



**TA CORPORATION LTD**

(Incorporated in the Republic of Singapore)

Co. Registration No. 201105512R

**ANNOUNCEMENT**

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**COMPANY'S RESPONSE TO QUERY RAISED BY SGX-ST ON ANNUAL REPORT 2019**

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The Board of Directors of TA Corporation Ltd. (the “**Company**”) refers to the query raised by The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) dated 16 April 2020 pursuant to Listing Rule 1207(20) in relation to the Annual Report 2019 which was released to the SGX-ST on 6 April 2020.

SGX-ST's Query:

We note that the Group undertook a rights issue of warrants exercise in May 2017, which was fully subscribed, to expand and strengthen its capital base. Upon the successful completion of the rights issue, 120,567,589 warrants were listed on Mainboard Singapore Exchange in May 2017 and will be exercisable over 5 years until May 20, 2022. The funds raised from the rights issue and through the exercise of the warrants by shareholders will provide additional resources for the Group to expand and diversify our business within Southeast Asia and the financial flexibility to respond proactively to strategic business opportunities and working capital requirements. However, there was no update on the use of the proceeds.

Listing Rule 1207(20) states that the annual report, if applicable, should include a status report on the use of IPO proceeds and any proceeds arising from any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use and is in accordance with the percentage allocated in the prospectus or the announcements of the issuer. Where the proceeds are used for general working capital purposes, the issuer must announce a breakdown with specific details on the use of proceeds for working capital. Where there is any material deviation from the stated use of proceeds, the issuer must also announce the reasons for such deviation.

Please explain how the Company complies with Listing Rule 1207(20).

Company's Response:

The Board wishes to provide an update on the utilisation of the net proceeds ("Net Proceeds") from the Rights Issue of Warrants ("Rights Issue").

Net Proceeds of S\$31,000 (gross proceeds of S\$362,000 less issue expenses of S\$331,000) were raised from the Rights Issue. Since the completion of the Rights Issue in May 2017, there has been no exercise of the warrants by warrant holders to subscribe for new ordinary shares in the Company. Hence, no further proceeds were received by the Company. The Company had allocated the Net Proceeds to the Group's general working capital purposes and the Net Proceeds were utilised for operating expenses.

The use of proceeds from the Rights Issue as disclosed above is in accordance with the intended uses as disclosed in the Offer Information Statement which was released to SGXNET on 19 April 2017.

The Board will continue to provide periodic announcements on the utilisation of the net proceeds from the Rights Issue as and when there are further developments.

**By Order of the Board**

Yap Ming Choo  
Foo Soon Soo  
Company Secretaries

Date: 24 April 2020