

INFINITE POSSIBILITIES

Annual Report 2015

This annual report has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this annual report.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

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ABOUT US

Transcorp Holdings Limited ("**Transcorp**"), formerly known as "Transview Holdings Limited", was established in 1995 and was listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") from 2000. It transferred to the Catalist board of the SGX-ST on 20 October 2015.

From being a leading golf equipment wholesaler and distributor in Asia, Transcorp has evolved into an investment holding company proactively pursuing business opportunities that will generate long-term growth and increase shareholder value.

As a part of our portfolio diversification strategy to build new income streams, Transcorp's principal activities now include property leasing and development. Transcorp currently has a stake in a property development venture in Singapore and derives rental income from the leases of its commercial investment properties in Singapore and Malaysia.

In moving with time, Transcorp will continue to explore and evaluate investment opportunities in order to build a sustainable future.



LETTER TO
SHAREHOLDERS & 2015 IN REVIEW



Dear Valued Shareholders

On behalf of the Board of Directors of Transcorp Holdings Limited (the "**Company**" or "**Transcorp**") and together with its subsidiaries (the "**Group**"), I am pleased to present the Annual Report for the financial year ended 31 October 2015 ("**FY2015**").

2015 Year in Review

Following the disposal of Nippon Golf Pte Ltd, Transview Lifestyle Pte Ltd and Transview Golf Sdn Bhd, which were mainly in the business of wholesale of golf equipment and related products, to Leonian Singapore Pte Ltd on 31 March 2014, the Group's total revenue of S$1,141,078 for FY2015 consisted mainly of rental and interest income. Rental income of S$795,521 was derived from the Group's two investment properties located in Singapore and Malaysia, whereas interest income of S$236,521 was derived from the Group's loan to investee company.

As a result of the decrease in the Group's revenue and comparable expenses from the previous financial year to FY2015, the Group recorded net losses of approximately S$1,265,685 in FY2015 as compared to previous financial year's net profit of S$9,653,843.

LETTER TO
SHAREHOLDERS & 2015 IN REVIEW

Business Refocused

The Company had on 20 October 2015 transferred its listing from the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") to the Catalist sponsored regime in compliance with the SGX-ST's continuing listing requirements on the minimum trading price within the prescribed transition period in March 2016 (the "**MTP Requirement**").

The Board had considered the rationale and benefits to the Company on the Catalist and was of the unanimous opinion that it is in the best interests of the Company to better position the Company appropriately in anticipation of future business prospects and allow the Company to attract investors in the future, as well as better resemble the business, market capitalization and risk profile of the Group on the Catalist.

In addition to the absence of the MTP Requirement for listing on the Catalist, the Board believes that the Catalist provides a more conducive platform for the Group for the purposes of fundraising and potential acquisitions and disposals in the future.

Venturing into the Automobile Sales Sector

FY2015 has been a year of consolidation for greater focus on new business opportunities. To enhance value for shareholders, the Board constantly seeks attractive investment opportunities that could contribute to the Group with the aim to build a sustainable future. The Board believes in seizing such opportunities as they arise in order to stay competitive, while managing its exposure to risk effectively.

LETTER TO
SHAREHOLDERS & 2015 IN REVIEW

On 21 December 2015, the Company announced that it has entered into a sale and purchase agreement (the "**SPA**") with Cheng MingMing and Chua Heng Chuan Ronnie (collectively, the "**Vendors**"), pursuant to which the Company shall acquire an aggregate of 5,309,735 ordinary shares representing approximately 88.5% of the issued and paid-up share capital of Regal Motors Pte. Ltd. ("**Regal Motors**") for an aggregate consideration of up to S$20,000,000 (the "**Proposed Acquisition**") from the Vendors, upon the terms and conditions of the SPA.

In accordance with the SPA, the consideration for the Proposed Acquisition of S$20,000,000 shall be satisfied in full by the allotment and issuance of 60,113,000 new shares to the Vendors, or their designated nominees, at the issue price of S$0.133, and payment of cash in the aggregate amount of S$12,004,971 to the Vendors upon completion.

The Proposed Acquisition constitutes a major transaction as defined under Chapter 10 of the Section B: Rules of Catalist of the Listing Manual of the SGX-ST and will result in an expansion of the Company's business to a new business section in automobile



LETTER TO
SHAREHOLDERS & 2015 IN REVIEW

sales, a change of risk profile of the Company (the "**Proposed Diversification**"). The Company has obtained approval from its shareholders at the Extraordinary General Meeting held on 12 January 2016 with respect to the Proposed Acquisition and the Proposed Diversification.

Through the Proposed Acquisition, the Company expects the new business to contribute positively to the future earnings of the Group and enhance shareholder value in the long term. The future prospects of the Group will be improved due to the integration of Regal Motors. At the same time, the Group will continue to explore and evaluate other business opportunities that will enhance shareholders' value in the long term.

A Note of Appreciation

On behalf of the Board of Directors, I would like to express our gratitude and extend our deepest appreciation to our shareholders, customers, suppliers, business associates for their confidence and continual support. The Directors and I would also like to thank our dedicated management team and staff for unwavering dedication and efforts in getting our business to turnaround. To my fellow Board members, thank you for the consistently wise guidance.

We will work together hand-in-hand, and over the next few years develop Transcorp into a leader of industry.

Madam Chu Wan Zhen
Executive Chairman

BOARD OF DIRECTORS



Chu Wan Zhen

Executive Chairman

Aged 61, Madam Chu Wan Zhen was first appointed as the Non-Executive Chairman of the Company on 8 April 2015 and was subsequently re-designated as the Executive Chairman of the Company on 23 November 2015. She has over 25 years of experience as a business owner. Her expertise is in areas ranging from business administration to sales and marketing; and recruiting and training sales staff. Madam Chu is a dynamic entrepreneur who grew businesses through effective business planning, creative sales techniques and innovative marketing.

Date of first appointment as a director: 8 April 2015
Date of last re-election as a director: NA

Present Directorship:

Other Listed Companies

Nil

Other Principal Commitments

SG Royal Group Pte Ltd, Managing Director and Shareholder
Le Petit Four Sdn Bhd, Director and Shareholder
Italcosmo International Pte Ltd, President and Shareholder

Past Directorships held over the preceding three years in other listed companies:

Nil

Family Relationship

Wife of Mr Goh Chin Soon, the Executive Director of the Company, sister-in-law of Mr Neo Yim Pui, the Executive Director of the Company, and sister of Madam Chu Yi Han, the Non-Executive Director of the Company.



Jong Khee Beng Ainsley

Executive Director and Chief Executive Officer

Aged 46, Mr Jong Khee Beng Ainsley was first appointed as an Independent Director of the Company on 11 March 2015 and was subsequently re-designated as an Executive Director and Chief Executive Officer of the Company on 19 August 2015. He assumes executive responsibilities over the business directions and operational decisions of the Group and plays a pivotal role in steering the strategic direction and growth of the Group's business. His main duty now is to assist the Company in its efforts to identify business opportunities and provide management leadership of the Company. He holds a Master of Human Resource Management from Rutgers University, New Jersey, USA, a Bachelor's Degree in Business Administration from the Royal Melbourne Institute of Technology, Melbourne, Australia, and a Graduate Diploma in Human Resource Management from Singapore Institute of Management, Singapore.

Date of first appointment as a director: 11 March 2015
Date of last re-election as a director: NA

Present Directorship:

Other Listed Companies

Nil

Other Principal Commitments

S.A. Investment Holdings Pte. Ltd, Director and Member
Transrich Pte Ltd, Director
Transcorp Resources Pte Ltd, Director
Transcorp Development Pte Ltd, Director

Past Directorships held over the preceding three years in other listed companies:

Nil

BOARD OF DIRECTORS



Goh Chin Soon

Executive Director

Aged 60, Mr Goh Chin Soon was appointed as an Executive Director of the Company on 17 December 2015. His main duty now is to assist in seeking business opportunities for the Company.

Date of first appointment as a director: 17 December 2015
Date of last re-election as a director: NA

Present Directorship:

Other Listed Companies

Nil

Other Principal Commitments

Fu Jia Development Co Ltd, CEO
Hua Xin Development Co Ltd, CEO
Dongsan Overseas Chinese Hotel, Chairman

Past Directorships held over the preceding three years in other listed companies:

Nil

Family Relationship

Husband of Madam Chu Wan Zhen, the Executive Chairman and Controlling Shareholder of the Company, and Brother-in-law of Mr Neo Yim Pui and Madam Chu Yi Han, the Executive Director and Non-Executive Director of the Company, respectively



Tan Cheng Chuan

Managing Director

Aged 53, Mr Tan Cheng Chuan was appointed as Managing Director of the Company on 27 April 1995. He is responsible for the day-to-day operations of the Group and the Group's strategic goals with the assistance of a team of key management personnel.

Date of first appointment as a director: 27 April 1995
Date of last re-election as a director: NA

Present Directorship:

Other Listed Companies

Nil

Other Principal Commitments

Transrich Pte Ltd, Director
Transcorp Resources Pte Ltd, Director
Transcorp Development Pte Ltd, Director
Leonian Singapore Pte Ltd, Director
Nippon Golf Pte Ltd, Director
Transview Lifestyle Pte Ltd, Director
Transview Interior Pte Ltd, Director
Transview Golf Sdn Bhd, Director

Past Directorships held over the preceding three years in other listed companies:

Nil

BOARD OF DIRECTORS



Swee Kay Seng

Executive Director

Aged 57, Mr Swee Kay Seng was appointed as an Executive Director of the Company on 23 November 2015. He is responsible for special projects undertaken by the Company, with a special focus on mergers and acquisition.

