



TA Corporation Ltd

Corporate Presentation

August 2017





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Agenda

- **Group Overview**
- **Construction**
- **Real Estate Development**
- **Real Estate Investment**
- **Distribution**
- **Financial Performance**
- **Strategy**



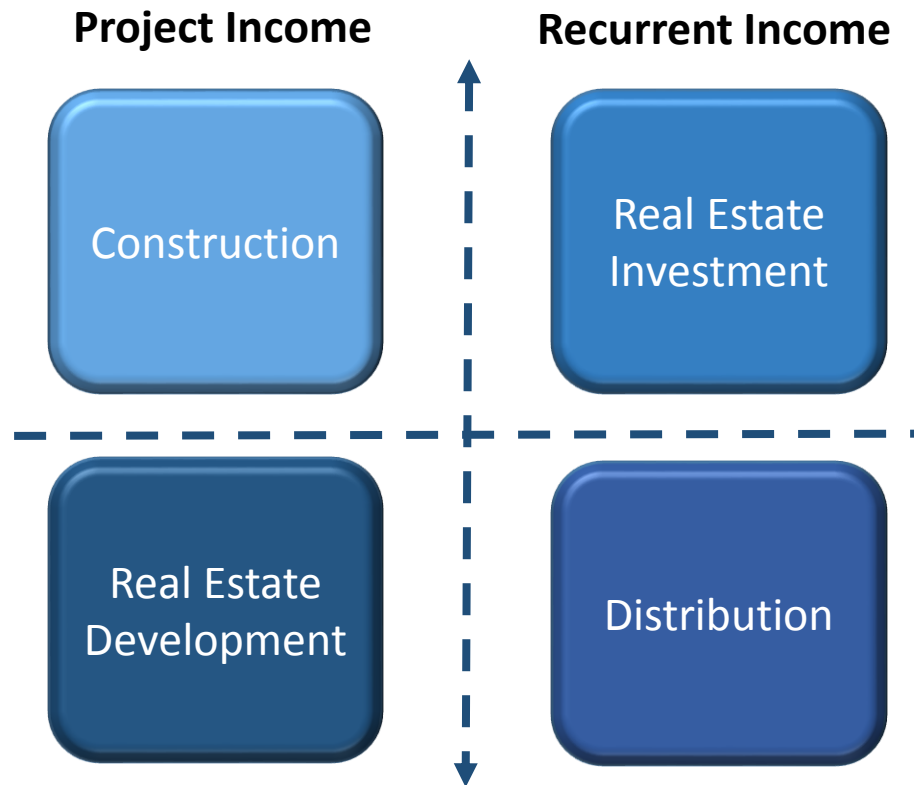
Auralis, Singapore

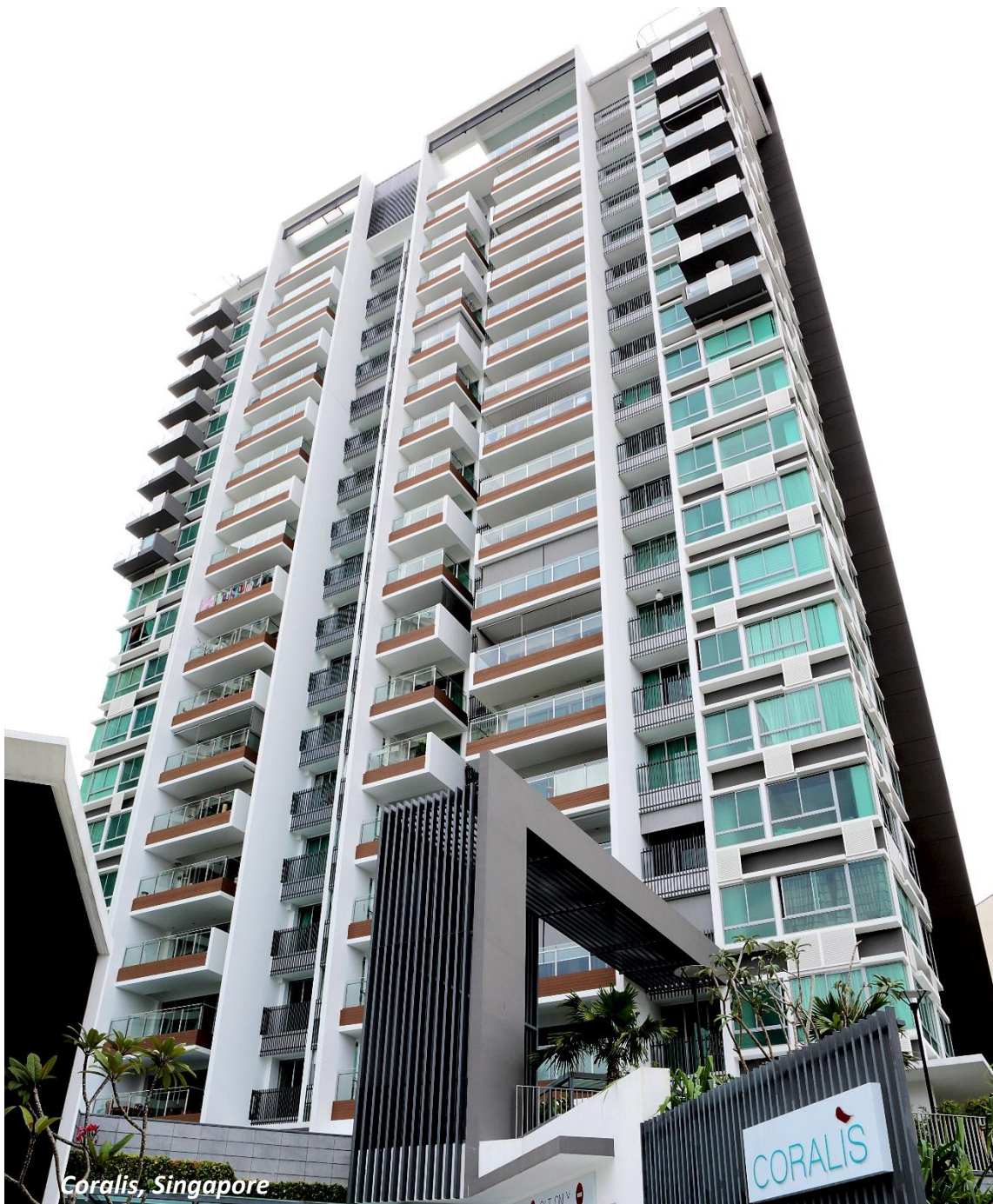
Group Overview

About TA Corporation



*An Established Quality Property and Construction Group
with a Growing Distribution Business*





Coralis, Singapore

Construction



Construction

- **Construction business is undertaken through our wholly-owned subsidiary, Tiong Aik Construction Pte Ltd**
- **Reliable builder contractor with established track record of more than 45 years**
 - Possess ability to undertake a wide spectrum of public and private sector projects
 - BCA-approved workers' training and testing centres
- **Clientele include government bodies and established real estate developers**



- **Air-Conditioning & Mechanical Ventilation (ACMV): Provision of air-conditioning mechanical ventilation systems**
- **Supported by a suite of complementary competencies**
 - Fabrication of metal frameworks, erection of building structural steels
 - Management of Group's construction machinery



Construction

Strategic Focus on Productive Construction Technologies

- **Pre-cast concrete components manufacturing plant in Johor, Malaysia started operations in 4Q2015**
