



TRANSCORP HOLDINGS LIMITED
(Company Registration No.: 199502905Z)
(Incorporated in the Republic of Singapore)

UPDATE ON REQUISITION FOR AN EXTRAORDINARY GENERAL MEETING

The Board of Directors (the “**Board**”) of Transcorp Holdings Limited (the “**Company**”) refers to the announcement made by the Company on 27 July 2020 in relation to the requisition by Mr Chua Heng Chuan Ronnie and Mr Tsai Yeou-Tsang (collectively, the “**Requisition Shareholders**”) for an extraordinary general meeting (“**EGM**”) as set out in the Requisition Notice dated 22 July 2020 (“**Requisition Notice**”) delivered by their legal counsel (the “**Requisition Lawyers**”).

The Board would like to update shareholders on matters relating to the Requisition Notice and the EGM.

Continuing Sponsor as pre-requisite to EGM

1. In the Company’s announcement of 27 July 2020, the Company stated that a Continuing Sponsor will be appointed before proceeding with the EGM, taking into account Catalist Rules 226 and 720(1).
2. Having regard to the above Catalist Rules, the Board had on 18 August 2020 informed and reiterated to the Requisition Shareholders via the Requisition Lawyers that the EGM should not be convened until a new Continuing Sponsor is appointed, and has completed its assessment on the suitability of the new directors.
3. Notwithstanding this, on 24 August 2020 the Board was informed by the Requisition Lawyers that the Requisition Shareholders have agreed engagement terms with a new Continuing Sponsor on the basis that its appointment with the Company will commence only **after** the EGM is held and all resolutions proposed thereat are passed, including the resolutions for the appointment of Mr Chng Hee Kok, Mr Yap Leong Guan and Mr Kheng Eng Soon as new directors of the Board (together, the “**Proposed New Directors**”).

Information Request and Suitability Assessment

4. Acting on the Requisition Notice, and in order to ensure compliance with relevant Catalist Rules relating to changes to the Board, the Company requested for certain information and representations from the Requisition Shareholders as well as the Proposed New Directors about their plans, financial resources and timelines. This included a request for details on how the Proposed New Directors intend to specifically address the Company’s current operational status, financial obligations, past issues,

their commitment to conduct an independent review of specific matters as well as their overall plan for the Company.

5. In addition, as the Nominating Committee ("**NC**") (currently comprising the existing Directors) is also responsible for assessing the suitability of the Proposed New Directors, the Board further requested for the opportunity to interview the Proposed New Directors. The NC believe that an interview is necessary in order to obtain all the information necessary to set out its recommendations to shareholders regarding the appointment of the Proposed New Directors and explain their basis for making such recommendations.
6. As a follow-up on the request for information and the assessment of suitability of the Proposed New Directors, the Board proceeded to make several written requests to the Requisition Lawyers between 27 July 2020 and 18 August 2020 for the information sought by the Company and to arrange for interviews with the Proposed New Directors.
7. Whilst the Requisition Shareholders had, through the Requisition Lawyers, provided some information on the aforementioned matters, the Board is of the view that the information provided did not fully address the requests made by the Company, nor were they sufficient for the NC to make a proper and informed assessment of the suitability of the Proposed New Directors taking into account their experience, expertise, character and integrity. Moreover, the Company has yet to appoint a new Continuing Sponsor that will fulfil the regulatory obligations in Catalist Rule 226(2)(d).
8. The request by the Board to interview the Proposed New Directors was not acceded to.
9. Concurrently with the communications regarding the above information requests, the Company continued to facilitate on various matters relating to the EGM, including responding to requests from the Requisition Lawyers for copies of the Company's register of members and list of CDP depositors.