Date of first appointment as a director: 23 November 2015
Date of last re-election as a director: NA

Present Directorship:
Other Listed Companies
Nil

Other Principal Commitments
Nil

Past Directorships held over the preceding three years in other listed companies:
Nil



Bernard Neo Yim Pui

Executive Director

Aged 69, Mr Bernard Neo Yim Pui was appointed as an Executive Director of the Company on 23 November 2015. He is responsible for the day to day operations of the Company and takes charge of the human resource and administrative functions.

Date of first appointment as a director: 23 November 2015
Date of last re-election as a director: NA

Present Directorship:
Other Listed Companies
Nil

Other Principal Commitments
Nil

Past Directorships held over the preceding three years in other listed companies:
Nil

Family Relationship
Brother-in-law of Madam Chu Wan Zhen, the Executive Chairman and Controlling Shareholder of the Company



Rick Seah Chee Wei

Lead Independent Director

Aged 43, Mr Rick Seah Chee Wei was appointed as the Lead Independent Director of the Company on 15 May 2015. He is a Chartered Accountant, Institute of Singapore Chartered Accountant (ISCA) and an approved Liquidator, registered with the Accounting and Corporate Regulatory Authority (ACRA). He is also a fellow member of Insolvency of Practitioners Association of Singapore (IPAS) and an associate mediator of Singapore Mediation Centre (SMC). Mr Seah holds a Bachelor of Accountancy from Nanyang Technological University (NTU).

Date of first appointment as a director: 15 May 2015
Date of last re-election as a director: NA

Present Directorship:
Other Listed Companies
Foreland Fabrictech Holdings Limited, Independent Director

Other Principal Commitments
Acutus Advisory Pte Ltd, Director
Rock Stevenson Pte Ltd, Director and Shareholder

Past Directorships held over the preceding three years in other listed companies:
Nil



Pok Mee Yau Karen

Independent Director

Aged 37, Ms Pok Mee Yau Karen was appointed as an Independent Director of the Company on 8 April 2015. She was admitted as an Advocate and Solicitor of the Supreme Court of Singapore in 2005 and a Solicitor of England and Wales in 2007. Ms Pok holds a LL.B. (Hons) from University College London, LL.M from University College London and Postgraduate Diploma in Legal Practice, BPP Law School.

Date of first appointment as a director: 8 April 2015
Date of last re-election as a director: NA

Present Directorship:
Other Listed Companies
Nil

Other Principal Commitments
JLC Advisors LLP, Partner

Past Directorships held over the preceding three years in other listed companies:
Nil



Chu Yi Han

Non-Executive Director

Aged 54, Madam Chu Yi Han was appointed as a Non-Executive Director of the Company on 23 November 2015. She has over 25 years of managing experience. Her expertise is in areas ranging from business administration to sales and marketing and recruiting and training sales staff.

Date of first appointment as a director: 23 November 2015
Date of last re-election as a director: NA

Present Directorship:
Other Listed Companies
Nil

Other Principal Commitments
Italcosmo International Pte Ltd, Managing Director
Le Petit Four Sdn Bhd, Managing Director

Past Directorships held over the preceding three years in other listed companies:
Nil

Family Relationship
Sister of Madam Chu Wan Zhen, the Executive Chairman and Controlling Shareholder of the Company

KEY EXECUTIVE

Alex Yong Chor Ken
Acting Chief Financial Officer
Mr Alex Yong was appointed as the Acting Chief Financial Officer of the Company on 3 November 2015. He is in the field of corporate advisory, restructuring and recovery as well as forensic accounting and litigation support services. His past experience includes the formulation and implementation of a restructuring plan of a company listed on the SGX-ST in his role as the Managing Director to bring the company back to a profitable entity. He has been a director of various other listed companies and he brings along operational experience in the turnaround working within the companies.

Mr Alex Yong holds a Bachelor of Accountancy from the National University of Singapore and a Master of Business Administration from Nanyang Technological University. He is an approved Liquidator registered with the Accounting and Corporate Regulatory Authority (ACRA) in Singapore and a Fellow Chartered Accountant (Singapore), non-practising member of the Institute of Singapore Chartered Accountants (ISCA).

CORPORATE INFORMATION

Board Of Directors

Executive:

Chu Wan Zhen (Chairman)
(Appointed as Non-Executive Chairman on 8 April 2015 and re-designated as Executive Chairman on 23 November 2015)

Tan Cheng Chuan (Managing Director)

Jong Khee Beng Ainsley (Chief Executive Officer)
(Appointed as Independent Director on 11 March 2015 and re-designated as Executive Director and Chief Executive Officer on 19 August 2015)

Goh Chin Soon
(Appointed on 17 December 2015)

Swee Kay Seng
(Appointed on 23 November 2015)

Neo Yim Pui
(Appointed on 23 November 2015)

Non-Executive:

Chu Yi Han
(Appointed on 23 November 2015)

Seah Chee Wei (Lead Independent Director)
(Appointed on 15 May 2015)

Pok Mee Yau Karen (Independent Director)
(Appointed on 8 April 2015)

Audit Committee

Seah Chee Wei (Chairman)
Pok Mee Yau Karen
Chu Yi Han

Nominating Committee

Pok Mee Yau Karen (Chairman)
Chu Wan Zhen
Chu Yi Han
Seah Chee Wei

Remuneration Committee

Pok Mee Yau Karen (Chairman)
Chu Wan Zhen
Chu Yi Han
Seah Chee Wei

Secretaries

Lynn Wan Tiew Leng
Kelly Kiar Lee Noi
(Appointed on 11 March 2015)

Registered Office

1 Kim Seng Promenade
#17-04 Great World City East Tower
Singapore 237994
Tel: 6235 2182
Fax: 6235 2215
Email: info@transcorp.com.sg

Share Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Tel: 6536 5355
Fax: 6536 1360

Auditors

Ernst &Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

Audit Partner-In-Charge

Mr Shekaran Krishnan
(Appointed since financial year ended 31 October 2012)

CORPORATE STRUCTURE

100% Transcorp Development Pte Ltd
(fka Transview Development Pte Ltd)

100% Tee To Green (H.K.) Limited

100% Transcorp (H.K.) Limited
(fka Transview Golf (H.K.) Pte Ltd)

100% Transcorp Resources Pte Ltd
(fka Transview Resources Pte Ltd)

100% Transrich Pte Ltd
(fka Transview Golf Pte Ltd



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CORPORATE GOVERNANCE

The board of directors (the "**Board**" or the "**Directors**") of Transcorp Holdings Limited (the "**Company**") is committed to maintaining a high level of corporate governance to promote greater transparency and safeguard the interests of shareholders. The Company has substantially complied with the recommendation of the revised Code of Corporate Governance 2012 (the "**Code**"), issued by Monetary Authority of Singapore on 2 May 2012, through effective self-regulatory corporate practices to protect and enhance the interests and value of its shareholders.

This report describes the Company's corporate governance practices with specific reference to the Code in its annual report. Unless otherwise stated, the principles and guidelines of the Code have been complied with.

I. BOARD MATTERS

The Board's Conduct of its Affairs

Principle 1: Effective Board to lead and control the Company

The Board oversees the business affairs of the Company and its subsidiaries (collectively the "**Group**") and is responsible for setting the strategic direction and establishing goals for the management team of the Company ("**Management**"). In addition, the Board works with Management to achieve these goals set for the Group. To ensure smooth operations, facilitate decision-making and ensure proper controls, the Board has delegated some of its powers to its Committees and Management. The Board Committees and Management remain accountable to the Board.

Guideline 1.1 of the Code: The Board's role

The principal functions of the Board are as follows:

(a) Approving strategies and financial objectives of the Group and monitoring the performance of Management;

(b) Ensuring that the necessary financial and human resources are in place for the Company to meet its objectives;

(c) Evaluating the adequacy of internal controls, risk management, financial reporting and compliance;

(d) Ensuring the Group's compliance with laws, regulations, policies, directives, guidelines and internal code of conduct;

(e) Approving the nomination of Board members and the appointment of key management personnel;

(f) Reviewing the performance of Management;

(g) Approving annual budgets, major funding, investments and divestment proposals; and

(h) Ensuring accurate, adequate and timely reporting to, and communication with shareholders.

All Directors exercise reasonable diligence and independent judgement when making decisions and are obliged to act honestly and consider the interests of the Company at all times.

Guideline 1.2 of the Code: Directors to act in the interests of the Company

To efficiently discharge its responsibilities, the Board has established several Board Committees, namely, the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"). These Committees are given specific responsibilities and they are empowered by the Board to deal with matters within the limits of authority set out in the Terms of Reference of their appointments. They assist the Board operationally without the Board losing authority over major issues.

Guideline 1.3 of the Code: Disclosure on delegation of authority by Board to Board Committees

In addition to the scheduled meetings held at least twice a year and in relation to matters requiring urgent attention, the Board would either convene additional Board meetings or have informal discussions, which would then be formally confirmed and approved by circulating resolutions in writing. The Board members also meet frequently with Management to discuss the business operations of the Group.

The Company's Constitution (the "**Constitution**") allows Board meetings to be conducted by way of telephone conference and/or by means of similar communication equipment where all Directors participating in the meeting are able to hear each other. Decision of the Board and Board Committees may also be obtained through circular resolutions.

