



TA CORPORATION LTD.

(Incorporated in the Republic of Singapore)
Company Registration No.: 201105512R

INTERESTED PERSON TRANSACTION –

AWARD OF CONTRACT BY MATSUSHITA GREATWALL CORPORATION PRIVATE LIMITED FOR PROPOSED NEW ERECTION OF A 6-STOREY SINGLE-USER INDUSTRIAL BUILDING AT SUNGEI KADUT STREET 2 WORTH S\$39.7 MILLION

1. INTRODUCTION

1.1 Award of Contract

The board of directors (the "**Board**") of TA Corporation Ltd. (the "**Company**"), and together with its subsidiaries, (the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, Cornerstone Builders Pte. Ltd. ("**Cornerstone**") has been awarded a contract (the "**Transaction**") for the proposed new erection of a 6-storey single-user industrial building at Sungei Kadut Street 2 (the "**Project**") from Matsushita Greatwall Corporation Private Limited ("**Matsushita**"), at an aggregate contract sum of S\$39.7 million (the "**Contract Sum**").

1.2 Information on Matsushita

Matsushita is a company incorporated in Singapore. As at the date of this announcement, 66.33% of the share capital of Matsushita is collectively held by Sinotac Group Pte Ltd ("**Sinotac**") and TAC Marketing Pte Ltd ("**TAC Marketing**"). Mr. Neo Tiam Boon ("**NTB**"), the Executive Chairman and Chief Executive Officer, a controlling shareholder of the Company, Mr. Liong Kiam Teck ("**LKT**"), a controlling shareholder of the Company and the sibling of NTB, Mr. Neo Tiam Poon @ Neo Thiam Poon ("**NTP**"), a controlling shareholder of the Company and the sibling of NTB, and Mr. Neo Thiam An ("**NTA**"), the sibling of NTB, collectively hold 100% of the shareholding interest in Sinotac. LKT and NTA collectively hold 100% of the shareholding interest in TAC Marketing. Following that, Matsushita is regarded as an interested person under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Listing Manual**").

2. PRINCIPAL TERMS

2.1 Tender Process

Matsushita had invited Cornerstone to participate in the tender for the Project, and Cornerstone was issued the letter of award on 15 May 2025 ("**Letter of Award**").

2.2 Contract Sum

The Contract Sum, which excludes goods and services tax, takes into account, *inter alia*, the cost of structural works, the prime cost sums, site preparation works, piling works and general conditions and preliminaries.

2.3 Contract Period

The Project shall be completed within 20 months commencing from 8 weeks from the date of the Letter of Award or from the date of issuance of the first permit to commence structural works by the Building and Construction Authority, whichever is earlier.

2.4 Retention Sum

The retention sum is subject to a maximum limited equivalent to 10% of the Contract Sum, of which the first half of the retention sum, equivalent to 5% of the Contract Sum, shall be released upon the issuance of the completion certificate, and the remaining retention sum equivalent to 5% of the Contract Sum shall be released upon the issuance of the maintenance certificate.

2.5 Liquidation Damages

The liquidation damages for late completion of the work are S\$13,400 per calendar day or part thereof during which the works remain incomplete.

3. RATIONALE FOR AND BENEFIT OF THE TRANSACTION

The Group's rationale for the Transaction is as follows:-

- (a) the Group should not turn down the opportunity to execute a project without due consideration simply because the Transaction is an interested person transaction; and
- (b) the Transaction will benefit the Group in terms of its utilisation of its excess capacity, thereby contributing positively to the Group's financial results, especially in view of the current general slowdown in the construction industry in Singapore.

In view of the above, the Transaction is of benefit to and in the commercial interest of the Group.

4. INTERESTED PERSON TRANSACTION

4.1 Details of the Interested Persons

For the purposes of Chapter 9 of the Listing Manual, Cornerstone which is wholly-owned by the Company, is regarded as an "entity at risk", and Matsushita is an "interested person". The Transaction thus constitutes an interested person transaction ("IPT") under Chapter 9 of the Listing Manual.

4.2 Amount at risk

Rule 906(1) of the Listing Manual provides that an issuer must obtain shareholders' approval for any IPT of a value equal to, or more than:

- (a) 5% of the group's latest audited net tangible assets; or
- (b) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by the shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

Rule 909 of the Listing Manual provides, *inter alia*, that the value of a transaction is the amount at risk to the issuer.

Following that, the amount at risk to the Company is S\$39.7 million which represents approximately 37.86% of the Group's latest audited net tangible assets (the "**Group NTA**") for the financial year ended 31 December 2023.

4.3 Shareholders' Approval

Given that the amount at risk for the Transaction exceeds 5% of the Group NTA, the Transaction would be subject to the approval of the shareholders of the Company ("**Shareholders**") at an extraordinary general meeting to be convened pursuant to Rule 906 of the Listing Manual unless an exception under Rule 915 and Rule 916 of the Listing Manual is applicable.

The Company intends to seek clarification with the SGX-ST on the applicability of Rule 916(5) of the Listing Manual on the Transaction, and whether Shareholders' approval is required for the Transaction pursuant to Rule 906 of the Listing Manual.

5. INDEPENDENT FINANCIAL ADVISER

Pursuant to Chapter 9 of the Listing Manual, the audit committee of the Company (the "**Audit Committee**") will be appointing an independent financial adviser ("**IFA**") to advise the directors of the Company who are not Interested Persons (being all directors of the Board excluding Mr. Neo Tiam Boon) (the "**Non-Interested Directors**") and to opine on whether the IPT is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

6. AUDIT COMMITTEE STATEMENT

The Audit Committee, comprising of two Independent Non-Executive Directors and one Non-Independent and Non-Executive Director who are also part of the Non-Interested Directors in relation to the IPT, will consider the opinion of the IFA before forming its view as to whether the IPT is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

7. OTHER INTERESTED PARTY TRANSACTIONS

Save as disclosed above, there are no interested person transactions (excluding transactions less than S\$100,000) entered into by the Group with the Interested Persons for the current financial year beginning 1 January 2025 up to the date of this announcement (the "**Relevant Period**"). There are no other interested person transactions (excluding transactions less than S\$100,000) involving the Group with interested persons other than the Interested Persons for the Relevant Period.

8. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed above and save for their interests arising by way of their respective shareholdings in the Company and/or directorships in the Group (as the case may be), none of the directors, or substantial shareholders of the Company has any interest, direct or indirect, in the Transaction.

9. FURTHER ANNOUNCEMENTS

The Company will make further announcements as and when there are material developments.

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/Chiang Yi Shin
Company Secretaries
Date: 26 May 2025