

## FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS

### Issuer & Securities

#### Issuer/ Manager

TA CORPORATION LTD.

#### Securities

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

TA CORPORATION LTD - SG2D87975520 - PA3

#### Stapled Security

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### Announcement Details

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#### Designation

Chief Financial Officer/ Company Secretary

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Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

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#### Additional Details

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For Financial Period Ended

31/12/2024

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#### Attachments

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[20250301 TACorp 2H2024 Results.pdf](#)

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**TA CORPORATION LTD**

**Unaudited Condensed Interim Financial Statements for  
the second half-year and full year ended 31 December 2024**

**TA CORPORATION LTD**  
(Company Registration No. 201105512R)  
(Incorporated in the Republic of Singapore)

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# A. Unaudited condensed interim consolidated statement of profit or loss and other comprehensive income

	Notes	GROUP					
		2H2024 S\$'000	2H2023 S\$'000	Change %	FY2024 S\$'000	FY2023 S\$'000	Change %
<b>Revenue</b>	5	50,578	43,696	15.7	97,100	138,364	(29.8)
Cost of sales		(22,021)	(18,536)	18.8	(37,904)	(106,631)	(64.5)
<b>Gross profit</b>		28,557	25,160	13.5	59,196	31,733	86.5
Other income	6	13,645	94,250	(85.5)	17,008	100,078	(83.0)
Gain on deconsolidation		-	11,888	(100.1)	-	11,888	(100.0)
Loss on disposal of subsidiaries		(185)	-	NM	(185)	-	NM
Loss allowance recognised on financial assets		(3,735)	(11,579)	(67.8)	(3,735)	(11,579)	(67.8)
Selling and distribution costs		(1,378)	228	NM	(1,507)	(407)	NM
General and administrative expenses		(7,623)	(7,364)	3.5	(12,631)	(17,566)	(28.1)
Other operating expenses		(8,426)	(60,223)	(86.0)	(21,177)	(67,693)	(68.7)
Share of profit of associates and joint ventures		1,426	690	106.7	1,445	925	56.2
Finance costs		(3,542)	(6,243)	(43.3)	(8,812)	(12,898)	(31.7)
<b>Profit before income tax</b>	7	18,737	46,807	(60.0)	29,602	34,481	(14.1)
Income tax expense	8	(3,615)	(1,781)	103.0	(6,829)	(3,916)	74.4
<b>Profit after income tax from continuing operations</b>		15,122	45,026	(66.4)	22,773	30,565	(25.5)
Profit (Loss) from discontinued operations <sup>#</sup>		471	(3,007)	NM	-	(3,007)	(100.0)
<b>Total profit</b>		15,593	42,019	(62.9)	22,773	27,558	(17.4)
<b>Other comprehensive income (loss):</b> <i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		246	(480)	NM	826	(396)	NM
Translation difference of subsidiaries reclassification to profit or loss upon disposal		(27)	-	NM	(27)	-	NM
Share of other comprehensive income (loss) of associates and joint ventures		669	(804)	NM	501	(694)	NM
<b>Total comprehensive income for the year</b>		16,481	40,735	(59.4)	24,073	26,468	(9.0)
Profit (Loss) attributable to :							
Owners of the Company		9,668	3,089	NM	14,410	(16,279)	NM
Non-controlling interests		5,926	38,930	(84.8)	8,363	43,837	(80.9)
		15,594	42,019	(62.9)	22,773	27,558	(17.4)
Total comprehensive income (loss) attributable to:							
Owners of the Company		11,334	2,030	NM	16,097	(17,356)	NM
Non-controlling interests		5,147	38,705	(86.2)	7,976	43,824	(81.8)
		16,481	40,735	(59.4)	24,073	26,468	(9.0)
NM = Not meaningful							
<sup>#</sup> Profit (Loss) from discontinued operations were reclassified to gain on disposal of subsidiaries							

## B. Unaudited condensed interim statements of financial position

		Group		Company	
		31.12.2024	31.12.2023	31.12.2024	31.12.2023
		S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and bank balances		58,674	36,840	77	32
Trade and other receivables	10 (a)	32,710	38,204	1,326	1,326
Deposits and prepayments		13,890	11,971	16	11
Inventories		3,377	3,534	-	-
Contract assets	10 (b)	6,104	4,372	-	-
Development properties		188,457	196,127	-	-
		303,212	291,048	1,419	1,369
Non-current asset classified as held for sale		-	59,290	-	-
Total current assets		303,212	350,338	1,419	1,369
<b>Non-current assets</b>					
Property, plant and equipment	11	10,893	9,999	-	-
Investment properties	12	239,000	248,000	-	-
Subsidiaries	13	-	-	76,606	76,601
Goodwill		31	31	-	-
Associates and joint ventures		18,359	16,324	-	-
Trade and other receivables	10 (a)	17,725	26,011	73,736	75,453
Total non-current assets		286,008	300,365	150,342	152,054
<b>Total assets</b>		589,220	650,703	151,761	153,423
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Borrowings	14	27,043	36,985	-	-
Trade and other payables		156,998	144,561	53,653	53,779
Lease liabilities		683	146	-	-
Term notes		26,936	26,823	26,936	26,823
Contract liabilities		105,659	93,362	-	-
Provisions		41	-	-	-
Income tax payable		6,490	3,610	-	-
		323,850	305,487	80,589	80,602
Liabilities directly associated with asset classified as held for sale		-	42,771	-	-
Total current liabilities		323,850	348,258	80,589	80,602
<b>Non-current liabilities</b>					
Borrowings	14	72,774	109,924	-	-
Trade and other payables		63,493	87,306	30,917	30,650
Lease liabilities		65	273	-	-
Deferred tax liabilities		25	39	-	-
Total non-current liabilities		136,357	197,542	30,917	30,650
<b>Capital, reserves and non-controlling interests</b>					
Share capital	15	154,189	154,189	154,189	154,189
Reserves	16	432	432	-	-
Translation reserves		(1,141)	(2,827)	-	-
Accumulated losses		(74,806)	(89,220)	(113,934)	(112,018)
Equity attributable to owners of the Company		78,674	62,574	40,255	42,171
Non-controlling interests		50,339	42,329	-	-
Total equity		129,013	104,903	40,255	42,171
<b>Total liabilities and equity</b>		589,220	650,703	151,761	153,423