Guideline 1.4 of the Code: Board to meet regularly

Directors' attendance at the Board's and Board Committees' meetings during the financial year ended 31 October 2015 ("**FY2015**") are as follows:

	Board of Directors' Meeting		Audit Committee			Nominating Committee			Remuneration Committee		
				Meetings			Meetings			Meetings	
Name of Directors	No. held	No. attended	Membership	No. held	No. attended	Membership	No. held	No. attended	Membership	No. held	No. attended
Tan Ching Khoon	3	1[1]	No	2	1*	No	1	1*	No	1	1*
Tan Cheng Chuan	3	3	No	2	2*	Yes	1	1	No	1	1*
Lee Soo Hoon Phillip	3	1[2]	Yes (Chairman)	2	1[2]	Yes	1	1	Yes	1	1[2]
Sin Boon Ann	3	1[3]	Yes	2	1[3]	Yes (Chairman)	1	1	Yes (Chairman)	1	1[3]
Lim Teng Neng	3	1[4]	Yes	2	1[4]	No	1	1*	Yes	1	1
Chu Wan Zhen	3	2[5]	No	2	1*	No	1	0	No	1	0
Jong Khee Beng Ainsley	3	2[6]	Yes	2	1[6]	No	1	0	No	1	0
Seah Chee Wei	3	2[7]	Yes (Chairman)	2	1[7]	Yes	1	0[7]	Yes	1	0[7]
Pok Mee Yau	3	2[8]	Yes	2	1[8]	Yes (Chairman)	1	0[8]	Yes (Chairman)	1	0[8]

* By invitation
(1) Ceased on 30 March 2015
(2) Ceased on 16 April 2015
(3) Ceased on 11 March 2015
(4) Ceased on 21 April 2015
(5) Appointed on 8 April 2015
(6) Appointed on 11 March 2015
(7) Appointed on 15 May 2015
(8) Appointed on 8 April 2015

Other matters requiring Board's approval include major investments, material acquisitions and disposals of assets, corporate and financial restructuring, share issuance, dividends and other returns to shareholders.

Guideline 1.5 of the Code: Matters requiring Board approval

Each Board member has extensive experience and knowledge in his/her respective area of work, thus providing valuable contribution to the decision-making process of the Board.

All new Directors are given an orientation of the Group's business and governance practices, and all Directors have access to information and further training on new developments, including new laws, regulations and changing commercial risks, at the Company's expense.

Guideline 1.6 of the Code: Directors to receive appropriate training

The Company has and will continue to organise orientation programmes for new Directors (if and when appointed) to familiarise them with the Group's operations and business issues and the relevant regulations and governance requirements. The Company also funds the Directors' attendance at any training programme or seminar on new updates in the requirements of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Companies Act, Cap. 50 ("**Act**") or other regulations/statutory requirements in connection with their duties as Directors, from time to time.

Guideline 1.7 of the Code: Formal letter to be provided to Directors setting out their duties

Board Composition and Balance

Principle 2: Strong and independent element on the Board

The Board comprises nine Directors, six of whom are Executive Directors and three of whom are Non-Executive Directors of which two are Independent Directors:

Guideline 2.1 of the Code: One-third of Directors to be independent

Executive Directors

Chu Wan Zhen	Executive Chairman *(re-designated from Non-Executive Chairman on 23 November 2015)*
Tan Cheng Chuan	Managing Director
Jong Khee Beng Ainsley	Chief Executive Officer *(re-designated from Independent Director on 19 August 2015)*
Goh Chin Soon	Executive Director
Swee Kay Seng	Executive Director
Neo Yim Pui	Executive Director

Non-Executive Directors

Seah Chee Wei	Lead Independent Director
Pok Mee Yau	Independent Director
Chu Yi Han	Non-Executive Director

Currently, the composition of the Board is not compliant with the Code. However, the Company will comply with the Code in relation to the number of Independent Directors in the Board by 8 February 2016.

The profile of the Directors are set out on pages 6 to 9 of this Annual Report.

The Board is of the view that no individual or small group of individuals dominates the Board's decision-making process. The Board also noted the timeline to comply with the Code's recommendation that Independent Directors should make up at least half of the Board where the Executive Chairman is part of the management team and is not an Independent Director.

Guideline 2.2 of the Code: Independent Directors to make up at least half of the Board in certain circumstances

The NC conducted its annual review of the Directors' independence in accordance with the Code's definition of what constitutes an Independent Director. In its deliberation as to the independence of a Director, the NC took into consideration whether a Director has any business relationships with the Group, its related companies, its 10% shareholders or its officers, and if so, whether such relationships could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interest of the Company.

Guideline 2.3 of the Code: Disclosure of Directors considered to be independent

None of the Independent Directors of the Company has served the Board beyond nine years from the date of his/her first appointment. The Independent Directors meet amongst themselves without the presence of Management when necessary.

Guideline 2.4 of the Code: Independence of Director who has served on the Board beyond nine years should be subject to rigorous review

The Board is of the opinion that its current size is reasonably effective and efficient considering the nature and size of the Group's activities.

Guideline 2.5 of the Code: Board to determine its appropriate size

In addition, the Company benefited from Management's ready access to its Directors for guidance and exchange of views both within and outside of the formal environment of the Board and Board Committees meetings.

The Directors of the Company come from diverse backgrounds and possess core competencies, qualifications and skills, all of whom as a group, provides the Board with a good mix of the necessary experience and expertise to direct and lead the Group. Their combined wealth and diversity of experience enable them to contribute effectively to the strategic growth and governance of the Group.

Guideline 2.6 of the Code: Board to comprise Directors with core competencies

The Non-Executive Directors constructively challenge and assist in the development of proposals on strategy, and assist the Board in reviewing the performance of Management in meeting agreed goals and objectives, and monitor the reporting of performance.

Guideline 2.7 of the Code: Role of non-executive directors

CORPORATE GOVERNANCE

The Non-Executive Directors of the Company meet regularly to discuss any matters without the presence of Management as and when circumstances required.

Guideline 2.8 of the Code: Regular meetings of non-executive directors

Chairman and Chief Executive Officer

Principle 3: Clear division of responsibilities and balance of power and authority

The roles of the Executive Chairman and the Chief Executive Officer are segregated to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The posts of the Executive Chairman and the Chief Executive Officer are held by Madam Chu Wan Zhen and Mr Jong Khee Beng Ainsley respectively.

Guideline 3.1 of the Code: Chairman and CEO should be separate persons

As the Executive Chairman, Madam Chu Wan Zhen assumes responsibilities for, amongst others, exercising control over the quality, quantity and timeliness of information between Management and the Board, and assisting in ensuring compliance with the Company's guidelines on corporate governance. She will be assisted by Management in the daily operations and administration of the Group's business activities and in the effective implementation of the Group's business strategies.

Guideline 3.2 of the Code: Chairman's role

As the Chief Executive Officer, Mr Jong Khee Beng Ainsley assumes executive responsibility over the business directions and operational decisions of the Group. He plays a pivotal role in steering the strategic direction and growth of the Group's business. His main duties are to assist the Company in its efforts to identify business opportunities and provide management leadership of the Company.

In line with the Code's recommendation, Mr Seah Chee Wei has been appointed as the Lead Independent Director in view of the fact that the Executive Chairman is part of the management team and is not an Independent Director. The Lead Independent Director is available to shareholders where they have concerns for which contact through the normal channels of the Executive Chairman or the Chief Executive Officer has failed to resolve or for which such contact is inappropriate.

Guideline 3.3 of the Code: Appointment of Lead Independent Director

During FY2015, the Independent Directors have met unofficially at least once to discuss Company matters without the presence of Management and the Lead Independent Director will provide feedback to the Executive Chairman after such meetings.

Guideline 3.4 of the Code: Led by the Lead Independent Director, Independent Directors to meet periodically

BOARD MEMBERSHIP

Principle 4: Formal and transparent process for the appointment and re-appointment of Directors to the Board

Guideline 4.1 of the Code: NC to recommend all Board appointments

The NC comprises the following four members, two of whom, including the Chairman, are Non-Executive and Independent Directors.

Pok Mee Yau	Chairman
Seah Chee Wei	Member
Chu Wan Zhen	Member
Chu Yi Han	Member

Currently, the composition of the NC is not compliant with the Code. However, the Company will comply with the Code in relation to the composition of the NC by 8 February 2016.

The NC is regulated by a set of written Terms of Reference and is responsible for making recommendations to the Board on all Board appointments and re-appointments through a formal and transparent process, which includes internal guidelines to address the conflict of competing time commitments that are faced by Directors with multiple board representations. In respect of re-nominations, the NC will consider the individual Director's contribution and performance and whether the Director has adequate time and attention to devote to the Company, in the case of Directors with multiple board representations.

The responsibilities and principal functions of the NC, as set out in its Terms of Reference, include:

(a) Reviewing, assessing, making recommendations to the Board on the appointment of Directors, including making recommendations on the composition of the Board generally and the balance between Executive and Non-Executive Directors appointed to the Board;

(b) Regularly reviewing the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender and knowledge of the Company and the core competencies of the Directors as a group and recommending to the Board with regards to any adjustment that may be deemed necessary;

(c) Reviewing, assessing and recommending nominee(s) or candidate(s) for re-appointment or re-election to the Board and considering his/her competency, commitment, contribution, performance and whether or not he/she is independent;

(d) Making plans for succession, in particular for the Chairman of the Board and Chief Executive Officer;

(e) Determining, on an annual basis, if a Director is independent bearing in mind the circumstances set forth in the Code and other salient factors;

(f) Recommending Directors who are retiring by rotation to be put forward for re-election in accordance with the Constitution of the Company at each annual general meeting ("**AGM**");

(g) Deciding whether or not a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when he/she has multiple board representations, and/or other principal commitments;

(h) Recommending to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple boards and the maximum number of listed company board representations which any Director may hold;

(i) Assessing the effectiveness of the Board as a whole and the contribution of each individual Director to the effectiveness of the Board and recommending to the Board the development of a process for evaluation and decide how the Board's performance may be evaluated and proposing objective performance criteria; and

(j) Recommending to the Board comprehensive induction training programmes for new Directors and reviewing the training and professional development programmes for the Board to keep the Board apprised of relevant new laws, regulations and changing commercial risk.

