

RESPONSE TO SGX QUERIES::

Issuer & Securities

Issuer/ Manager

THAKRAL CORPORATION LTD

Securities

THAKRAL CORPORATION LTD - SG1AJ2000005 - AWI

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No

Announcement Details

Announcement Title

Response to SGX Queries

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Supplementary Title

On Financial Statements

Announcement Reference

SG240422OTHROOQT

Submitted By (Co./ Ind. Name)

Anil Daryanani

Designation

Chief Financial Officer

Description (Please provide a detailed description of the change in the box below)

Please refer to attached Response to SGX RegCo's Queries regarding the Group's unaudited financial statements for FY2023.

Attachments

[ThakralCorp Response SGXQuery FS FY2023 20240422.pdf](#)

Total size =32K MB



THAKRAL CORPORATION LTD

(Incorporated in the Republic of Singapore on 7 October 1993)
(Company Registration No. 199306606E)

ANNOUNCEMENT

RESPONSE TO SGX REGCO'S QUERIES REGARDING FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 ("FY2023")

The Board of Directors (the "**Board**") of Thakral Corporation Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the queries from the Singapore Exchange Regulation ("**SGX RegCo**") on 18 April 2024 in relation to the Group's unaudited financial statements for FY2023 announced on 29 February 2024 and appends its response in blue as follows:

SGX RegCo's Queries

- 1) Given the Group's significant liabilities of \$128.2m and cash and bank balance of approximately \$11.3M and noting that the Company has a negative working capital, please disclose the Board's assessment
 - (i) whether the Company's current assets are adequate to meet the Company's short term liabilities of \$84.5m, including its bases of assessment; and
 - (ii) how the Company intends to fulfil its significant payment obligations in the next 12 months. Where the Company has worked out debt repayment plans to fulfil its debt obligations, please disclose if the Company is on track to fulfilling these obligations.

Company's Response

The Group undertook several corporate initiatives which resulted in one-off cash outflows in FY2023 namely the internal restructuring of Thakral Capital Holdings Pte. Ltd. and its group of companies, and further investments in CurrentBody, UK and new economy ventures.

As set out under Notes 4(c)(iv) and 22 to the financial statements on pages 101 and 127 of the Company's Annual Report 2023 respectively, the Group's current liabilities exceed its current assets by S\$12.4 million as at 31 December 2023.

Subsequent to the year end, the Group converted a money market loan amounting to S\$15 million – which was classified as a current liability in view of its short-term nature – to a 5-year term loan, which after the conversion is classified mainly as a non-current liability. Hence, the Group no longer has negative working capital as of the date of this announcement. The Group is current with all its debt obligations and has not entered into or has had the need to enter into any debt repayment plans.

The Group actively manages its cashflows on a daily basis to allocate funds effectively, prioritising payment obligations such as supplier settlements, debt servicing and operational expenses. The Group utilises collections from trade receivables and trade finance facilities from banks – which are revolving in nature and hence shown under current liabilities – for working capital purposes and had unutilised credit facilities of approximately S\$10.36 million for working capital purposes. The Group is also in the process of disposing 3 of its properties in Japan; assuming completion of the sales thereof, the net proceeds of some S\$20 million from this will enable the Group to recycle capital into new investments and provide additional working capital.

Taking into consideration all the above factors and the fact that the Group's businesses continue to see growth, the Board is sufficiently confident that the Group has a number of sources available for it to meet its debt obligations as and when they fall due and for its business to continue without disruption.

On behalf of the Board

Natarajan Subramaniam
Independent Non-Executive Chairman and Lead Independent Director

Singapore, 22 April 2024