### C. Unaudited condensed interim statements of changes in equity

<u>Group (S\$'000)</u>	<u>Share capital</u>	<u>Reserves</u>	<u>Translation reserves</u>	<u>Retained earnings (Accumulated losses)/ profits</u>	<u>Equity attributable to owners of the Company</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
<b>Balance at January 1, 2023</b>	<b>154,189</b>	<b>644</b>	<b>(2,342)</b>	<b>(72,941)</b>	<b>79,550</b>	<b>5,630</b>	<b>85,180</b>
<i>Total comprehensive income (loss) for the year</i>							
Profit for the year	-	-	-	(16,279)	(16,279)	43,837	27,558
Other comprehensive loss for the year	-	-	(1,077)	-	(1,077)	(13)	(1,090)
Total	-	-	(1,077)	(16,279)	(17,356)	43,824	26,468
<i>Transactions with owners, recognised directly in equity</i>							
Incorporation of new subsidiary	-	-	-	-	-	25	25
Dividends paid to non-controlling shareholders	-	-	-	-	-	(673)	(673)
De-recognition of subsidiaries upon loss of control	-	(212)	592	-	380	(6,477)	(6,097)
<b>Balance at December 31, 2023</b>	<b>154,189</b>	<b>432</b>	<b>(2,827)</b>	<b>(89,220)</b>	<b>62,574</b>	<b>42,329</b>	<b>104,903</b>
<i>Total comprehensive income (loss) for the year</i>							
Profit for the year	-	-	-	14,414	14,414	8,362	22,776
Other comprehensive loss for the year	-	-	1,713	-	1,713	(387)	1,326
Total	-	-	1,713	14,414	16,127	7,975	24,102
<i>Transactions with owners, recognised directly in equity</i>							
Addition share capital	-	-	-	-	-	35	35
Translation differences of subsidiaries reclassified to profit or loss upon disposal	-	-	(27)	-	(27)	-	(27)
<b>Balance at December 31, 2024</b>	<b>154,189</b>	<b>432</b>	<b>(1,141)</b>	<b>(74,806)</b>	<b>78,674</b>	<b>50,339</b>	<b>129,013</b>

**C. Unaudited condensed interim statements of changes in equity - continued**

<b><u>Company (S\$'000)</u></b>	<b><u>Share capital</u></b>	<b><u>Reserves</u></b>	<b><u>Retained earnings (Accumulated losses)</u></b>	<b><u>Total equity</u></b>
<b>Balance at January 1, 2023</b>	<b>154,189</b>	<b>-</b>	<b>(44,919)</b>	<b>109,270</b>
Loss for the year, representing total comprehensive loss for the year	-	-	(67,099)	(67,099)
<b>Balance at December 31, 2023</b>	<b>154,189</b>	<b>-</b>	<b>(112,018)</b>	<b>42,171</b>
Loss for the year, representing total comprehensive loss for the year	-	-	(1,916)	(1,916)
<b>Balance at December 31, 2024</b>	<b>154,189</b>	<b>-</b>	<b>(113,934)</b>	<b>40,255</b>



#### D. Unaudited condensed interim consolidated statement of cash flows

##### Operating activities

Profit before income tax	29,602	34,481
Loss from discontinued operations	-	(3,007)
Adjustments for expenses (income):		
Depreciation expenses	1,365	4,725
Dividend income	(990)	(132)
Interest income	(1,213)	(1,238)
Finance costs	1,079	12,898
Share of profit of associates and joint ventures	(1,445)	(925)
Gain on disposal of property, plant and equipment, net	(7,982)	(4,262)
Impairment of goodwill	-	1,728
Impairment loss (Reversal of impairment loss) on investment in associates and joint ventures	-	1,243
Gain on deconsolidation	-	(11,888)
Loss (Gain) in fair value of investment properties	15,550	(91,850)
Loss on disposal of subsidiaries	185	-
Gain on disposal of other non-current assets	-	(69)
Loss allowance recognised on financial assets	3,735	11,579
Write-down of development properties, net	-	6,012
Operating cash flows before movements in working capital	39,886	(40,705)
Trade and other receivables	12,783	(97,452)
Contract assets	(1,732)	23,325
Contract liabilities	12,296	14,244
Deposits and prepayments	(1,919)	3,865
Inventories	158	2,950
Development properties	7,669	(2,529)
Trade and other payables	(11,374)	98,086
Provisions	41	(397)
Cash generated from operations	57,808	1,387
Income tax paid	(3,932)	(3,599)
Interest paid	(1,079)	(12,898)
Net cash generated from (used in) operating activities	52,797	(15,110)

##### Investing activities

Repayment from associates and joint ventures	-	17,296
Discontinued operations, net of cash	-	(1,846)
Deconsolidation, net of cash	-	(6,813)
Dividends received from associate and joint ventures	990	132
Interest received	1,213	1,238
Investment in associate	-	(125)
Purchase of property, plant and equipment	(1,876)	(4,099)
Proceeds from disposal of subsidiaries, net	164	-
Proceeds from disposal of non-current asset held for sale	50,500	324
Proceeds from disposal of property, plant and equipment	(2,259)	6,169
Net cash generated from investing activities	48,732	12,276

Group	
FY2024 S\$'000	FY2023 S\$'000
29,602	34,481
-	(3,007)
1,365	4,725
(990)	(132)
(1,213)	(1,238)
1,079	12,898
(1,445)	(925)
(7,982)	(4,262)
-	1,728
-	1,243
-	(11,888)
15,550	(91,850)
185	-
-	(69)
3,735	11,579
-	6,012
39,886	(40,705)
12,783	(97,452)
(1,732)	23,325
12,296	14,244
(1,919)	3,865
158	2,950
7,669	(2,529)
(11,374)	98,086
41	(397)
57,808	1,387
(3,932)	(3,599)
(1,079)	(12,898)
52,797	(15,110)
-	17,296
-	(1,846)
-	(6,813)
990	132
1,213	1,238
-	(125)
(1,876)	(4,099)
164	-
50,500	324
(2,259)	6,169
48,732	12,276

#### D. Unaudited condensed interim consolidated statement of cash flows - continued

##### Financing activities

Repayment of borrowings and term notes	(82,586)	(101,932)
Repayment of principal portion of lease liabilities	(122)	(1,138)
Pledged cash and fixed deposits	-	(18,698)
Loan from a company in which certain directors have control	-	5,509
Dividends paid to non-controlling shareholders	-	(673)
Proceeds from borrowings	2,493	89,620
Proceeds from issue of shares in subsidiaries to a non-controlling shareholder	35	25
Net cash used in financing activities	(80,180)	(27,287)
Increase (Decrease) in cash and cash equivalents	21,349	(30,121)
Cash and cash equivalents at beginning of the year	12,349	42,467
Effect of exchange rate changes	(89)	3

##### Cash and cash equivalents at end of the year

Group	
FY2024 S\$'000	FY2023 S\$'000
(82,586)	(101,932)
(122)	(1,138)
-	(18,698)
-	5,509
-	(673)
2,493	89,620
35	25
(80,180)	(27,287)
21,349	(30,121)
12,349	42,467
(89)	3
33,609	12,349

##### Cash and cash equivalents at end of the year comprise the following:

Cash and bank balances	35,134	17,748
Fixed deposits	23,540	19,092
	58,674	36,840
Less: pledged cash and fixed deposits	(25,065)	(24,491)
Cash and cash equivalents at end of the year	33,609	12,349

35,134	17,748
23,540	19,092
58,674	36,840
(25,065)	(24,491)
33,609	12,349

## **E. Notes to the unaudited condensed interim consolidated financial statements**

### **1. Corporate information**

The Company (Registration No. 201105512R) is incorporated in Singapore with its principal place of business and registered office at 8 Kaki Bukit Avenue 1 #04-08 Singapore 417941.

The Company is listed on the Mainboard of the Singapore Exchange Securities Trading Limited. These unaudited condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is that of investment holding. The principal activities of the Group are:

#### Construction

General builders and construction contractors, training of workers, general engineering, sale of construction materials and design, installation and maintenance of air conditioning and mechanical ventilation systems.