The NC recommends all appointments and re-nominations/re-appointments of Directors to the Board after taking into account the respective Director's contributions in terms of experience, business perspective, management skills, individual expertise and pro-activeness in participation of meetings. This is to ensure that the decisions made by the Board are well considered, balanced and are in the best interests of the Company.

Guideline 4.2 of the Code: NC to recommend to the Board on certain relevant matters

In accordance with Articles 91 and 92 of the Company's Constitution, one-third of the Directors shall retire from office by rotation at each AGM. In addition, Article 92 provides that the Directors to retire in every year shall be those subject to retirement by rotation who have been longest in office since their last re-election or appointment and that the retiring Directors are eligible to offer themselves for re-election and Article 97 provides that all newly appointed Directors shall hold office only until the next AGM and are eligible to offer themselves for re-election.

For FY2015, the NC is of the view that:

(a) the Board's current size and composition is appropriate, taking into account the nature and scope of the Group's operations and the diversity of the Board members' experience and attributes;

(b) no individual or small group of individuals dominates the Board's decision-making process; and

(c) based on the Directors' contributions at meetings of the Board and Board Committees, and their time commitment to the affairs of the Company, it would not be necessary to put a maximum limit on the number of listed company board representations and other principal commitments of each Director. The NC would continue to review from time to time the board representations and other principal commitments of each Director to ensure that the Directors continue to meet the demands of the Group and are able to discharge their duties adequately.

Accordingly, the Board has accepted the NC's nomination of the retiring Directors who have given their consent for re-election at the forthcoming AGM of the Company. The retiring Directors are Mr Jong Khee Beng Ainsley, Madam Chu Wan Zhen, Ms Pok Mee Yau, Mr Seah Chee Wei, Madam Chu Yi Han, Mr Neo Yim Pui, Mr Swee Kay Seng and Mr Goh Chin Soon, who will retire pursuant to Article 97 of the Constitution at the forthcoming AGM of the Company.

The NC reviews the independence of each Director annually in accordance with the Code's definition of independence. In respect of the two Independent Directors, Mr Seah Chee Wei and Ms Pok Mee Yau, the Board is of the view that they are independent, taking into account the circumstances set forth in the Code and any other salient factors. The Independent Directors had also confirmed their independence in accordance with the Code.

Guideline 4.3 of the Code: NC to determine Directors' independence annually

When a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his/her duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments. Based on the individual Director's confirmation to the NC on his/her ability to carry out his/her duties as a Director of the Company and to address any competing time commitments that may arise, the NC believes that it would not be necessary to put a maximum limit on the number of listed company board representations of each Director.

Guideline 4.4 of the Code: Ensure Directors with multiple board representations give sufficient time and attention to the Company

The NC has evaluated the competing time commitments faced by Directors serving on multiple boards during the year and is satisfied that the Directors have spent adequate time on the Group's affairs to fulfill their responsibilities.

Currently, the Company does not have alternate directors.

Guideline 4.5 of the Code: Boards should avoid approving the appointment of alternative directors

When the need for a new Director is identified, either to replace a retiring Director or to enhance the Board's capabilities, the NC will make recommendations to the Board regarding the identification and selection of suitable candidates based on the desired qualifications, skill sets, competencies and experience, which are required to supplement the Board's existing attributes. If need be, the NC may seek assistance from external search consultants for the selection of potential candidates. Directors and Management may also put forward names of potential candidates, together with their curriculum vitae, for consideration.

Guideline 4.6 of the Code: Description of process for selection and appointment of new Directors to be disclosed

The NC, after completing its assessment, meets with the short-listed candidates to assess their suitability, before submitting the appropriate recommendations to the Board for approval.

Information in respect of the academic and professional qualification, and directorship or chairmanship, both present and those held over the preceding three years in other listed companies, is set out in the "Board of Directors" section of the Annual Report. In addition, information on shareholdings in the Company and its related companies held by each Director is set out in the "Directors' Statement" section of the Annual Report.

Guideline 4.7 of the Code: Key information regarding Directors

CORPORATE GOVERNANCE

Board Performance

Principle 5: Formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board

The NC, guided by its Terms of Reference, had decided on how the Board's performance is to be evaluated and has developed objective performance criteria, which address how the Board has enhanced long-term shareholders' value. The NC has also implemented a process for assessing the effectiveness of the Board as a whole, as well as the contribution of each Director to the effectiveness of the Board.

In evaluating the Board's performance, the NC implements a self-assessment process that requires each Director to submit the assessment of the performance of the Board as a whole during the year under review. This self-assessment process takes into account, *inter alia*, the Board composition, maintenance of independence, Board information, Board process, Board accountability, communication with top Management and standard of conduct.

Guidelines 5.1 and 5.2 of the Code: Board to implement process to address how the Board's performance may be evaluated and disclose the process in Annual Report

The NC is of the view that each individual Director has contributed to the effectiveness of the Board as a whole. During FY2015, the NC has conducted the assessment by preparing a performance evaluation questionnaire to be completed by each Director, of which were then collated and the findings were analysed and discussed with a view to implementing certain recommendations to further enhance the effectiveness of the Board. The results of the NC's assessment for FY2015 has been communicated to and accepted by the Board.

Guideline 5.3 of the Code: Evaluation of each Director whether he/she continues to contribute effectively

The NC reviewed the mix of skills and experiences of the Directors that the Board requires to function competently and efficiently in achieving the Group's strategic objectives. When reviewing the Board's performance for FY2015, the NC is satisfied that the Board has a good mix of skills and expertise to meet the needs of the Group and noted the following points:

(a) Feedback received from the Directors and acted on their comments accordingly; and

(b) Individual Director's attendance at meetings of the Board, Board Committees and general meetings, individual Director's functional expertise and his/her commitment of time to the Company.

The Executive Chairman, in consultation with the NC, will, if necessary, propose steps to be undertaken to strengthen the Board's leadership so as to improve the effectiveness of the Board's oversight of the Company.

Access to Information

Principle 6: Board members should be provided with complete, adequate and timely information

To enable the Board to function effectively and to fulfill its responsibilities, Management recognises its obligation to supply the Board and the Board Committees with complete, adequate information in a timely manner. In addition, all relevant information on the Group's annual budgets, financial statements, material events and transactions complete with background and explanations are circulated to Directors as and when they arise. A system of communication between Management and the Board has been established and will improve over time.

Guidelines 6.1 and 6.2 of the Code: Board should have separate and independent access to Management; Management obliged to provide Board with adequate and timely information and include background and explanatory information

Each Director has been provided with the up-to-date contact particulars of the Company's key management personnel and the Company Secretaries to facilitate access to any required information. The Company Secretaries attends all meetings of the Board and Board Committees and is responsible in ensuring that Board procedures and all other rules and regulations applicable to the Company are complied with. The Company Secretaries also advises the Board on corporate governance matters and they are also the channel of communication between the Company and the SGX-ST.

Guidelines 6.3 of the Code: Directors should have separate and independent access to Company Secretary; role of Company Secretary to be clearly defined

The appointment and removal of the Company Secretaries are subject to the approval of the Board as a whole.

Guidelines 6.4 of the Code: Appointment and removal of Company Secretary

In furtherance of their duties, the Directors, individually or as a group, may seek independent professional advice on matters relating to the businesses of the Group, at the Company's expense, subject to approval by the Board.

Guideline 6.5 of the Code: Procedure for Board to take independent professional advice at the Company's cost

II. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: Formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors

The RC comprises the following members, two of whom are Independent Directors.

Guideline 7.1 of the Code: RC to consist entirely of Non-Executive Directors

Pok Mee Yau	Chairman
Seah Chee Wei	Member
Chu Wan Zhen	Member
Chu Yi Han	Member

Currently, the composition of the RC is not compliant with the Code. However, the Company will comply with the Code in relation to the composition of the RC by 8 February 2016.

The RC is regulated by a set of written Terms of Reference. Its key functions include:

(a) Reviewing and recommending to the Board for endorsement by the entire Board, a general framework of remuneration for the Board, the specific remuneration packages and terms of employment for each Director, the CEO (if the CEO is not a Director) and key management personnel and employee related to the Executive Directors or controlling shareholders of the Group;

(b) Reviewing and recommending for endorsement by the entire Board, share-based incentives or awards or any long term incentive schemes which may be set up from time to time, in particular to review whether Directors and key management personnel should be eligible for such schemes and also evaluating the cost and benefits of such scheme and doing all acts necessary in connection therewith;

(c) Carrying out its duties in the manner that it deemed expedient, subject always to any regulations or restrictions that may be imposed upon the RC by the Board from time to time; and

(d) Ensuring that all aspects of remuneration including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind are covered.