EGM Notice and Circular

10. On 27 July 2020 and 31 July 2020, the Requisition Lawyers sent a draft EGM notice and circular to the Board for comments. The Company was informed by the Directors whose removal was the subject matter of the Requisition Notice that they intended to make representations in the circular regarding their removal.
11. However, on 24 August 2020, the Company was made aware via an email from the Requisition Lawyers that the Requisition Shareholders will not be issuing a circular for the EGM, and that the Requisition Shareholders propose to only publish an advertisement in The Business Times on 26 August 2020 of the notice of the EGM ("**EGM Notice**") relating to the matters set out in the Requisition Notice. This was the first time that the Company was made aware that the Requisition Shareholders did not intend to issue a circular to accompany the EGM Notice.
12. On 25 August 2020, the Company informed the Requisition Lawyers that, should the Requisition Shareholders proceed to publish the EGM Notice in The Business Times

without issuing a circular, the EGM Notice should include a statement that the representations of the directors being removed will be separately announced. The Company also requested to review the draft EGM Notice before publication.

13. On 26 August 2020, the EGM Notice was published by the Requisition Shareholders in The Business Times ("**BT Notice**"), calling for the EGM to held on 10 September 2020. The BT Notice did not include the statement on representations as requested by the Company. The Company was also not given an opportunity to review the final draft EGM Notice before publication.
14. The BT Notice stated that printed copies of the EGM Notice will not be sent to members, and instead the EGM Notice will be sent by electronic means via a specified URL and by advertisement in The Business Times. The BT Notice also stated that "this Notice of Extraordinary General Meeting will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcement>".
15. On 27 August 2020, the Company received a letter (dated 25 August 2020) from the Requisition Shareholders via the Requisition Lawyers confirming the publication of the EGM Notice in the Business Times on 26 August 2020, which proposes the EGM to take place on 10 September 2020.
16. Given the circumstances leading to the publication of the BT Notice, the Directors considered seeking legal advice with a view to making an appropriate announcement in relation to the BT Notice and the EGM.

Validity of EGM Notice

17. The Directors, having sought legal advice, are of the view that the EGM Notice is invalid due to the procedural irregularities highlighted below:

Relevant Requirement	Procedural Irregularity
<p>The BT Notice indicated that the EGM is being convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) (Amendment No. 2) Order 2020 (the "Order").</p> <p>The Order requires that all notices of general meeting of listed issuers must be published on SGXNET and, if available, the listed issuer's corporate website. For both listed issuers and non-listed companies, all notices convening general meetings must be sent to shareholders and members at least 14 calendar days</p>	<p>Whilst the BT Notice was published 14 days prior to the intended date of the EGM on 10 September 2020, it was not concurrently published on SGXNET on the same day as the publication of the BT Notice. The Company does not have a website at the time of publication of the BT Notice.</p>

<p>(or 21 calendar days, where special resolutions are proposed) before the meeting. In each case, the notice period excludes the date of the notice and the date of the meeting.</p> <p>Section 177(2) of the Companies Act (Chapter 50 of Singapore) states that – “A meeting of a company or of a class of members, other than a meeting for the passing of a special resolution, shall be called by notice in writing of not less than 14 days or such longer period as is provided in the constitution.”</p>	
<p>Regulation 95 of the Company’s Constitution requires that – “No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than 11 nor more than 42 days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected... and notice of each and every such person shall be served on the members at least seven days prior to the meeting at which the election is to take place”</p> <p>Regulation 139 of the Company’s Constitution requires that any notice may be served on or delivered to any member either personally or by sending it through post in a prepaid cover addressed to such member at his registered address appearing in the Register of Members or the Depository Register.</p>	<p>Hard copies of the Notice of Intention signed by the Requisition Shareholders dated 20 July 2020 and Consent to Act signed by the Proposed New Directors were received at the Company’s Registered Office on 27 August 2020 (the “Regulation 95 Documents”).</p> <p>However, the Regulation 95 Documents do not constitute an EGM Notice, nor do they form part of the EGM Notice. Accordingly, the alternative notice arrangements under the Order do not apply.</p> <p>The Regulation 95 Documents must therefore be served on or delivered to each member either personally or by post in a prepaid cover at his registered address in the Register of Members pursuant to Regulation 139.</p> <p>The Regulation 95 Documents were however not served on or delivered to each member personally or by post in a prepaid cover (in accordance with Regulation 139) by 2 September 2020 (being 7 clear days before the intended date of EGM).</p>