#### Real estate investment

Investment in real estate.

#### Real estate development

Development of residential and commercial projects and project management services.

#### Distribution

Sale and distribution of petroleum based lubricant products, automotive tyres and commercial vehicles.

#### Others

This comprises management and administration services.

### **2. Basis of preparation**

The unaudited condensed consolidated interim financial statements for the six months ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting. The unaudited condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last unaudited interim financial statements for the financial period ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"), except for the adoption of new and amended standards as set out in Note 2.1.

The unaudited condensed consolidated interim financial statements are presented in Singapore dollar which is the Company's functional currency.

#### **2.1 New and Amended Standards adopted by the Group**

The adoption of the various new/revised SFRS(I) pronouncements effective for the financial year beginning on 1 January 2024 does not have a material financial effect on the Group and the Company.

#### **2.2 Uses of judgement and estimates**

The preparation of the Group's unaudited condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

## 2.2 Uses of judgement and estimates - continued

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 10 – expected credit losses of trade and other receivables and contract assets
- Note 12 – determination of fair value of investment property using significant unobservable inputs

Apart from the notes above, the following are critical judgements and key assumptions that management has made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the interim financial statements.

### Critical judgements

#### Going concern assumption

The Group recorded a net profit after tax of S\$22.8 million for the financial year ended 31 December 2024. As of 31 December 2024, the Group's current assets amounted to S\$303.2 million and its current liabilities amounted to S\$323.9 million. However, the Group's current assets include development properties of S\$188.5 million that may not be realisable within one year. The net current liabilities of the Group included Medium Term Notes of S\$26.9 million reclassified from non-current liabilities to current liabilities as a result of suspension of interest payment after liquidation of TAC and recognition of S\$30.35 million of contingent liabilities arising from corporate guarantees provided by the Company dependent upon successful implementation and completion of consensual restructuring the Group's with the banks.

These factors indicate the existence of a material uncertainty that may cast significant doubt on the Group's and Company's ability to continue as going concerns.

In view of these circumstances, management has prepared a cash flow forecast containing major cash inflows and outflows of the Group over the next 12 months to 31 December 2025. The key assumptions applied in the cash flow forecast are:

- (a) The Group will be able to realise certain development properties at specified minimum values;
- (b) The Group will be able to monetize land bank at specified minimum values;
- (c) Banks will not demand repayment of loans, corporate guarantee which are revolving or repayable on demand; and
- (d) Successful implementation and completion of consensual restructuring the Group's outstanding debts and businesses.
- (e) The Group will successfully execute ongoing construction projects as planned;
- (f) The Group will secure new projects through successful tendering efforts; and
- (g) Demand for the Group's workers' dormitory will remain strong, supporting healthy rental and occupancy rates.

In view of the above, these condensed financial statements have been prepared on a going concern basis as the Board is of the view that the Group will be able to generate adequate cashflows from its other operations to meet the Group's working capital requirement and to operate as going concern while implementing the Group's restructuring plan.

These condensed financial statements did not include any adjustments that may result in the event that the Company and the Group are unable to continue as going concerns.

In the event that the Company and the Group are unable to continue in operational existence for the foreseeable future, the Company and the Group may be unable to realise their assets and discharge their liabilities in the ordinary course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the ordinary course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position.

In addition, the Group and the Company may have to provide for further liabilities that might arise, and to reclassify non-current assets and liabilities as current assets and liabilities respectively.

## 2.3 Uses of judgement and estimates - continued

### Sale of development properties

The Group develops and sells residential and commercial properties before completion of construction of the properties. Revenue is recognised when control over the property has been transferred to the customer, either over time or at a point in time, depending on the contractual terms.

In determining the point of transfer of control, management reviews the legally binding terms and arrangement of the sales contracts. Judgement is exercised in concluding the timing of revenue recognition, particularly in jurisdictions where terms in sale and purchase agreements are not standardised. Accordingly, timing of revenue recognition for properties in the same jurisdiction may vary depending on the contractual terms and arrangement.

### **Key sources of estimation uncertainty**

#### Construction contracts and development properties

The Group recognises revenue from construction of residential, industrial and commercial properties using the percentage of completion method. The stage of completion is measured by reference to proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

For development properties whereby revenue is recognised over time, the percentage of completion is measured by reference to the construction and other related costs (excluding land cost) incurred to date as a proportion of the estimated total construction and other related costs (excluding land cost) to be incurred.

Significant assumptions and judgements are involved in estimating costs to completion for both construction contracts and development of properties; and in the case of contract work, the recoverable amounts for any variation work. Estimates of cost to completion which have yet to be contracted for are based on past experience, prevailing market conditions, and factors specific to the construction or development property

During the course of a project, the contract sum may also be adjusted for variations, omissions and variable consideration (including liquidated damages). Variations could relate to unpriced change orders approved by customers for which management has to estimate the transaction price.

Management similarly reviews construction contracts for foreseeable losses whenever there is indication that the sum of fixed price contract and any variation sums may be lower than the total expected construction cost.

Management reviews the net realisable values of development properties whenever there is indication that the estimated potential sales proceeds less cost to sell, may be lower than the total expected development cost. The estimated selling prices are based on selling prices for comparable developments and take into consideration prevailing market conditions.

In assessing the recoverable amounts of properties for sale and the related costs, management considers the specific courses of action that it has taken or plans to take and expectations regarding the results of these actions. Provision is made for incremental cost relating to these conditions and is charged to profit or loss (included in cost of sales).

## 2.2 Uses of judgement and estimates - continued

The above judgements and estimates affect the amount of revenue recognised, the cost included in cost of sales; contract assets, contract liabilities, provisions and development properties. Management's estimates take into account known significant events and information available when the unaudited interim financial statements are prepared. They are subject to periodic reassessment. Current estimates may be subject to material change in future depending on market conditions and the results of actions to be taken in future.

### Recoverable amount of receivables from associates/joint ventures and investment in associates

#### (a) Dalian Shicheng Property Development (S) Pte. Ltd. ("DSPDS")

The Group has 42.97% (31 December 2023: 42.97%) equity stake in the associate, DSPDS. The ability to recover receivables from and the carrying amount of investment in DSPDS is dependent on the ability to sell the properties of Dalian Shicheng Property Development Co., Ltd. ("DSPDC"), a subsidiary of DSPDS in Dalian, PRC, at the values estimated by management. The properties named "Singapore Garden" is a multi-phased mixed development in Dalian, PRC.

The investment in DSPDS remained fully impaired as at 31 December 2024 based on management's assessment, which takes into consideration the market value of unsold units and undeveloped land.

In addition to the full impairment of the investment in DSPDS, the Group has made an allowance of S\$28.6 million (31 December 2022: S\$28.5 million) for impairment of receivables from DSPDS which represents all receivables from DSPDS as at 31 December 2024.

#### (b) Soon Zhou Investments Pte. Ltd. ("SZI") group, comprising SZI and its subsidiaries

The Group has 50% equity stake in the joint venture, SZI. At 31 December 2023, non-current receivables of the Group include S\$9.6 million (31 December 2023: S\$15.0 million) owing by SZI. During the year, the Group received approximately S\$2.00 million repayment from SZI.

