acute tightening of cash-flow arising from difficulties in collecting payments and retention monies (partly due to potential liquidated damages claims), while at the same time faced with increasing demands for additional costing and funding to address labour and material price hikes. Heightened interest rates have led to higher borrowing costs and an unfavourable financing environment, which when coupled with a slower-than-expected take up of available-for-sale properties developed by the Group, have limited the extent to which the Group is able to continue supporting the cash-flow requirements for TA Construction and its ability to secure new projects in light of its current financial condition.

2. Voluntary Trading Suspension

Having regard:

- (a) to the Group's plans to engage in a broader and more holistic manner with its lenders, noteholders, business partners, suppliers and customers in relation to the PL and its consequent implications on the Group; and
- (b) that the Company has exposure from parent guarantees and other forms of financial support for TA Construction and projects undertaken by it in its ordinary course of business, and the possibility of cross-defaults being triggered by the PL for loan facilities taken by the other members of the Group,

the Board considers it prudent that a voluntary suspension of trading in the shares of the Company be put in place pending the engagement of the aforesaid stakeholders and clarity on the financial position of the Company and the Group as a whole.

The Board has appointed Messrs Deloitte & Touche Financial Advisory Services Pte. Ltd. (led by Mr. Tan Wei Cheong) as financial advisor and Messrs Reed Smith Resource Law Alliance (led by Mr. Johnny Lim) as legal adviser to assist the Board with a review of the financial position of the Group, and to advise the Board on next steps to be taken.

The Board wishes to emphasize that the voluntary suspension is put into place as a matter of prudence, with the other subsidiaries and business units of the Group continuing to operate under their respective management teams. As the Board and management are still in the midst of evaluating the situation, the trading suspension seeks to allow disclosure and dissemination of relevant information prior to trading resumption and avoid market confusion.

Further announcements will be made by the Company as and when there are material developments.

Shareholders of the Company and other stakeholders are advised to read this announcement and any further announcements by the Company carefully, and to exercise caution when dealing in the shares or other securities of the Company. Shareholders of the Company and other stakeholders should consult their stockbrokers, bank managers, solicitors, accountants, or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Foo Soon Soo/Tam Siew Kheong
Company Secretaries

Date: 17 July 2023