 - Current capacity of 36,000 cubic metres per annum with capability to scale-up to 42,000 cubic metres per annum
 - Supplies products to major infrastructure, commercial and residential projects in Singapore and Malaysia
 - Demand for pre-cast concrete components supported by our construction arm and a growing base of customers.

- **Established Prefabricated Prefinished Volumetric Construction (PPVC) modules JV**
 - Incorporated TK Modular Pte. Ltd on 22 June 2017, an 80%-owned joint venture with Kong Hwee Iron Works & Construction Pte. Ltd
 - To design, develop, manufacture and distribute PPVC modules to Singapore developers



Construction: Ongoing projects

- **Order book of S\$129 million as at 30 June 2017**
 - To be progressively delivered over the next two years.



Highline Residences

- Private residential development
- Contract Value: ~S\$174m
- Estimated Completion Date: Dec 2017
- Developer: Harvestland Development Pte Ltd (*subsidiary of Keppel Land Limited*)



German European School Singapore

- Institution with six-storey educational block and two-storey sports block
- Contract Value: ~S\$94m
- Estimated Completion Date: Mar 2018
- Developer: German European School Singapore

Construction: Recently Completed Projects



Tuas South Dormitory

Completed in Jan 2016
Developer: Nexus Point
Investment Pte Ltd



Riversails

Completed in May 2016
Developer: Allgreen
Properties Limited



Marine Blue

Completed in Oct 2016
Developer: Ladyhill (Private)
Limited (*subsidiary of
Capitaland Residential Ltd*)