The RC recommends to the Board for endorsement, a framework of remuneration for the Board and key management personnel to ensure that the structure is competitive and sufficient to attract, retain and motivate senior management to run the Company successfully in order to maximize shareholder value.

Guideline 7.2 of the Code: RC to review and recommend to the Board a general framework of remuneration for the Board and key management personnel

There is a formal and transparent procedure for fixing the remuneration packages of the Directors. No individual Director is involved in deciding his own remuneration. Independent Directors are paid Directors' fees annually on a standard fee basis.

In reviewing the remuneration packages, the RC takes into account the current market circumstances and the need to attract and retain Directors of experience and good standing. The RC has full authority to obtain external professional advice on matters relating to remuneration should the need arise.

Guideline 7.3 of the Code: RC to seek expert advice

The RC reviews the terms and conditions of service agreements of the Executive Directors before their execution. In the course of such review, the RC will consider the Group's obligations arising in the event of termination of Executive Directors and key management personnel, to ensure that the service agreements contain fair and reasonable termination clauses and are not overly generous so as to avoid rewarding poor performance.

Guideline 7.4 of the Code: RC to review the Company's obligations in the event of termination of Executive Directors and key management personnel

The service agreements entered into with the Executive Directors commenced on the effective date of the relevant service agreement and will automatically continue from year to year unless terminated in accordance with the terms of the relevant service agreement.

None of the Non-Executive Directors is on a service contract with the Company.

Level and Mix of Remuneration

Principle 8: Level of remuneration of Directors should be appropriate but not excessive

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the Executive Directors and key management personnel are commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. The performance of the Executive Directors (together with other key management personnel) is reviewed periodically by the RC and the Board.

Guideline 8.1 of the Code: Package should align Executive Directors' interest with shareholders' interest

The remuneration of the Executive Directors and the key management personnel comprise primarily a basic salary component and a variable component which is inclusive of bonuses and other benefits.

Currently, the Company does not have long-term incentive schemes.

Guideline 8.2 of the Code: Long-term incentive schemes are encouraged

Directors' fees are set in accordance with a remuneration framework based on the level of responsibility and scope of work. The Non-Executive Directors are paid Directors' fees in accordance with their level of contributions, taking into account factors such as efforts and time spent, as well as responsibilities and obligations of the Directors. Directors' fees are recommended by the Board for approval by the shareholders at the AGM of the Company. The Board has endorsed the remuneration framework.

Guideline 8.3 of the Code: Remuneration of Non-Executive Directors dependent on contribution, effort, time spent and responsibilities

The Company does not use contractual provisions to allow the Group to reclaim incentive components of remuneration from the Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owes a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

Guideline 8.4 of the Code: To consider the use of contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors

Disclosure on Remuneration

Principle 9: Clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration

The Board has not included a separate annual remuneration report to shareholders in the Annual Report on the remuneration of Directors and the top five key management personnel (who are not Directors or the CEO of the Company) as the Board is of the view that the matters which are required to be disclosed in such annual remuneration report have already been sufficiently disclosed in this report and in the financial statements of the Company.

Guidelines 9.1, 9.2 and 9.3 of the Code: Remuneration of Directors and top five key management personnel

The remuneration of each individual Director and key management personnel of the Group is however not disclosed as the Company believes that disclosure may be prejudicial to its business interests given the highly competitive environment it is operating in. Additionally, the Company has experienced turnover in its Directors during FY2015 and the disclosure of remuneration does not provide a meaningful picture to Shareholders. The RC has reviewed the practice of the industry in this regard, weighing the advantages and disadvantages of such disclosure.

Disclosure on Directors' Fees and Remuneration

A breakdown of the level and mix of the remuneration payable to each individual Director for FY2015 are as follows:

Name of Director	Remuneration Band	Salary %	Director's Fees %	Performance Based Bonuses %	Other Benefits %	Total %
Tan Ching Khoon[1]	<$250,000	100	–	–	–	100
Tan Cheng Chuan	$250,000 to $499,999	100	–	–	–	100
Lee Soo Hoon, Phillip[2]	<$250,000	–	100	–	–	100
Sin Boon Ann[3]	<$250,000	–	100	–	–	100
Lim Teng Neng[4]	<$250,000	–	100	–	–	100
Chu Wan Zhen[5]	<$250,000	–	–	–	–	–
Jong Khee Beng Ainsley[6]	<$250,000	67	33	–	–	100
Seah Chee Wei[7]	<$250,000	–	100	–	–	100
Pok Mee Yau[8]	<$250,000	–	100	–	–	100

(1) Ceased on 30 March 2015
(2) Ceased on 16 April 2015
(3) Ceased on 11 March 2015
(4) Ceased on 21 April 2015
(5) Appointed on 8 April 2015
(6) Appointed on 11 March 2015
(7) Appointed on 15 May 2015
(8) Appointed on 8 April 2015

Disclosure on Key Management Personnel's Remuneration

A breakdown of the remuneration bands payable to the key management personnel (who are not Directors or the CEO of the Company) for FY2015 are as follow:

Name of Key Management Personnel	Remuneration Band	Salary %	Performance Based Bonuses %	Other Benefits %	Total %
Lee Chong Ping	<$250,000	100	0	0	100

There are no employees who are immediate family members of any of the Directors and/or the Chief Executive Officer whose remuneration exceeded S$50,000 for FY2015.

Guideline 9.4 of the Code: Disclosure of remuneration of employees who are immediate family members of Director and whose remuneration exceeds S$50,000

No remuneration or compensation was paid or is to be paid in the form of share options, since the Company does not currently have any plan to implement share option or share incentive plans. However this does not rule out the possibility of the Company doing so in the future.

Guideline 9.5 of the Code: Details of employees share schemes

The Executive Directors do not receive any Directors' fee. The Company advocates a performance-based remuneration system for Executive Directors and key management personnel that is flexible and responsive to the market, comprising a base salary and other fixed allowances, as well as variable performance bonus which is based on the Group's performance and the individual's performance such as management skills, process skills, people skills and business planning skills. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group.

Guideline 9.6 of the Code: To disclose information on the link between remuneration paid to the Executive Directors and key management personnel, and performance

III. ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: Presentation of a balanced and understandable assessment of the Company's performance, position and prospects

The Board recognises that it is accountable to shareholders for the performance of the Group. In discharging this responsibility, the Board ensures the timely release of the Group's financial results and that the results provide a balanced and understandable assessment of the Group's performance, financial position and prospects.

Guideline 10.1 of the Code: Board's responsibility to provide balances, understandable assessment of the Company's performance and position on interim basis

To assist the Board in discharging its responsibility, the Company has established a system whereby business and finance heads of individual subsidiaries and business units provide written representations, to Management who would in turn furnish an overall representation to the AC and the Board confirming, *inter alia*, the integrity of the Group's financial statements.

The Board takes steps to ensure compliance with legislative and regulatory requirements with all of the Group's operational practices and procedures and relevant regulatory requirements.

Guideline 10.2 of the Code: Board to take adequate steps to ensure compliance with legislative and regulatory requirements

Management keeps the Board regularly updated on the Group's business activities and financial performance by providing operations reports on a regular basis. Such reports include information on:

Guideline 10.3 of the Code: Management should provide the Board with management accounts on a monthly basis

- The Group's actual performance against the approved budget and where appropriate, against forecast; and
- Key business indicators and major issues that is relevant to the Group's performance.

Risk Management and Internal Controls

Principle 11: Sound system of risk management and internal controls

The Board is responsible for the governance of risk and sets the direction for the Group in the way risks are managed in the Group's businesses. Management of all forms of business risk continues to be an important part of ensuring that the Group creates and protects value for its shareholders. The main risk faced by the Group is credit risk which is primarily attributable to its trade receivables. Accordingly, stringent credit control policies and processes have been set up and closely monitored to ensure adequate prevention, early detection and resolution of potential bad debts. In addition, the Company's approach to risk management is set out on pages 83 to 86 of this Annual Report.

Guidelines 11.1 of the Code: Board to determine the Company's levels of risk tolerance and risk policies

The AC and the Board have reviewed the Group's financial controls and risk management policies and processes, and based on its assessment and reports of the external auditors, the AC and the Board are assured that adequate internal controls are in place.

Guideline 11.2 of the Code: Board to review adequacy of risk management and internal control systems

The Board is committed to maintaining a sound system of internal controls, including financial, operational, compliance, and risk management systems to safeguard the interests of the shareholders and the Group's assets. To achieve this, regular internal reviews are constantly being undertaken to ensure that the system of internal controls maintained by the Group is sufficient to provide reasonable assurance that the Group's assets are safeguarded against loss from unauthorised use or dispositions, transactions are properly authorised and proper financial records are being maintained.

Guideline 11.3 of the Code: Board to comment on the adequacy and effectiveness of the internal controls

As for the operational and compliance controls, the Group has periodically reviewed these control areas through the various heads of department, and has continuously made improvements with the assistance of regular internal review.

For FY2015, the Board has received assurance from the Chief Executive Officer and the Acting Chief Financial Officer that:

Guideline 11.3 of the Code: Board to comment on the adequacy and effectiveness of the internal controls

(a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) the system of risk management and internal control in place within the Group (including financial, operational and compliance) are sufficiently adequate and effective in addressing the material risks in the Group in its current business environment.

Based on the on-going review as well as the continuing efforts in enhancing controls and processes which are currently in place, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, including financial, operational, compliance and the risk management systems, are adequate and effective to meet the needs of the Group for the type and volume of businesses conducted in the current business environment.