In 2015, SZI and its wholly-owned subsidiary Dalian Blue Oasis Properties Co., Ltd. ("DBOP") entered into agreements to purchase completed and partially completed property units and rights of usage of basement and carparks in DSPDS's multi-phase mixed development in PRC (Singapore Garden, the "Development") for amounts totalling RMB201.1 million (equivalent to S\$42.2 million).

In August 2018, DBOP issued a notification letter to DSPDC on its intent to cancel the sale and purchase agreements ("SPAs") for the sale of residential units from DSPDC to DBOP due to non-delivery of the fully paid purchased residential units within the contracted period under the SPAs by DSPDC. In September 2018, a cancellation agreement was entered into between both parties whereby DSPDC had to refund RMB148.4 million (approximately S\$29.4 million) due to DBOP and as at 31 December 2024, DBOP has receivables (including interest income receivable) RMB38.4 million (equivalent to S\$7.1 million) (31 December 2023: RMB48.5 million (equivalent to S\$9 million)) from DSPDC relating to the refund. This receivable is determined to be recoverable.

Rights of usage of carparks bought by DBOP have not been transferred as at 31 December 2024. After considering the financial position of SZI group and the valuation of the properties in the Development at 31 December 2024 by an independent valuer, management expects the amount of S\$9.6 million (31 December 2023: S\$15.0 million) to be recoverable from SZI. The fair values of the properties are determined using direct comparison method (31 December 2023: Direct comparison method).

The above assessment is based on the best estimates of net cash flows which may be realised from sale of properties of DSPDC, the ability to sell the properties for the estimated amounts.

Management monitors the above projections, reassess the judgements and accounting estimates periodically.

## 2.2 Uses of judgement and estimates - continued

### Useful life of property, plant and equipment

The management reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. These estimates have been made based on past experience relating to useful lives of equipment and are also subject to assumptions about future deployment of assets.

### Expected credit losses of trade and other receivable and contract assets

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amounts of trade and other receivables and contract assets are disclosed in Notes 10(a) and 10(b) respectively in the financial statements.

### Impairment in investments in subsidiaries and joint ventures

The Group assesses annually whether there any indication of impairment in its investments in subsidiaries and joint ventures. Management has carried out a review of the recoverable amount of the investment in subsidiaries and joint ventures having regard to the existing performance and the carrying value of the net tangible assets of the respective subsidiaries and joint ventures.

Where there is indicator of impairment, management has estimated the recoverable amount based on higher of fair value less costs to sell or value-in-use. Significant estimates and judgements are involved in determining the appropriate valuation method (for fair value assessment) and assumptions applied.

As at the end of the reporting period ended 31 December 2024, allowance for impairment loss of S\$99.3 million and S\$1.2 million had been made for investments in subsidiaries and joint ventures respectively based on the market conditions reflecting the recoverability of the net assets in subsidiaries and joint ventures.

## 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

#### 4. Segment and revenue information

The Group is organised into the main segments by business as set out in Note 1.

##### Segment by Business

	Construction	Real estate investment	Real estate development	Distribution	Others	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>2H2024</b>							
<b>REVENUE</b>							
External revenue	18,185	23,974	1,848	6,571	-	-	50,578
Inter-segment revenue	4,989	227	97	2,827	-	(8,140)	-
	23,174	24,201	1,945	9,398	-	(8,140)	50,578
<b>RESULT</b>							
Segment result	107	22,205	(1,985)	1,341	(103)	-	21,565
Interest income	5	622	-	88	-	-	715
Finance costs	(102)	(1,970)	(323)	(54)	(1,093)	-	(3,542)
Profit (Loss) before income tax	10	20,857	(2,308)	1,375	(1,197)	-	18,737
Income tax credit (expense)	(271)	(3,058)	(87)	(199)	-	-	(3,615)
(Loss) Profit for the period	(261)	17,799	(2,395)	1,176	(1,197)	-	15,122
<b>OTHER INFORMATION</b>							
Additions to non-current assets	707	690	129	16	-	-	1,542
Depreciation expenses	402	165	27	59	-	-	653
Loss in fair value of investment properties, net	-	200	-	-	-	-	200
Associate and joint venture	-	1,631	-	553	-	-	2,184



#### 4. Segment and revenue information - continued

	Construction	Real estate investment	Real estate development	Distribution	Others	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>2H2023</b>							
<b>REVENUE</b>							
External revenue	16,907	20,488	1,704	4,597	-	-	43,696
Inter-segment revenue	5,965	329	248	488	-	(7,030)	-
	22,872	20,817	1,952	5,085	-	(7,030)	43,696
<b>RESULT</b>							
Segment result	(10,725)	101,195	(7,151)	(390)	(30,549)	-	52,380
Interest income	12	590	9	59	-	-	670
Finance costs	(148)	(3,947)	(652)	(44)	(1,452)	-	(6,243)
(Loss) Profit before income tax	(10,861)	97,838	(7,794)	(375)	(32,001)	-	46,807
Income tax credit (expense)	335	(2,185)	(1)	70	-	-	(1,781)
(Loss) Profit for the period	(10,526)	95,653	(7,795)	(305)	(32,001)	-	45,026
<b>OTHER INFORMATION</b>							
Additions to non-current assets	1,585	87	14	-	-	-	1,686
Associate and joint venture	-	(11,492)	4,762	5,493	-	-	(1,237)
Depreciation expenses	4,133	113	25	(2,775)	-	-	1,496
Gain in fair value of investment properties	-	91,725	-	-	-	-	91,725
Loss allowance/(reversal of loss allowance recognised on financial assets)	5,011	5,398	1,187	(17)	-	-	11,579
Impairment loss on financial assets	1,855	203	-	-	-	-	2,058
Impairment loss on other non-current assets	4	-	-	-	-	-	4

#### Geographical segments

	Singapore	Myanmar	Cambodia	Other countries <sup>(i)</sup>	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>2H2024</b>					
Revenue	42,042	6,456	1,254	826	50,578
<b>2H2023</b>					
Revenue	40,355	3,797	(901)	445	43,696

(i) Includes Thailand and India

#### 4. Segment and revenue information - continued

	Construction	Real estate investment	Real estate development	Distribution	Others	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b><u>FY2024</u></b>							
<b>REVENUE</b>							
External revenue	35,896	47,182	2,694	11,328	-	-	97,100
Inter-segment revenue	15,157	494	270	4,355	-	(20,276)	-
	51,053	47,676	2,964	15,683	-	(20,276)	97,100
<b>RESULT</b>							
Segment result	3,924	33,890	(1,773)	1,285	(125)	-	37,201
Interest income	30	1,057	1	125	-	-	1,213
Interest expense	(254)	(5,131)	(957)	(101)	(2,369)	-	(8,812)
Profit (Loss) before income tax	3,700	29,816	(2,729)	1,309	(2,494)	-	29,602
Income tax (expense) credit	(553)	(5,993)	(96)	(187)	-	-	(6,829)
Profit (Loss) for the year	3,147	23,823	(2,825)	1,122	(2,494)	-	22,773
<b>STATEMENT OF FINANCIAL POSITION</b>							
Segment assets	56,108	288,346	229,278	14,069	1,419	-	589,220
Segment liabilities	21,787	152,066	183,310	4,383	98,662	-	460,208
<b>OTHER INFORMATION</b>							
Additions to non-current assets	845	744	130	134	-	-	1,853
Associates and joint ventures	-	17,126	6	1,227	-	-	18,359
Depreciation expenses	911	249	50	155	-	-	1,365
Loss in fair value of investment properties	-	9,000	-	-	-	-	9,000

