

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::DISCREPANCIES BETWEEN UNAUDITED AND AUDITED ACCOUNTS

Issuer & Securities

Issuer/ Manager

TA CORPORATION LTD.

Securities

TACORP S\$27M6%N260726 - SGXF74214317 - MCLB

TA CORPORATION LTD - SG2D87975520 - PA3

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Announcement Details

Announcement Title

Financial Statements and Related Announcement

Date & Time of Broadcast

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Announcement Sub Title

Discrepancies between unaudited and audited accounts

Announcement Reference

SG240725OTHRIAE1

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 - Refer to the Online help for the format)

Please refer to attachment.

Additional Details

For Financial Period Ended

31/12/2023

Attachments

[20240725_TA_Ann_MatVariance_FS_FYE2023_Att.pdf](#)

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TA CORPORATION LTD

(Incorporated in the Republic of Singapore)

Co. Registration No. 201105512R

ANNOUNCEMENT

MATERIAL VARIANCES BETWEEN THE UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Board of Directors (the “**Board**”) of TA Corporation Ltd (the “**Company**”) refers to its unaudited financial statements of the Company and its subsidiaries (the “**Group**”) for the financial year ended 31 December 2023 announced on 29 February 2024 (the “**Unaudited Full Year Statements**”).

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Board wishes to announce that subsequent to the release of the Unaudited Full Year Statements, material variances have arisen between the Unaudited Full Year Statements and the Group’s audited financial statements for the full financial year ended 31 December 2023 (“**Audited Financial Statements**”). These variances arose following the issue and exercise of options to purchase (“**OTPs**”) in respect of the proposed disposal of the Group’s properties subsequent to the announcement of the Unaudited Full Year Statements. The external auditor has recommended certain adjustments to the Audited Financial Statements to account for these variances.

The details and explanation of these material variances between Audited Financial Statements and the Unaudited Full Year Statements are set out in the table below:

Extract of Consolidated Statement of Comprehensive Income for the financial year ended
31 December 2023

| Group | Audited | Unaudited | Variances | | Note |
|--|----------------|------------------|------------------|----------|-------------|
| | S\$'000 | S\$'000 | S\$'000 | % | |
| Other income | 100,078 | 113,821 | (13,743) | (12.1) | 1 |
| Gain on deconsolidation | 11,888 | - | 11,888 | >100 | 2 |
| Other operating expenses | (67,693) | (57,447) | (10,246) | (17.84) | 3 |
| Loss attributable to: Owners of the Company | (16,279) | (7,628) | (8,651) | 113.41 | 4 |

Extract of Consolidated Statement of Financial Position as at 31 December 2023

| | Audited | Unaudited | Variances | | Note |
|--|----------------|------------------|------------------|----------|-------------|
| | S\$'000 | S\$'000 | S\$'000 | % | |
| <u>Group</u> | | | | | |
| Current assets | | | | | |
| Trade and other receivables | 38,204 | 34,437 | 3,767 | 10.9 | 5 |
| Contract assets | 4,372 | 3,210 | 1,162 | 36.2 | 6 |
| Development properties | 196,127 | 200,740 | (4,613) | (2.3) | 7 |
| Non-current asset held for sale | 59,290 | 14,492 | 44,798 | >100% | 8 |
| Non-current assets | | | | | |
| Property, plant and equipment | 9,999 | 18,308 | (8,309) | (45.4) | 9 |
| Investment properties | 248,000 | 281,190 | (33,190) | (11.8) | 10 |
| Associates and joint ventures | 16,324 | 17,547 | (1,223) | (7) | 11 |
| Trade and other receivables | 26,011 | 29,073 | (3,062) | (10.5) | 12 |
| Current liabilities | | | | | |
| Borrowings | (36,985) | (71,227) | (34,242) | (48.1) | 13 |
| Trade and other payables | (144,561) | (141,643) | 2,918 | 2.1 | 14 |
| Contract liabilities | (93,362) | (89,022) | 4,340 | 4.9 | 15 |
| Liabilities directly associated with asset classified as held for sale | (42,711) | (5,972) | 36,739 | >100% | 16 |

Extract of the Company Statement of Financial Position as at 31 December 2023

| | Audited | Unaudited | Variances | | Note |
|-----------------------------|----------------|------------------|------------------|----------|-------------|
| | S\$'000 | S\$'000 | S\$'000 | % | |
| <u>Company</u> | | | | | |
| Current assets | | | | | |
| Trade and other receivables | 1,326 | 37,143 | (35,817) | (96.4) | 17 |
| Non - current assets | | | | | |
| Trade and other receivables | 75,453 | 39,636 | 35,817 | 90.4 | 18 |

Note:

- 1 The variance is mainly due to reclassification of deconsolidation gain to a separate line in consolidated statement of comprehensive income as explained in Note 2 below.
- 2 The Variance is mainly due to classification of deconsolidation gain as a separate line item in consolidated statement of comprehensive income.
- 3 The variance is due to write down of development properties subsequent to financial year end after the Group received a Letter of Intent to purchase the development properties subsequent to year end.
- 4 The variance is mainly due to the effects as explained in Notes 3.
- 5 The variance is mainly due to the classification of amount due to the Group by Tiong Aik Construction Pte Ltd ("TAC") from non-current to current balance as the Group is currently embarking in a restructuring plan with TAC which was a former subsidiary deconsolidated due to loss of control by the Group after liquidation of TAC (refer to Note 12)
- 6 The variance is due to reclassification of trade receivables to contract asset.
- 7 The variance is due to write down of development properties as the offer price is lower than carrying value.
- 8 The variance in AFS is mainly from units in New World Centre classified from investment properties (refer to Note 10) and property, plant and equipment (refer to Note 9).
- 9 The variance is due to classification of New World Centre units disposed of subsequent to year end to AFS (Note 8).
- 10 The variance is due to classification of New World Centre units disposed of subsequent to year end to AFS (refer to Note 8).

- 11 The variance is due to additional allowance for impairment on cost of investment of an associated company.
- 12 The variance is mainly due to the classification of amount due by the Group to Tiong Aik Construction Pte Ltd (“TAC”) from non current to current balance as the Group is currently working on a debt restructuring plan with TAC which was a former subsidiary deconsolidated due to loss of control by the Group after liquidation of TAC (refer to Note 5)
- 13 The variance is due to classification of borrowings related to AFS liabilities (refer to Note 16).
- 14 The variance is due to classification of liabilities related to assets held for sale (refer to Note 16).
- 15 The variance is due to reclassification of trade payables to contract asset.
- 16 The variance in liabilities directly associated with liabilities related to AFS liabilities are mainly due to borrowings and liabilities associated with New World Centre properties.
- 17 The variance is mainly due to the reclassification of amount due by the Company to Tiong Aik Construction Pte Ltd (“TAC”) from non-current to current balance as the Group is currently embarking in a restructuring plan with TAC which was a former subsidiary deconsolidated due to loss of control by the Group after liquidation of TAC (refer to Note 18)
- 18 The variance is mainly due to the classification of amount due by the Company to Tiong Aik Construction Pte Ltd (“TAC”) from non-current to current balance as the Group is currently working on a debt restructuring plan with TAC which was a former subsidiary deconsolidated due to loss of control by the Group after liquidation of TAC (refer to Note 17)

Trading of the Company’s securities on the SGX-ST had been voluntarily suspended by the Company on 17 July 2023.

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: 25 July 2024