The Skywoods

Completed in Dec 2015
Developer: Bukit Timah
Green Development Pte Ltd



The Sorrento

Completed in Dec 2015
Developer: Allgreen
Properties Limited



Foresque Residences

Completed in Sept 2014
Developer: Wing Tai
Holdings Limited

Construction: 2016 & 2017 Awards & Accreditations



Year	Award / Accreditation	Awarded To Tiong Aik/Project
Building Construction Authority of Singapore		
2017	BCA Quality Excellence Award - Quality Champion (Platinum)	Tiong Aik
2016	BCA Quality Mark (QM) For Good Workmanship Excellent Rating	The Sorrento
2016	BCA Building Information Modelling (BIM) Award (Projects) Gold	Marine Blue
2016	BCA BIM Awards (Organisation) Gold Plus	n.a.
2016	BCA Construction Excellence Award (Merit)	Nouvel 18
Workplace Safety and Health (WSH) Council and the Ministry of Manpower		
2016	Workplace Safety & Health Performance Awards 2016 - Sharp Awards	Highline Residence



The Gateway, Cambodia

Real Estate Development



Real Estate Development

- More than 20 years of experience in real estate development
- Reputation for delivering quality well-located residential developments, targeting the middle to upper-middle markets
- Through JVs, expanded into Cambodia, Thailand and China; looking to expand into Myanmar
- Overseas projects contribute about 25% in sales to the segment's FY16 revenue



Estilo, Singapore



De Iyara Grande (*Serviced Apartments*), Thailand

Real Estate Development: Recently Launched Projects



Singapore



12 on Shan

- Freehold private residential development
- Located in the Balestier area; Close proximity to Novena Medical Hub
- Estimated TOP: Feb 2018
- Launched in January 2017

Cambodia - Phnom Penh



The Gateway

- An iconic twin tower development comprising a 36-storey office tower (299 office units) and 39-storey residential tower (572 residential units); 2-storey retail and 7-story carpark podium
- Strategically located in the Central Business District of Phnom Penh
- Estimated TOP: Dec 2019
- More than 34% of residential units and 45% of office units sold as at 31 Mar 2017

Real Estate Development: Recent Projects



Singapore



Ascent@456

45-unit freehold residential & commercial mixed development at Balestier Road

TOP: Jan 2017

Fully sold by Jan 2017 (*residential unit*)



Terra Villas

7 units of 3-storey strata-titled terrace houses in Kembangan

TOP: Sept 2016

1 unit left to be sold (*Sale option dated 2 May 2017 given*)



The Skywoods

25%-owned associate's condominium with 420 units at Dairy Farm Road

TOP: Dec 2016

Fully sold by end 2016



Gambir Ridge

5-storey residential development with 77 units at Gambir Walk

TOP: Dec 2015

Fully sold by Oct 2012

Real Estate Development: Recent/Ongoing Projects



Thailand - Bangkok



De lyara

65 units of 3.5-storey townhouses
Fully sold within two weeks after launch in 2013



De lyara Share

42 units of 3.5 storey townhouses
Fully sold within two weeks after launch in 2013



De lyara Grande

72 units of 3.5-storey townhouses
Over 70% sold



De lyara Grande (Serviced Apartments)

138 units of freehold serviced apartments
Approx. Planned GFA: 5,686 sq m
Targeted completion: End 2017



Land Bank For Future Developments

Location	Type of Planned Development	Approximate Site Area (sq m)	Approximate Planned GFA (sq m)	Tenure	Effective Equity Interest (%)
Thailand					
Klong Luang District, Pathum Thani	2 plots of land for multi-phased mixed development	89,580	To be advised	Freehold	70
Cambodia					
Phum Preychisak, Sangkat Chom Chao, Khan Dongkor, Phnom Penh	Mixed-use residential and commercial development.	20,515	To be advised	Freehold	49



Tuas South Dormitory

Real Estate Investment

Real Estate Investment: Building a Recurrent Income Stream



- **Owns more than 61,000 sq m of investment property space**
 - Includes 4,235 sq m of commercial units at New World Centre, 1 Jalan Berseh, Singapore
- **Manages more than 10,000 dormitory beds for foreign workers in Singapore**
 - Includes the 9,180-bedded **Tuas South Dormitory** which commenced business operations in 2016
 - One of the largest purpose-built dormitories in Singapore
 - Caters to foreign workers in the marine, process, manufacturing and construction industries
 - Further development in the Tuas area due to the construction of port facilities, improved connectivity upon the opening of Tuas Viaduct and Tuas West MRT extension to further drive healthy growth