#### 4. Segment and revenue information - continued

	Construction	Real estate investment	Real estate development	Distribution	Others	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b><u>FY2023</u></b>							
<b>REVENUE</b>							
External revenue	87,772	36,551	2,708	11,333	-	-	138,364
Inter-segment revenue	17,462	767	396	1,634	-	(20,259)	-
	105,234	37,318	3,104	12,967	-	(20,259)	138,364
<b>RESULT</b>							
Segment result	(29,576)	112,499	(7,132)	1,087	(30,737)	-	46,141
Interest income	34	1,050	77	77	-	-	1,238
Interest expense	(838)	(7,916)	(1,303)	(89)	(2,752)	-	(12,898)
(Loss) Profit before income tax	(30,380)	105,633	(8,358)	1,075	(33,489)	-	34,481
Income tax (expense) credit	(5)	(3,611)	(20)	(280)	-	-	(3,916)
(Loss) Profit for the year	(30,385)	102,022	(8,378)	795	(33,489)	-	30,565
<b>STATEMENT OF FINANCIAL POSITION</b>							
Segment assets	40,439	372,671	225,265	10,959	1,369	-	650,703
Segment liabilities	147,422	212,671	99,844	2,955	82,908	-	545,800
<b>OTHER INFORMATION</b>							
Additions to non-current assets	3,990	106	27	27	-	-	4,150
Associates and joint ventures	-	2,216	7,441	6,667	-	-	16,324
Depreciation expenses	4,232	251	74	168	-	-	4,725
Gain in fair value of investment properties	-	91,850	-	-	-	-	91,850
Loss allowance/(reversal of loss allowance) recognised on financial assets	5,011	5,398	1,187	(17)	-	-	11,579

#### **Geographical segments**

	Singapore	Myanmar	Cambodia	Other countries <sup>(i)</sup>	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b><u>FY2024</u></b>					
Revenue	83,965	10,371	1,823	941	97,100
Non-current assets	275,256	2,452	39	8,261	286,008
<b><u>FY2023</u></b>					
Revenue	127,097	9,332	1,288	647	138,364
Non-current assets	298,424	1,753	11	177	300,365

(i) Includes Malaysia, Thailand and India

## 5. Revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major product and service lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 (Note 4).

A disaggregation of the Group's revenue is as follows:

	Group			
	2H2024	2H2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue from:				
Construction				
- Construction contracts	9,461	3,104	15,663	56,632
- Sale of goods	8,628	12,998	20,137	23,995
- Worker training and other services	96	803	96	7,557
	18,185	16,905	35,896	88,184
Real estate investment				
- Rental of properties	23,812	20,487	47,020	36,948
Real estate development				
- Rendering of service	1,292	321	1,292	-
- Rental of properties	118	-	118	-
- Sale of development properties	610	1,083	1,457	1,815
Distribution				
- Sale of goods	6,561	4,596	11,317	11,417
	50,578	43,392	97,100	138,364
<u>Timing of revenue recognition</u>				
At a point in time	16,464	19,803	33,577	44,471
Over time	25,731	20,504	31,932	72,651

### A breakdown of sales:

	Group		
	FY2024	FY2023	Increase / (Decrease)
	S\$'000	S\$'000	%
Sales reported for first half year	46,522	94,668	(51%)
Operating profit (loss) after tax before deducting non-controlling interests reported for first half year	7,180	(14,461)	150%
Sales reported for second half year	50,578	43,696	16%
Operating profit (loss) after tax before deducting Non-controlling interest reported for second half year	15,593	42,019	(63%)

## 6. Other income

	Group			
	2H2024	2H2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Rental income	81	(270)	175	378
Others sundry income	-	1,595	-	1,705
Project management and administrative fee	(23)	46	-	74
Waiver of debts	-	-	435	-
Interest income	152	261	645	399
Interest income from associates and joint ventures	563	409	568	839
Grant from government	25	35	92	115
Gain in fair value of investment properties, net	-	92,000	-	92,000
Gain on disposal of other non-current assets	-	-	-	69
Gain on disposal of property, plant and equipment	7,981	506	7,982	4,262
Dividend from associate and joint ventures	-	132	990	132
Management fee income from companies in which certain directors have control	3	105	3	105
Debts settlement TARS (written back of liabilities)	4,591	-	4,591	-
Others	272	(569)	1,527	-
	13,645	94,250	17,008	100,078

## 7. Profit before income tax

	Group			
	2H2024	2H2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Profit before income tax for the period is stated after charging (crediting) the following:				
Depreciation expenses	653	1,496	1,365	4,725
Interest income	(715)	(670)	(1,213)	(1,238)
Loss allowance on contract assets	-	17,839	-	17,839
Impairment loss on goodwill	-	1,728	-	1,728
Loss in fair value of investment properties	6,750	150	15,500	150
Loss (Gain) on disposal of other non-current assets	-	17	-	(53)
Foreign exchange loss	1,142	2,642	1,142	2,642
Obsolete stock written off	3	-	3	-
Recognition of contingent liabilities	-	30,350	-	30,350
(Reversal of Impairment loss) Impairment loss on other non-current assets	-	1	-	(3)
Loss allowance recognised on financial assets	3,734	11,579	3,735	11,579
Impairment loss on investment in associates and joint ventures	-	1,118	-	1,243
Gain on de-recognition of subsidiaries upon loss of control	-	(13,494)	-	(13,494)
Gain on disposal of property, plant and equipment, net	(7,994)	(462)	(7,982)	(4,218)

## 8. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the unaudited condensed interim consolidated statement of profit or loss are:

	Group			
	2H2024	2H2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Provision for taxation				
- current year	3,594	1,796	6,811	3,883
- under / (over) provision for prior year	23	(34)	32	7
	3,617	1,762	6,843	3,890
Deferred tax (asset) / liability	(2)	19	(14)	26
	3,615	1,781	6,829	3,916

## 9. Related company and related parties' transactions

Some of the transactions and arrangements are between members of the Group and with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Transactions between members of the Group have been eliminated on consolidation and are not disclosed.