Catalist Rule 1207(10)

The Company manages risks under an overall strategy determined by the Board and supported by the AC, RC and NC. The Company sets acceptable risk management standards and periodically reviews the risks that the Group is subject to.

Guideline 11.4 of the Code: Board to assess appropriate means to assist in carrying out its responsibility of overseeing the Company's risk management framework and policies

The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as the Group strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

CORPORATE GOVERNANCE

Audit Committee

Principle 12: Establishment of Audit Committee with written terms of reference

The AC comprises the following three members, two of whom are Independent Directors.

Guideline 12.1 of the Code: AC should comprise at least three Directors, all non-executive, and the majority of whom, including the Chairman, are independent

Seah Chee Wei	Chairman
Pok Mee Yau	Member
Chu Yi Han	Member

The Board is of the opinion that the members of the AC have many years of experience in accounting, finance and legal related matters, is of the view that they are appropriately qualified to discharge the responsibilities of the AC.

Guideline 12.2 of the Code: Board to ensure AC members are qualified

The AC is authorised by the Board to investigate any matters within its Terms of Reference. It has unrestricted access to information pertaining to the Group, to both internal and external auditors, and to all employees of the Group. Reasonable resources have been made available to the AC to enable it to discharge its duties properly.

Guideline 12.3 of the Code: AC to have explicit authority to investigate and have full access to Management and reasonable resources

The AC is regulated by a set of written Terms of Reference. The principal functions of the AC include:

Guideline 12.4 of the Code: Duties of the AC

(a) Reviewing with the external auditors on the audit plan, the evaluation of the system of internal accounting controls, the audit report and the management letter and Management's response;

(b) Ensuring co-ordination where more than one audit firm is involved;

(c) Reviewing the half-year and annual financial statements to ensure integrity of the said financial statements before the Board for approval prior to release to the SGX-ST;

(d) Reviewing any format announcements relating to the Company's financial performance;

(e) Discussing problems and concerns, if any, arising from the interim and final audits, in consultation with the external auditors and the internal auditors where necessary;

(f) Meeting with the external auditors and with the internal auditors without the presence of Management, at least annually, to discuss any problems and concerns they may have;

(g) Reviewing the assistance given by Management to the external auditors;

(h) Reviewing annually the scope and results of the external audit and its cost effectiveness as well as the independence and objectivity of the external auditors;

(i) Reviewing the internal audit program and the adequacy and effectiveness of the Company's internal audit function, as well as to ensure co-ordination between the internal and external auditors and Management;

(j) Overseeing and advising the Board in formulating its risk policies to effectively identify and manage the Company's current (and future) risks in its financial, operational, compliance and information technology systems and all strategic transactions to be undertaken by the Company;

(k) Overseeing the design and implementation of the overall risk management systems and internal control systems (including financial, operational, compliance and information technology controls);

(l) Reviewing the adequacy and effectiveness of the Company's risk management and internal control systems (including financial, operational, compliance and information technology controls) and to report to the Board annually;

(m) Reviewing the scope and results of the internal audit procedures including effectiveness of the internal audit functions and ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company;

(n) Reviewing and discussing with the external auditors, any suspected fraud or irregularity, or suspect infringement of any law, rules and regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and Management's response;

(o) Investigating any matter within its Terms of Reference, with full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly;

(p) Reviewing policy and arrangements by which staff of the Company and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensuring that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up actions to be taken;

(q) Reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(r) Reviewing interested person transactions falling within the scope of the listing rules;

(s) Approving the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting firm/auditing firm or corporation which the internal audit function is outsourced. The AC also ensures that the internal audit function is staffed with persons with the relevant qualification and experience and that they carry out their function according to the standards set by nationally or internationally recognized professional bodies, including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors;

(t) Recommending to the Board the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

(u) Reviewing the audit representation letters before consideration by the Board, giving particular consideration to matters that are related to non-standard issues;

(v) Undertaking such other reviews and projects as may be requested by the Board; and

(w) Undertaking such other functions and duties as may be required by statute or the Listing Manual, and by such amendments made thereto from time to time.

The AC met two times during FY2015 to review the audit plan/report, the audit findings, the reports on interested person transactions, the reports on internal audit activities for the year (including updates on the findings in relation thereto) and the announcements of the half-year and full-year results before being approved by the Board for release to the SGX-ST.

The AC reviews the scope and results of the internal audit procedures, including the effectiveness of the internal audit functions and ensures that the internal audit function is adequately resourced and has appropriate standing within the Company and the adequacy of the internal audit function. The Acting Chief Financial Officer is tasked to oversee the implementation of any improvement to the weaknesses in the internal controls.

Guideline 12.5 of the Code: AC to meet external and internal auditors without the presence of Management, annually

The AC has full access to and the co-operation of Management and reasonable resources to enable it to discharge its functions properly. The AC meetings are held with the external auditors and by invitation, any Director and representatives from Management. The AC also meets with the external auditors, Messrs Ernst & Young LLP without the presence of Management, at least annually, to discuss any problems and concerns they may have.

Guideline 12.6 of the Code: AC to review independence of external auditors

The AC had undertaken a review of all non-audit services provided by the external auditors and was of the opinion that the provision of such services would not affect their independence.

Total fees paid by the Group to the external auditors for audit and non-audit services are as disclosed:

External Auditor Fees for FY2015	S$	% of Total
Total audit fees	62,148	62
Total non-audit fees	38,660	38
Total Fees payable	100,808	100

In accordance with the requirements of Catalist Rule 716 of the Listing Manual Section B: Rules of Catalist of the SGX-ST, the AC and the Board are satisfied that the appointment of different auditors for one of the subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

Catalist Rule 716

The AC has also put in place a policy whereby staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting, fraudulent acts and other matters and ensure that arrangements are in place for independent investigations of such matters and for appropriate follow up actions.

Guideline 12.7 of the Code: AC to review arrangements for staff to raise concerns/ possible improprieties to AC

The AC members take measures to keep abreast of changes of accounting standards and issues which have a direct impact on financial statements through attending training and seminars as well as receiving updates from the Group's external auditors.

Guideline 12.8 of the Code: AC to keep updated on changes to accounting standards

None of the members of the AC is a partner or Director of the Company's existing auditing firm or auditing corporation.

Guideline 12.9 of the Code: Director of the Company's existing auditing firm should not act as member of the AC

Internal Audit

Principle 13: Effective and independent internal audit function

The Board recognizes the importance of maintaining a system of internal controls, procedures and processes for the Group to safeguard the shareholders' investments and the Group's assets.

Guideline 13.1 of the Code: IA to report to AC Chairman

Although there was no internal auditors appointed during FY2015, the key features of the control environment include the Terms of Reference for the Board's Committees, a clear organisation structure and methods of assigning authority and responsibility, Management's internal control systems, and defined procedures for the approval of major transactions are the methods used by the Group to safeguard the shareholders' investment.

As the size of the operations of the Group does not warrant the Group having an in-house internal audit function, the Company intends to outsource its internal audit function to an independent external service provider. Currently, the Company is in the midst of sourcing a suitable accounting firm to provide internal audit function to the Group, who will report directly to the AC.

Guideline 13.2 of the Code: AC to ensure internal audit function is adequately resourced

The AC reviews the needs of the internal audit function on a regular basis, including overseeing and monitoring the implementation of the improvements required for various internal control weaknesses identified by Management and external auditors.

No internal audit was performed in FY2015 as the Group is constantly exploring and evaluating investment opportunities subsequent to the disposal of golf business to Leonian Singapore Pte. Ltd. in 2014. The Company has obtained shareholders' approval at the Extraordinary General Meeting held on 12 January 2016 in relation to the acquisition of Regal Motors Pte. Ltd. and the diversification of the Group's business to the automobile sales sector.

Guideline 13.3 of the Code: Internal audit function staffed with relevant experienced personnel

After discussion, the Board and the AC were of the opinion that it would be more effective to commission the internal audit in FY2016 upon the completion of the acquisition of Regal Motors Pte. Ltd. to allow time for the Group to integrate Regal Motors Pte. Ltd. into the Group's business operations.

Guideline 13.4 of the Code: Internal auditor should meet standards set by internationally recognized professional bodies

Guideline 13.5 of the Code: AC to ensure adequacy and effectiveness of the internal audit function

IV. SHAREHOLDERS RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholders Rights
Principle 15: Communication with Shareholders
Principle 16: Conduct of Shareholder Meetings

The Board recognizes that it is accountable to shareholders for the Group's performance, believes in transparency and strives towards timeliness in the dissemination of material information to the Company's shareholders and the public. The information, including a review of the Group's performance and prospects in the half-year and full-year results announcements, is disseminated to shareholders through the SGXNet system and press releases.

Guideline 14.1 of the Code: To facilitate the exercise of ownership rights by all shareholders

The Company encourages shareholders' participation during the general meetings. Shareholders are able to engage the Board and Management on the Group's business activities, financial performance and other business-related matters during the general meetings. Resolutions are passed through a process of voting and shareholders are entitled to vote in accordance with established voting rules and procedures.

Guideline 14.2 of the Code: Company to ensure the shareholders have the opportunity to participate effectively in and vote at general meetings

The Company allows any shareholder, who is unable to attend the general meetings in person, to appoint not more than two proxies to attend and vote in his/her place at the general meetings via proxy forms submitted in advance (i.e. not less than forty-eight (48) hours before the time appointed for holding the general meeting). The proxy form is sent with the notice of general meetings to all shareholders.