Tuas South Dormitory



New World Centre



Wheel Loader



Quarry & Construction Vehicle

Distribution



Growing Distribution Business

- **Fast-growing operations in the distribution of high performance motor oil and lubricants**
 - Singapore
 - *100%-owned Sino Tac Resources*: Exclusive distributor of 'BP Castrol's high performance motor oils and lubricants since 2007
 - Thailand
 - *50%-owned Viva Energia*: Exclusive distributor of the 'Repsol' brand of high performance lubricants and other related products
 - Myanmar
 - *51%-owned Que Holdings*: Holds the sole distributorship for 'Shell Eastern Petroleum's high-performance automotive and industrial lubricant products to the B2B and B2C sectors, and aviation lubricant products
 - *50%-owned Eternal Synergy*: Distributes 'GS' brand of lubricants and related products
 - Regional
 - *50%-owned Synergy Performance*: Distributes in-house owned 'Synergy' brand of lubricants and related products





Growing Distribution Business: Myanmar

- Broadened distribution portfolio in Myanmar to tap buoyant growth opportunities
- The distribution of passenger and light truck tyres as well as heavy commercial vehicles, trucks, buses and automotive spare parts, in addition to automotive, industrial and aviation lubricants; business showed good growth and potential in a few short years
 - 51%-owned *Que Holdings*: Exclusive distributor for the 'Continental' brand of passenger & light truck tyres
 - 50%-owned *Myanmar Synergy*: Exclusive distributor of trucks, buses, vans and other commercial vehicles under the 'Iveco', 'Astra' and 'Zhong Tong' brands as well as 'CASE Construction Equipment' as well as automotive spare parts
 - May 2017: Opened S\$5.6 million headquarters cum commercial vehicles and construction equipment showroom in Yangon
 - Reinforced market position as one of Myanmar's leading commercial vehicles and construction equipment distributors





Foresque Residences, Singapore

Financial Performance



Financial Performance

S\$'m	1HFY2017	1HFY2016	FY2016	FY2015
Revenue	107.8	88.4	194.1	276.7
Gross Profit	20.4	16.7	36.0	40.4
Profit/ (Loss) before tax	(15.2)	0.5	(13.8)	(16.0)
Profit/ (Loss) after tax	(15.7)	(0.3)	(14.6)	(24.0)
Gross profit margin %	19.0	18.9	18.5	14.6

1HFY2017 vs 1HFY2016:

- **Revenue** increased due higher revenue contribution from all 4 business segments
- **Loss after tax** incurred due mainly to fair value loss of one of the Group's investment properties, *Tuas South Dormitory*

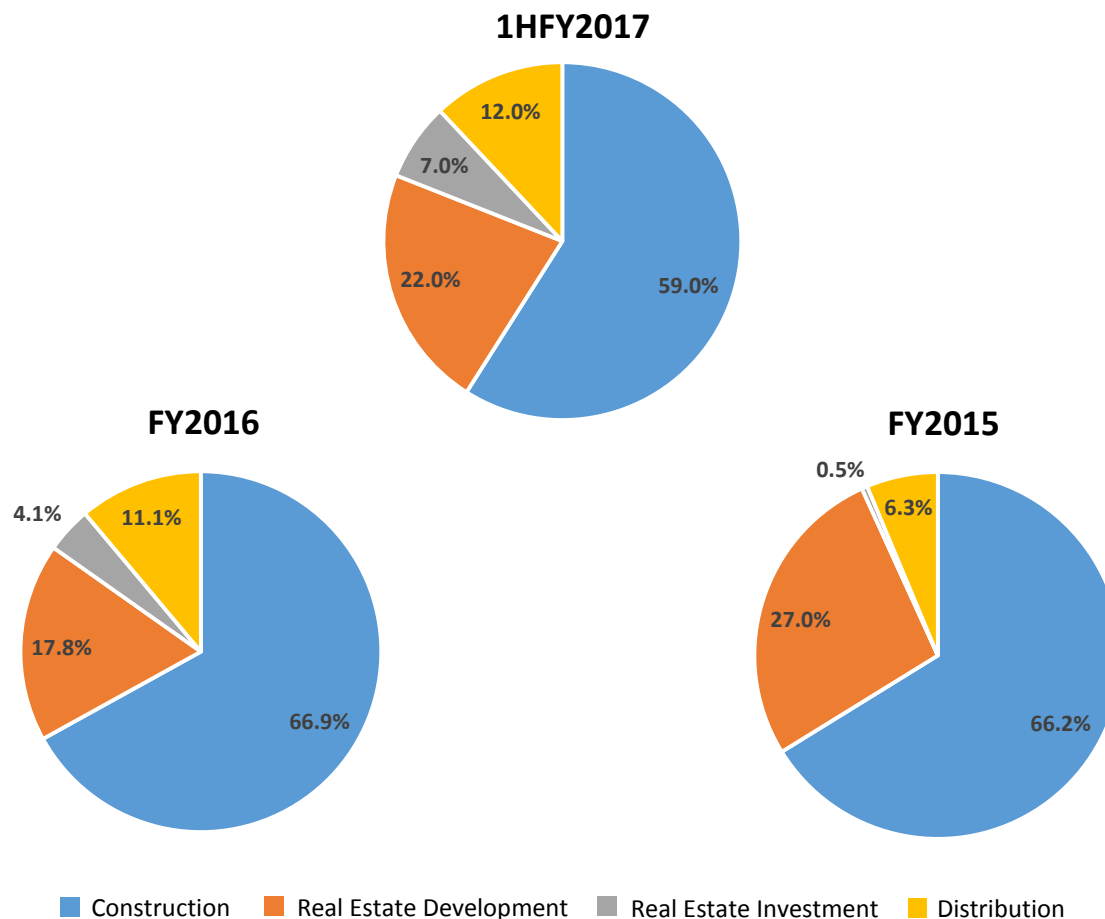
FY2016 vs FY2015:

- **Loss after tax** narrowed; due to lower Group revenue arising from lower revenue contribution from construction as well as real estate development & investment segments, partially offset by higher revenue from distribution segment
- **Gross profit margin** increased by about 4 percentage points due to higher contribution from investment properties which generate higher margin compared to other segments



Segmental Revenue

- Construction segment remains key contributor to Group revenue
- Growing distribution business segment





Balance Sheet & Key Financial Ratios

S\$'m	As at 30 Jun 2017	As at 31 Dec 2016
Current Assets	358.8	379.4
- Cash & bank balances	77.2	91.5
Non-current Assets	346.7	345.0
Current Liabilities	271.7	240.7
Non-current liabilities	241.4	273.1
Equity attributable to owners of the Company	197.3	210.0
Gearing Ratio (times)	1.9	1.7
NAV Per Share (SGD cents)	39.5	43.5



Rewarding Shareholders

Dividend Per Share (SGD cents)	FY2016	FY2015	FY2014	FY2013	FY2012
First & Final	1.0	1.0	1.0	1.0	1.3
Total Dividend per share	1.0	1.0	1.0	1.0	1.3
(Loss)/Earnings per share	(1.4)	(5.1)	4.4	6.3	8.5
Dividend payout ratio	n.a.	n.a.	23%	16%	15%

Group maintained total dividend per share of 1.0 SGD cents, in which shareholders are given the option to receive their dividends in either scrip or cash

Renounceable Underwritten Rights Issue For Warrants



- **120,567,589 warrants listed on Mainboard SGX-ST on 25 May 2017, following the proposed renounceable underwritten rights issue exercise announced on 30 March 2017**
 - With every four existing ordinary shares in the capital of TA Corporation, shareholders subscribed to one Warrant at an issue price of S\$0.003
 - Each Warrant holder entitled to subscribe for one new ordinary share in the capital of the Group at an exercise price of S\$0.28 for each New Share, subject to the terms and conditions of the Warrants

- **Usage of proceeds from fund raising exercise**
 - Expand and strengthen Group's capital base
 - Provide additional resources for business expansion and diversification within Southeast Asia
 - Additional financial flexibility to respond proactively to strategic business opportunities and working capital requirements



The Cristallo, Singapore

Strategy



Growth Strategy

Focus on core business and markets while growing presence overseas

- Established real estate business in neighbouring countries with projects in Cambodia and Thailand; plan to expand into Myanmar
- Leverage on Group's precast and PPVC capabilities to bid for contracts in Singapore and Malaysia

Grow distribution business in South-East Asia

- Secure distributorships for new markets
- Clinch additional distributorships of related products from principals

Acquisition of new development sites to replenish land bank

- Has undeveloped land bank of about 1 million sq feet in Panthum Thani, Thailand and 200,000 sq ft in Phnom Penh, Cambodia; planned for mixed-use developments
- Owned a freehold 8,986 sq metres site in Chennai, India
- Plan to enter into joint ventures with land owners in Myanmar

Expand complementary businesses

- ACMV business expanded into Cambodia; plan to expand into neighbouring countries



The Sorrento, Singapore

Q&A