Transactions with related parties during the financial periods/financial years were as follows:

	Group			
	2H2024	2H2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Income from associates</u>				
Accounting and administrative services	13	25	34	53
<u>Income from joint ventures</u>				
Interest income	301	415	630	845
Sale of goods	150	1	150	412
<u>Income from/(Expenses charged by) companies in which certain directors have control</u>				
Sales and service of air-conditioners	1	10	1	12
Maintenance income	66	94	162	94
Management fee income	-	17	-	122
Rental income	13	16	103	32
Ad-hoc services rendered	-	44	-	44
Other income	-	-	-	54
Worker management services	(4)	(15)	(13)	(40)
Medical fee expense	-	(1)	-	(16)
Dormitory rental expense	(5)	-	(43)	(272)
Interest expense	(279)	(532)	(814)	(1,019)
<u>Directors</u>				
Interest expense	(185)	(185)	(370)	(370)
<u>Key management personnel</u>				
Interest expense	(8)	(7)	(15)	(15)

**10. (a) Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 Dec 2024</b>	<b>As at 31 Dec 2023</b>	<b>As at 31 Dec 2024</b>	<b>As at 31 Dec 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<u>Current</u>				
Trade receivables	23,647	23,881	-	-
Other receivables	9,063	14,323	1,326	1,326
	32,710	38,204	1,326	1,326
<u>Non-current</u>				
Other receivables	17,725	26,011	73,737	75,453
	50,435	64,215	75,063	76,779

**Trade receivables**

Credit periods generally range from 30 to 120 days (31 December 2023: 30 to 120 days). No interest is charged on overdue trade receivables. Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses ("ECL"). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. None of the trade receivables that have been written off is subject to enforcement activities.

**Other receivables**

Interest is charged at 2.0% to 6.8% (31 December 2023: 2.0% to 6.8%) per annum by the Group and Company on other receivables due from certain associates, joint ventures and subsidiaries.

The Company's other receivables due from subsidiaries are repayable on demand.

For purpose of impairment assessment, other receivables except for receivables which have been impaired are considered to have low risk of default as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition apart for those which loss allowance has been recognised. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

**(b) Contract assets**

	<b>Group</b>	
	<b>As at</b>	<b>As at</b>
	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Retention monies on contract work:</u>		
Third parties	2,514	2,718
<u>Accrued income:</u>		
Construction contract customers	3,590	1,654
	<u>6,104</u>	<u>4,372</u>

Amounts relating to construction contracts are balances due from customers under construction contracts that arise when the Group receives payments from customers in line with a series of performance - related milestones. The Group had previously recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. Retention sums are classified as current as they are expected to be received within the Group's normal operating cycle.

The changes in contract assets in the interim financial period and prior year are mainly due to changes in measurement of progress contract asset which have not been billed as at 31 December 2024 and variable consideration arising from delays in construction progress.

Management always estimates the loss allowance on amounts due from customers at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the construction industry. None of the amounts due from customers at the end of the reporting period is past due and no loss allowance is recognised as the credit loss rate is assessed as negligible.

**11. Property, plant and equipment**

During the financial year ended 31 December 2024, the Group acquired assets amounting to S\$1.9 million (31 December 2023: S\$4.1 million) and disposed of assets amounting to S\$8.1 million (31 December 2023: S\$6.1 million).

**12. Investment properties**

	<b>Group</b>	
	<b>As at</b>	<b>As at</b>
	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>At fair value</u>		
Balance at beginning of the financial year	248,000	196,840
Property reclassified as held for sale	-	(40,690)
Changes in fair value included in profit or loss	(9,000)	91,850
Balance at end of the financial year	<u>239,000</u>	<u>248,000</u>

The fair values of the Group's investment properties have been determined based on the formal valuations conducted on 31 December 2024 and 31 December 2023 respectively by independent qualified valuers. The valuations were arrived at by reference to income capitalisation method.

The Group classified fair value measurement using a fair value hierarchy that reflects the nature and complexity of the significant inputs used in making the measurement. Fair value measurements of the Group's investment properties are classified as Level 3 in the fair value hierarchy.



### 13. Subsidiaries

	Company	
	As at 31 Dec 2024	As at 31 Dec 2023
	S\$'000	S\$'000
Unquoted equity shares at cost	175,917	175,917
Add: Additions during the year	5	-
Less: Disposal during the year	(1,958)	-
Less : Reclassified to assets held for sale	-	(1,958)
Less: Allowance for impairment		
Balance at beginning of the year	(97,358)	(53,345)
Charge during the year	-	(45,971)
Reclassified to assets held for sale	-	1,958
	(97,358)	(97,358)
	76,606	76,601

During the year, the Company injected S\$0.005 million in a subsidiary.

The Company carried out a review of the recoverable amount of the investments in subsidiaries based on fair value less costs to sell. Based on the review performed, impairment of S\$45.971 million was recognised in the financial year ended 31 December 2023.

### 14. Borrowings

	Group		Company	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Amount repayable within one year or on demand</u>				
Secured	24,873	33,402	-	-
Unsecured	2,170	3,583	-	-
	27,043	36,985	-	-
<u>Amount repayable after one year</u>				
Secured	71,765	108,298	-	-
Unsecured	1,009	1,626	-	-
	72,774	109,924	-	-
Total borrowings	99,817	146,909	-	-

#### Details of any collateral

Collateral for the above secured borrowings include mortgages over the Group's investment properties, development properties, leasehold properties, certain property, plant and equipment and fixed deposits and legal assignment of sales proceeds from the development properties. Certain bank facilities are also secured by corporate guarantees from the Company, two of its subsidiaries and guarantees from certain non-controlling shareholders of partially owned subsidiaries.

## 15. Share capital

	Group and Company			
	As at	As at	As at	As at
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	Number of ordinary shares		S\$'000	S\$'000
Issued and paid up:				
At beginning and end of the period	518,068,220	518,068,220	154,189	154,189

- a) During the financial year ended 31 December 2024, there was no change in the Company's share capital.
- b) As at 31 December 2024, total issued share capital of the Company was 518,068,220 (31 December 2023: 518,068,220) ordinary shares.
- c) As at the end of 31 December 2024, the Company does not have any outstanding treasury shares (31 December 2023: Nil). There was no sale, transfer, disposal, cancellation and use of treasury shares during the year ended 2024.
- d) As at 31 December 2024, there were no outstanding convertibles (31 December 2023: Nil).
- e) There were no sales, transfers, cancellation and/or use of subsidiary holdings as at 31 December 2024 (31 December 2023: Nil).

## 16. Reserves

	Group		Company	
	As at	As at	As at	As at
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Capital reserve	432	432	-	-
	432	432	-	-

The capital reserve arose from the gift of shares in the Company previously owned by the executive directors to certain employees of the Group in year 2012.

## 17. Profit (Loss) per share

	Group			
	2H2024	2H2023	FY2024	FY2023
Profit (Loss) per ordinary share based on weighted average number of shares (in cents)	1.86	0.60	2.78	(3.14)
Profit(Loss) per ordinary share based on a fully diluted basis (in cents)	1.86	0.60	2.78	(3.14)
Weighted average number of ordinary shares (in millions)	518.1	518.1	518.1	518.1

As there were no outstanding potentially dilutive ordinary shares, the diluted earnings per ordinary shares were the same as the earnings per ordinary shares based on the weighted average number of shares for the respective periods.

## 18. Net asset value per share

	Group		Company	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
Net asset value per ordinary share issued (in cents)	15.2	12.1	7.8	8.1

Net asset value per ordinary share as at 31 December 2024 and 2023 are calculated based on the number of ordinary shares in issue of 518,068,220.