Guideline 14.3 of the Code: Company to allow certain corporations to appoint more than two proxies

In line with the Group's disclosure obligations pursuant to the Listing Manual Section B: Rules of Catalist of the SGX-ST and the Act, the Board's policy is that all shareholders should be informed simultaneously in an accurate and comprehensive manner for all material developments that impact the Group through SGXNet on an immediate basis.

Copies of the Annual Report, the Circular and the Notices of the AGM and/or Extraordinary General Meetings, where applicable, are sent to every shareholder of the Company. The Notices of the general meetings are also advertised in the newspapers, released via SGXNet.

The Company does not practice selective disclosure of material information. The Group makes all necessary disclosures to the public via SGXNet.

Guidelines 15.1 and 15.2 of the Code: Company to devise an effective investor relations policy to regularly convey pertinent information to shareholders and disclose information on a timely basis through SGXNet

Before and after every general meeting, the Chairman and other members of the Board will engage in dialogue with shareholders, to gather views or inputs, and address shareholders' concerns.

Guidelines 15.3 of the Code: Company to establish and maintain regular dialogue with shareholders

The Company also solicits the views of the shareholders through analyst briefings and meetings with investors and fund managers. The Company is open to meetings with investors and analysts, and in conducting such meetings, the Company is mindful of the need to ensure fair disclosure.

Guideline 15.4 of the Code: Steps that the Company takes to solicit and understand the views of the shareholders

The Company does not have a formal dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, financial position, results or operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate.

Guideline 15.5 of the Code: Companies are encouraged to have a dividend policy

For the time being, the Board is of the view that this is adequate to enable shareholders to participate in general meetings of the Company and is not proposing to amend its Constitution to allow votes in absentia.

Guideline 16.1 of the Code: Shareholders should be allowed to vote in absentia

Separate resolutions on each distinct issue are tabled at general meetings and voting on each resolution by poll is carried out systematically with proper recording of votes cast and the resolution passed. "Bundling" of resolutions are kept to a minimum and are done only where the resolutions are interdependent so as to form one significant proposal and only where there are reasons and material implications justifying the same.

Guideline 16.2 of the Code: Company should avoid "bundling" resolutions

The Board, the Chairmen of the Board Committees, Management and external auditors are available at general meetings to address any questions the shareholders may have concerning the Group.

Guideline 16.3 of the Code: Committee Chairman and external auditors to be present at AGM

The Company records minutes of all general meetings and questions and comments from shareholders together with the responses of the Board and Management. These are available to shareholders at their request.

Guideline 16.4 of the Code: Minutes to be available to shareholders

In line with the new Catalist Rule 730A of the Listing Manual Section B: Rules of Catalist of the SGX-ST, with effect from 1 August 2015, all the resolutions will be voted by way of poll and the Company will announce the detailed results showing the number of votes cast for and against each resolution and the respective percentages to the public.

Guideline 16.5 of the Code: Company to put all resolutions to vote by poll

DEALINGS IN SECURITIES

The Company has adopted an internal Code of Best Practices on dealings in the securities to provide guidance to the officers, including Directors, of the Group with regard to dealings in the Company's securities.

The Code of Best Practices prohibits the officers of the Group from dealing in the Company's securities during the period commencing two weeks before the announcement of each of the Company's half-year financial results and one month before the announcement of the Company's full-year financial results and ending on the date of announcement of those results, or when they are in possession of the unpublished price sensitive information of the Group. Notifications of the 'closed window' periods are sent to all officers concerned.

The Directors are also required to notify the Company of any dealings in the Company's securities within two (2) days of the transaction and to submit an annual confirmation on their compliance with the Code of Best Practices.

In addition, the Directors, key management personnel and employees of the Group are discouraged from dealing in the Company's securities on short-term considerations.

INTERESTED PERSON TRANSACTIONS

The Company has established internal control procedures to ensure the transactions with interested persons are properly reviewed and approved by the AC and conducted at arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

The Company does not have a general mandate on Interested Person Transactions ("**IPTs**").

The AC has reviewed the IPTs for FY2015 and is of the view that the transactions were on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholder.

Aggregate value of all IPTs during the year under review (excluding transactions less than S$100,000):-

	Group	
	2015	2014
	$	$
Sales of golf equipment to Transview Golf Thailand	–	774,705

MATERIAL CONTRACTS

Save as disclosed in the Company's financial statements, there were no material contracts to which the Company or any subsidiary company is a party and which involve the Chief Executive Officer, Directors and controlling shareholders' interests subsisted at the end of the financial year, or have been entered into since the end of the previous financial year.

NON-SPONSOR FEES

No non-sponsor fees were paid to the Company's sponsor, Stamford Corporate Services Pte Ltd.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Transcorp Holdings Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 October 2015.

Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 October 2015 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and

(b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this report are:

Chu Wan Zhen – Executive Chairman	(Appointed on 8 April 2015)
Tan Cheng Chuan – Managing Director	
Jong Khee Beng Ainsley – Chief Executive Officer	(Appointed on 11 March 2015)
Pok Mee Yau	(Appointed on 8 April 2015)
Seah Chee Wei	(Appointed on 15 May 2015)
Chu Yi Han	(Appointed on 23 November 2015)
Swee Kay Seng	(Appointed on 23 November 2015)
Neo Yim Pui	(Appointed on 23 November 2015)
Goh Chin Soon	(Appointed on 17 December 2015)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Cap. 50, an interest in shares and share options of the Company as stated below:

	Direct interest		Deemed interest	
Name of director	**At beginning of financial year**	**At end of financial year**	**At beginning of financial year**	**At end of financial year**
Ordinary shares of the Company Transcorp Holdings Limited				
Tan Cheng Chuan	43,451,112	43,451,112	–	–
Chu Wan Zhen	–	–	–	53,165,039

There was no change in any of the above mentioned interests between the end of financial year and 21 November 2015.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

Audit committee

The Audit Committee ("**AC**") carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act, Cap. 50, including the following:

- Reviewed the audit plans of the external auditors of the Group and the Company and the assistance given by the Group and the Company's management to the external auditors;
- Reviewed the half-year and full year financial announcement, annual financial statements and the auditors' report on the annual financial statements of the Group and the Company before their submission to the Board of Directors;
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management;
- Met with the external auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditors;
- Reviewed the nature and extent of non–audit services provided by the external auditors;

Audit committee (cont'd)

- Recommended to the Board of Directors the external auditors to be nominated, approved the compensation of the external auditors, and reviewed the scope and results of the audit;
- Reported actions and minutes of the AC to the Board of Directors with such recommendations as the AC considers appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

The AC, having reviewed all non–audit services provided by the external auditors to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditors. The AC has also conducted a review of interested person transactions.

The AC convened two meetings during the year with attendance from majority of members. The AC has also met with external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the AC are disclosed in the Report on Corporate Governance.

Auditor

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.

On behalf of the Board of Directors:

Jong Khee Beng Ainsley
Director

Tan Cheng Chuan
Director

Singapore
11 January 2016

INDEPENDENT AUDITORS' REPORT

To the Members of Transcorp Holdings Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Transcorp Holdings Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") set out on pages 43 to 88 which comprise the balance sheets of the Group and the Company as at 31 October 2015, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "**Act**") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT

To the Members of Transcorp Holdings Limited

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 October 2015 and of the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

11 January 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 October 2015

	Note	Group 2015 $	2014 $
Continuing operations			
Revenue			
Sales of goods	4	57,394	191,108
Rental income		795,521	473,742
Other revenue		288,163	421,740
Total revenue		1,141,078	1,086,590
Other income	7	–	11,029,757
Costs and expenses			
Costs of goods sold		26,453	96,273
Salaries and employee benefits		792,919	1,427,078
Bad debts written off		80,277	–
Rental expenses		93,668	2,790
Depreciation of property, plant and equipment	9	137,766	102,632
Depreciation of investment properties	10	327,880	166,955
Impairment loss on available-for-sale investment	12	146,706	458,507
Foreign exchange gain, net		(166)	(9,156)
Other operating expenses		694,138	640,062
Total costs and expenses		2,299,641	2,885,141
(Loss)/Profit before tax from continuing operations	5	(1,158,563)	9,231,206
Income tax expense	6	(107,122)	–
(Loss)/profit from continuing operations, net of tax		(1,265,685)	9,231,206
Discontinued operations			
Profit from discontinued operation, net of tax	7	–	422,637
(Loss)/profit for the year		(1,265,685)	9,653,843
Attributable to owners of the Company:			
(Loss)/profit from continuing operations, net of tax		(1,265,685)	9,231,206
Profit from discontinued operation, net of tax		–	422,637
(Loss)/profit for the year attributable to owners of the Company		(1,265,685)	9,653,843
(Loss)/earnings per share from continuing operations attributable to owners of the Company (cents per share)			
Basic	8	(0.71)	5.15
Diluted	8	(0.71)	5.15

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 October 2015

	Group	
	2015 $	2014 $
(Loss)/profit for the year	(1,265,685)	9,653,843
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation	(23,081)	(5,101)
Realisation of foreign currency translation	–	840,132
Net fair value gains on available-for-sale financial assets	55,190	–
Other comprehensive income for the year, net of tax	32,109	835,031
Total comprehensive income for the year	(1,233,576)	10,488,874
Attributable to:		
Owners of the Company	(1,233,576)	10,488,874