<p>Rule 704(14) of SGX-ST Listing Manual Section B: Rules of Catalist (the “Catalist Rules”) requires that – “The issuer must immediately announce the date, time and place of any general meeting. All notices convening meetings must be sent to shareholders at least 14 calendar days before the meeting (excluding the date of notice and the date of meeting). For meetings to pass special resolution(s), the notice must be sent to shareholders at least 21 calendar days before the meeting (excluding the date of notice and the date of meeting)”.</p>	<p>Whilst the BT Notice was published 14 days prior to the intended date of the EGM on 10 September 2020, it was not concurrently published on SGXNET on the same day as the publication of the BT Notice. The Company does not have a website at the time of the BT Notice.</p> <p>Consequently, the requisite EGM Notice has not been sent to shareholders at least 14 calendar days before the intended date of EGM.</p>
<p>Rule 720(5) of the Catalist Rules requires that – “When a candidate is proposed to be appointed for the first time or re-elected to the board at a general meeting, the issuer shall provide the information relating to the candidate as set out in Appendix 7F in the notice of meeting, annual report or relevant circular distributed to shareholders prior to the general meeting. The issuer must announce the outcome of the shareholder vote in accordance with Rule 704(15).”</p>	<p>On 27 August 2020, the Company had received the form stated in Appendix 7F of the Catalist Rules pertaining to each of the Proposed New Directors.</p> <p>However, the information in Appendix 7F relating to the Proposed New Directors had not been provided to shareholders via the BT Notice.</p> <p>Neither was the Appendix 7F information disclosed on the SGXNET, nor was it provided in any relevant circular.</p> <p>In any event, the Appendix 7F information is incomplete as the NC did not receive sufficient information from the Requisition Shareholders and the Proposed New Directors to comment on the rationale, selection criteria, search and nomination process for the Proposed New Directors.</p>

18. **In the circumstances, the Company is of the view that valid notice had not been given for the proposed EGM on 10 September 2020. Accordingly, shareholders should take note that in the event the Requisition Shareholders proceed with the EGM, any resolutions purported to be passed at such EGM shall not be valid.**

Follow-up Plans of the Company

19. In the circumstances, the Company intends to seek clarification from the Requisition Shareholders on how they wish to proceed in view of the EGM Notice being invalid.
20. Should the Requisition Shareholders inform the Company that they intend to continue with their proposal for the change of directors as set out in the Requisition Notice, the Company will write to the Requisition Shareholders to seek the following information:
- (a) Status of the appointment of a new Continuing Sponsor;
 - (b) Plans to raise funds for the Company;
 - (c) Plans to conduct an Independent Review into certain past transactions of the Company, including but not limited to recover approximately S\$8.6 million from two past transactions that are pending legal action by the Company;
 - (d) Plans to address the Company's current cash company status pursuant to Rule 1017 of the Catalist Rules;
 - (e) Plans to resolve the Company's issue of working capital sufficiency and going concern, which led to its trading suspension on 26 December 2019; and
 - (f) Plans to announce the Company's FY2019 results, issue its FY2019 annual report, conduct its FY2019 AGM and to release its 1HFY2020 results.

The Board will assess the information provided and assess whether the matters proposed by the Requisition Shareholders are in the best interest of the Company.

21. The Company will make the necessary announcement as and when there are further developments on these matters.

CAUTION IN TRADING

22. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts as to the actions they should take.

By Order of the Board

Chia Siak Yan Vincent
Non-Executive Chairman and Independent Director
4 September 2020