## 19. Financial assets and financial liabilities

Set out is an overview of the financial assets and financial liabilities of the Group as at 31 December 2024 and 2023:

	Group		Company	
	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2024	As at 31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial Assets</b>				
Financial assets at amortised cost	110,022	101,438	75,139	76,811
<b>Financial Liabilities</b>				
Financial liabilities at amortised cost	347,244	448,370	111,507	111,252
Lease liabilities	748	419	-	-

The carrying amounts of cash and bank balances, trade and other current receivables and payables, and other current liabilities approximate their respective fair values due to relatively short-term maturity of these financial instruments.

The carrying amounts of other classes of financial instruments approximately their fair value.

## 20. Disposal of subsidiaries

Aston Air Control Pte Ltd (“Aston”) was disposed of on 18 January 2024. As a result, the Company no longer has control over Aston Air Control Pte Ltd and its subsidiaries, i.e. Alpha Air Pte Ltd and Alpha Air (Cambodia), accordingly, all assets and liabilities, non-controlling interest, past accumulated profits/ losses were derecognised from the consolidated balance sheet of the Group.

Details of the disposal are as follows:

Effect of disposal on the financial position of the Subsidiaries:

	As at 18 January 2024 \$'000
<b>Disposal of Subsidiaries</b>	
Cash and cash equivalents	2,659
Trade receivables and other receivables	4,884
Inventories	684
Property, plant and equipment (inclusive of Right-of-use assets)	236
Trade payables and other payables	(7,724)
Lease liabilities	(89)
Net assets disposed off	<u>650</u>
Share of the Group's net assets in Aston Group disposal of, at 90%	(585)
Consideration received	400
Loss on disposal recognised in the consolidated statement of comprehensive	<u>(185)</u>
Consideration received, satisfied in cash	400
Cash and cash equivalents	(2,659)
Cash consideration received	<u>(2,259)</u>

## **F. Other information required by Listing Rule Appendix 7.2**

### **1. Review**

The unaudited condensed interim consolidated statement of financial position of TA Corporation Ltd and its subsidiaries as at 31 December 2024 and the related unaudited condensed interim consolidated profit or loss and other comprehensive income, unaudited condensed interim consolidated statement of changes in equity and unaudited condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### **2. Review of performance of the Group**

#### **2H2024 vs 2H2023**

The Group's revenue for 2H2024 was S\$50.6 million, an increase of S\$6.9 million compared to S\$43.7 million in 2H2023.

Construction segment recorded revenue of S\$18.2 million for 2H2024, an increase of S\$1.3 million compared to S\$16.9 million for 2H2023.

Real estate investment segment recorded revenue of S\$24.0 million for 2H2024, an increase of S\$3.5 million compared to S\$20.5 million for 2H2023 due to improvement in bed rate for Tuas South Dormitory compared with 2H2023.

Real Estate development segment recorded revenue of S\$1.9 million for 2H2024, an increase of S\$0.2 million compared to S\$1.7 million for 2H2023.

Distribution segment recorded revenue of S\$6.6 million for 2H2024, an increase of S\$2.0 million compared to S\$4.6 million for 2H2023.

Other income decreased by S\$80.6 million to S\$13.7 million in 2H2024 compared to S\$94.3 million in 2H2023. The decreased was mainly due to the absence of fair value gains on investment properties.

General and administrative expenses increased by S\$0.2 million to S\$7.6 million for 2H2024 compared to S\$7.4 million for 2H2023 mainly due to the increased in staff cost and administrative expenses due to more streamlined operation team.

Other operating expenses decreased by S\$51.8 million to S\$8.4 million for 2H2024 compared to S\$60.2 million for 2H2023 due mainly to one-off recognition of contingent liabilities by the Company in 2H2023 due to calling of performance bonds by project owners of TAC which TA Corporation Ltd is the corporate guarantor.

Loss allowance on financial assets decreased by S\$7.9 million to S\$3.7 million in 2H2024, compared to S\$11.6 million in 2H2023, primarily due to the absence of a one-off impairment loss recognized on trade receivables and amounts due from associates and joint ventures.

The share of profit, net of tax of associates and joint ventures increased by S\$0.74 million in 2H2024 mainly due to higher share of profit from joint ventures in Myanmar.

Finance costs decreased by S\$2.7 million to S\$6.2 million in FY2024 compared to S\$3.5 million in FY2023 mainly due to settlement of banks loans during the year after the Group dispose of certain investment properties and property, plant and equipment.

The Group recorded profit before income tax of S\$18.7 million for 2H2024 compared to profit before income tax of S\$46.8 million for 2H2023.

## 2. Review of performance of the Group - continued

### **FY2024 vs FY2023**

The Group's revenue for FY2024 was S\$97.1 million, a decrease of S\$41.3 million compared to S\$138.4 million in FY2023.

Construction segment recorded revenue of S\$35.9 million for FY2024, a decrease of S\$51.9 million compared to S\$87.8 million for FY2023 as a result of liquidation of TAC on 17 July 2023.

Real estate investment segment recorded revenue of S\$47.2 million for FY2024, an increase of S\$10.6 million compared to S\$36.6 million for FY2023 due to further improvement in bed rate for Tuas South Dormitory compared with FY2023.

The Real Estate Development segment reported revenue of S\$2.7 million for FY2024, comparable to the revenue recorded in FY2023.

Distribution segment recorded revenue of S\$11.3 million for FY2024, comparable to the revenue recorded in FY2023.

In FY2024, other income fell to S\$17 million, a decrease of S\$83.1 million from FY2023's S\$100.1 million, primarily due to the absence of a one-off fair value gain on investment properties.

General and administrative expenses decreased by S\$5.0 million to S\$12.6 million for FY2024 compared to S\$17.6 million for FY2023 mainly due to the decrease in staff cost and administrative expenses due to more streamlined operation team.

Other operating expenses decreased by S\$46.5 million to S\$21.2 million in FY2024 compared to S\$67.7 million in FY2023 due mainly to one-off recognition of contingent liabilities arising from calling of performance bonds by project owners of TAC in FY2023 as TA Corporation Ltd is the corporate guarantor.

Loss allowance on financial assets decreased by S\$7.9 million to S\$3.7 million in 2H2024, compared to S\$11.6 million in FY2024 mainly due to no impairment loss recognised on trade receivables, amount due from associate and joint ventures in FY2024.

The share of profit, net of tax of associates and joint ventures increased by S\$0.5 million in FY2024 mainly due to higher share of profit from joint ventures in Myanmar.

Finance costs decreased by S\$4.1 million to S\$8.8 million in FY2024 compared to S\$12.9 million in FY2023 mainly due to settlement of banks loans during the year after the Group dispose of certain investment properties and property, plant and equipment.

The Group recorded profit before income tax of S\$29.6 million for FY2024 compared to profit before tax of S\$34.5 million for FY2023.

### **Review of cash flow, working capital, assets and liabilities**

The changes in assets and liabilities are as follows:

- i) The decrease in current and non-current trade and other receivables by S\$13.8 million was primarily due to payments received from property development customers and the repayment of loans from associates.
- ii) Decrease in inventories by S\$0.2 million was mainly due to decrease in inventory for trading in distribution segment.
- iii) Increase in contract assets by S\$1.7 million was mainly due to increase in retentions sum due to progress of the projects.
- iv) Decrease in development properties by S\$7.7 million was mainly due to disposal some of the development properties.

## 2. Review of performance of the Group – continued

### **Review of cash flow, working capital, assets and liabilities – continued**

- v) Increase in property, plant and equipment by S\$0.9 million was mainly due to installation of new plant facility in pre cast plant and office renovation cost.
- vi) Decrease in investment properties by S\$9.0 million due mainly to decrease in fair value of an investment property.
- vii) Increase in associate and joint ventures by S\$2.0 million due mainly to share of profit from joint ventures in Myanmar.
- viii) The decrease in current and non-current borrowings by S\$47.1 million was largely due to the settlement of bank borrowings collateralized by investment properties and properties that were disposed of during the year, coupled with both regular and accelerated repayments of bank loans.
- ix) Increase in trade and other payables by S\$11.4 million was mainly due to slight rise in the amount owed to trade creditors in construction segment.

Cash and cash equivalents increased by S\$19.9 million in FY2024 mainly due to the following items:

- i) Net cash generated from operating activities of S\$52.8 million was mainly attributable to proceeds from disposal of plant and equipment and development properties, net of collection from trade, other debtors and payment for construction cost incurred for on-going project and interest payment.
- ii) Net cash generated from investing activities of S\$48.7 million was mainly due to proceeds from disposal of investment properties and disposal of property, plant and equipment.
- iii) Net cash used in financing activities of S\$80.2 million was mainly due to net repayment of bank borrowings.

## 3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Company has not made any forecast or prospect statement for the year ended 31 December 2023 previously.

## 4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

The Group expects the operating environment to remain challenging. The operating environment continues to be highly competitive while the construction costs remained high and affect the project margins negatively. Against this backdrop, the Management will prudently manage its business strategies and focus on effective cost management to ensure that the Group maintains sufficient resources to navigate these difficult conditions.

The Group's purpose built workers' dormitory under the Group's investment properties segment continue to record a positive and healthy rental rate and occupancy rate. This positive trend is expected to persist, driven by strong demand from the migrant worker from various sectors.

The Group's overseas property development projects in Thailand and Cambodia are actively marketed for sale and lease. The performance of this segment is largely influenced by local market conditions and international investment sentiment.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months – continued**

The Group's precast and prefabrication segment aims to capitalize on the growing local demand for precast and prefabricated products. With Singapore's economy showing positive growth prospects, the segment is well-positioned to benefit from increased construction activity and infrastructure development.

For the Construction segment, the Group remains focused on executing its order book of S\$35 million as at 31 December 2024 to be delivered progressively over the contract period.

Given the challenges ahead, the Group remains focused on managing costs prudently and actively reviewing and implementing various cost-cutting and control measures. In the current environment, the Group's priority is to preserve cash to support working capital needs while maintaining low operating costs. These efforts will ensure the Group has sufficient resources to execute its restructuring plan and strengthen its financial position, while continuing to implement measures to enhance cost efficiency in this challenging market.

**5. Dividend information**

**(a) Current Financial Period Reported On**

- (i) Any dividend declared for the current financial period reported on? No.
- (ii) Any dividend recommended for the current financial period reported on? No.

**(b) Corresponding period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

**(c) Date payable**

Not Applicable.

**(d) Books closure date**

Not Applicable.

No dividend for the financial year ended 31 December 2024 (31 December 2023: Nil) is recommended as the Group intends to conserve cash.



## 6. Interested person transactions

The Group has not obtained a general mandate for interested person transactions pursuant to Rule 920 of Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”)

During the financial year, the following interested person transactions were entered into by the Group:

Name of Interested person and nature of transaction	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920 )		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920 (excluding transactions less than S\$100,000)	
		2H2024 S\$'000	FY2024 S\$'000	2H2024 S\$'000	FY2024 S\$'000
<b><u>TAC Alliance Pte. Ltd.</u></b> Management service	Associate of a director – NTB	70	188	N.A.	N.A.
<b><u>Sinotac Group Pte. Ltd</u></b> Loan interest from a company in which certain directors have control	Associate of a directors - NTB	279	555	N.A.	N.A.
Interest from subscription of 6% Series 3 Multicurrency Medium Term Notes		259	518	N.A.	N.A.
<b><u>Neo Tiam Boon</u></b> Interest from subscription of 6% Series 3 Multicurrency Medium Term Notes	Director and his spouse	81	163	N.A.	N.A.
<b><u>Liong Kiam Teck</u></b> Interest from subscription of 6% Series 3 Multicurrency Medium Term Notes	Associate of a director	60	118	N.A.	N.A.
<b><u>Liong Cailin, Wendy</u></b> Interest from subscription of 6% Series 3 Multicurrency Medium Term Notes	Daughter of Liong Kiam Teck	8	15	N.A.	N.A.
<b><u>Neo Thiam Poon</u></b> Interest from subscription of 6% Series 3 Multicurrency Medium Term Notes	Associate of a director	22	44	N.A.	N.A.
<b><u>Neo Bee Lan</u></b> Interest from subscription of 6% Series 3 Multicurrency Medium Term Notes	Director's sibling	8	15	N.A.	N.A.
<b><u>Lee Hua Yong</u></b> Interest from subscription of 6% Series 3 Multicurrency Medium Term Notes	Spouse of an associate of a director	8	15	N.A.	N.A.
<b><u>Lee Kim Lian, Juliana</u></b> Interest from subscription of 6% Series 3 Multicurrency Medium Term Notes	Director's spouse	15	30	N.A.	N.A.

**7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

We confirm that the Company has procured undertakings from all its directors and the executive officer based on the latest revised format set out in Appendix 7.7.

**8. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Neo Kian Lee	65	Sibling to Liong Kiam Teck, Neo Tiam Poon @ Neo Thiam Poon, Neo Tiam Boon and Neo Thiam An	Project Supervisor of Credence Engineering Pte Ltd since November 2023.	N.A.
Liong Chai Yin, Fiona	46	Daughter of Liong Kiam Teck and niece of Neo Tiam Poon @ Neo Thiam Poon, Neo Tiam Boon and Neo Thiam An	Manager (Marketing/ Business development (Overseas)), in charge of the marketing and project-related aspects of our real estate development division and the sourcing for real estate development and construction opportunities since year 2002.	N.A.
Liong Cailin, Wendy	43	Daughter of Liong Kiam Teck and niece of Neo Tiam Poon @ Neo Thiam Poon, Neo Tiam Boon and Neo Thiam An	Group Chief Operating Officer, in charge of the operational functions of the Group.	N.A.
Liew Yit Chung, Timothy	48	Son-in-law of Liong Kiam Teck, Nephew in-law of Neo Tiam Boon, Neo Thiam An and Neo Tiam Poon @ Neo Thiam Poon	Director of Cornerstone Builders Pte. Ltd. and TK Modular Pte. Ltd..	N.A.

**9. Confirmation Pursuant to Rule 705(5) of the Listing Manual**

We confirm on behalf of the Board of Directors, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the financial year ended 31 December 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Neo Tiam Boon  
Executive Chairman  
and Chief Executive Officer

Fong Heng Boo  
Lead Independent Director

**BY ORDER OF THE BOARD**

Foo Soon Soo / Tam Siew Kheong

Company Secretaries  
1 March 2025