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 October 2015

	Note	Group		Company	
		2015	2014	2015	2014
		$	$	$	$
Non–current assets					
Property, plant and equipment	9	114,576	249,171	–	–
Investment properties	10	3,011,635	3,339,515	–	–
Investment in subsidiaries	11	–	–	7,081,327	7,779,320
Investment securities	12	1,312,373	1,403,888	–	–
Loan to investee company	13	4,966,944	4,730,423	–	–
Deposit in escrow account	16	2,800,000	2,800,000	50,000	50,000
		12,205,528	12,522,997	7,131,327	7,829,320
Current assets					
Inventories		–	15,487	–	–
Trade and other receivables	15	75,235	118,572	7,802,995	14,100,908
Prepayments		82,306	87,440	77,430	17,708
Cash and cash equivalents	16	5,940,271	7,272,947	5,515,947	51,439
		6,097,812	7,494,446	13,396,372	14,170,055
Current liabilities					
Other payables	17	15,014	15,305	464,312	464,312
Accrued operating expenses		132,678	717,183	86,078	686,878
Income tax payable		283,190	142,921	–	–
		430,882	875,409	550,390	1,151,190
Net current assets		5,666,930	6,619,037	12,845,982	13,018,865
Non-current liability					
Deferred tax liabilities	14	–	36,000	–	–
Net assets		17,872,458	19,106,034	19,977,309	20,848,185
Equity					
Share capital	18	18,541,551	18,541,551	18,541,551	18,541,551
Revenue reserve		487,233	1,752,918	1,435,758	2,306,634
Other reserve		(1,156,326)	(1,188,435)	–	–
Total equity		17,872,458	19,106,034	19,977,309	20,848,185

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 October 2015

Group	Total attributable to equity holders of parent $	Share Capital (Note 18) $	Retained earnings $	Other reserves total $	Fair value adjustment reserve# $	Foreign currency translation reserve * $
At 1 November 2013	30,489,340	18,541,551	13,971,255	(2,023,466)	–	(2,023,466)
Profit for the year	9,653,843	–	9,653,843	–	–	–
Other comprehensive income						
Realisation of foreign currency translation	840,132	–	–	840,132	–	840,132
Foreign currency translation	(5,101)	–	–	(5,101)	–	(5,101)
Other comprehensive income for the year, net of tax	835,031	–	–	835,031	–	835,031
Total comprehensive income for the year	10,488,874	–	9,653,843	835,031	–	835,031
Distributions to owners						
Dividends on ordinary shares (Note 19)	(21,872,180)	–	(21,872,180)	–	–	–
Total distributions to owners	(21,872,180)	–	(21,872,180)	–	–	–
Balance as at 31 October 2014	19,106,034	18,541,551	1,752,918	(1,188,435)	–	(1,188,435)

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 October 2015

Group	Total attributable to equity holders of parent $	Share Capital (Note 18) $	Revenue reserve $	Other reserves total $	Fair value adjustment reserve# $	Foreign currency translation reserve * $
At 1 November 2014	19,106,034	18,541,551	1,752,918	(1,188,435)	–	(1,188,435)
Loss for the year	(1,265,685)	–	(1,265,685)	–	–	–
Other comprehensive income						
Fair value gain on available-for-sale asset	55,190	–	–	55,190	55,190	–
Foreign currency translation	(23,081)	–	–	(23,081)	–	(23,081)
Other comprehensive income for the year, net of tax	32,109	–	–	32,109	55,190	(23,081)
Total comprehensive income for the year	(1,233,576)	–	(1,265,685)	32,109	55,190	(23,081)
Balance as at 31 October 2015	17,872,458	18,541,551	487,233	(1,156,326)	55,190	(1,211,516)

* The foreign currency translation reserve represents exchange differences arising from translation of the financial statements of foreign operations whose functional currencies are different from the Group presentation currency.

\# The fair value adjustment reserve represents the cumulative fair value changes, net of tax, of available-for-sale investments until they are disposed of or impaired.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 October 2015

Company	Share capital $	Revenue reserve $	Total $
At 31 October 2013 and 1 November 2014	18,541,551	2,143,405	20,684,956
Profit for the year, representing total comprehensive income for the year	–	22,035,409	22,035,409
Distributions to owner			
Dividend declared and paid during the year (Note 19)	–	(21,872,180)	(21,872,180)
At 31 October 2014	18,541,551	2,306,634	20,848,185
Loss for the year, representing total comprehensive income for the year	–	(870,876)	(870,876)
At 31 October 2015	18,541,551	1,435,758	19,977,309

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 October 2015

	Note	2015 $	2014 $
Cash flows from operating activities			
(Loss)/profit before tax from continuing operations		(1,158,563)	9,231,206
Profit before tax from discontinued operation	7	–	496,644
(Loss)/profit before tax, total		(1,158,563)	9,727,850
Adjustments for:			
Bad debts written off		80,277	–
Depreciation of property, plant and equipment	9	137,766	497,090
Depreciation of investment properties	10	327,880	166,955
Gain on disposal of the golf business		–	(11,029,757)
Property, plant and equipment written off	9	1,040	–
Interest income on loan to investee company		(236,521)	(247,414)
Impairment loss on available-for-sale investment		146,706	458,507
Loss on disposal of available-for-sale investment		–	43,143
Currency realignment		(22,949)	33,279
Operating cash flows before changes in working capital		(724,364)	(350,347)
Changes in working capital			
(Increase)/decrease in trade and other receivables		(36,940)	1,548,051
Decrease in prepayments		5,134	139,000
Decrease/(increase) in inventories		15,487	(1,544,487)
Decrease in trade and other payables		(291)	(1,341,751)
Decrease in accrued operating expenses		(584,505)	(96,000)
Cash flows used in from operations		(1,325,479)	(1,645,534)
Interest received		–	22,156
Income taxes paid, net of refund		(2,853)	(93,326)
Net cash flows used in operating activities		(1,328,332)	(1,716,704)
Cash flow from investing activities			
Purchase of property, plant and equipment	9	(2,185)	(2,100)
Proceeds from disposal of the golf business		–	25,918,407
Proceeds on disposal of available-for-sale investment		–	302,010
Net cash flows (used in)/from investing activities		(2,185)	26,218,317
Cash flows from financing activity			
Dividend paid		–	(21,872,180)
Net cash flows used in financing activity		–	(21,872,180)
Net (decrease)/increase in cash and cash equivalents		(1,330,517)	2,629,433
Effect of exchange rate changes on balances held in foreign currencies		(2,159)	(5,296)
Cash and cash equivalents at beginning of financial year		7,272,947	4,648,810
Cash and cash equivalents at end of financial year	16	5,940,271	7,272,947

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Transcorp Holdings Limited (the Company) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business of the Company is located at 1 Kim Seng Promenade, #17-04 Great World City East Tower, Singapore 237994.

The principal activity of the Company is investment holding. The principal activities of subsidiary companies are disclosed in Note 11 to the financial statements.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars (SGD) or ($).

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 November 2014. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	*Effective for annual periods beginning on or after*
Amendments to FRS 16 and FRS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Improvements to FRSs (November 2014)	
(a) Amendments to FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*	1 January 2016
(b) Amendments to FRS 107 *Financial Instruments: Disclosures*	1 January 2016
(c) Amendments to FRS 19 *Employee Benefits*	1 January 2016
Amendments to FRS 1 *Disclosure Initiative*	1 January 2016
FRS 115 *Revenue from Contracts with Customers*	1 January 2018
FRS 109 *Financial Instruments*	1 January 2018

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2. Summary of significant accounting policies (cont'd)

2.4 *Basis of consolidation and business combinations*

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when controls is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss; and
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(b) Business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

2. Summary of significant accounting policies (cont'd)

2.4 ***Basis of consolidation and business combinations (cont'd)***

(b) Business combinations (cont'd)

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2.5 ***Foreign currency***

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of reporting period are recognised in profit or loss.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.6 ***Property, plant and equipment***

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	-	25 years
Office equipment	-	3 years
Furniture and fittings	-	1.5 years
Motor vehicles	-	6 years
Computers	-	1 to 3 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.7 ***Investment properties***

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earned rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administration purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Land and buildings	-	25 years

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

2. Summary of significant accounting policies (cont'd)

2.8 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.9 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.10 *Financial instruments*

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. Summary of significant accounting policies (cont'd)

2.10 ***Financial instruments*** **(cont'd)**

(a) Financial assets (cont'd)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(ii) Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.10 ***Financial instruments*** **(cont'd)**

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.11 ***Impairment of financial assets***

The Group assesses at each end of the reporting period whether there is any objective evidence that a financial asset is impaired.

(a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

2. Summary of significant accounting policies (cont'd)

2.11 ***Impairment of financial assets*** **(cont'd)**

(a) Financial assets carried at amortised cost (cont'd)

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(b) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost had been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2. Summary of significant accounting policies (cont'd)

2.11 ***Impairment of financial assets*** **(cont'd)**

(c) Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

2.12 ***Cash and cash equivalents***

Cash and cash equivalents comprise cash on hand and bank balances that are readily convertible to known amounts of cash and which is subject to insignificant risk of changes in value.

2.13 ***Inventories***

Inventories comprising goods for resale, are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for on a weighted average basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale.

2.14 ***Provisions***

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of the reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Summary of significant accounting policies (cont'd)

2.15 ***Financial guarantee***

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2.16 ***Employee benefits***

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period. The liability for leave expected to be settled beyond twelve months from the end of the reporting period is determined using the projected unit credit method. The net total of service costs, net interest on the liability and remeasurement of the liability are recognised in profit or loss.

2.17 ***Leases***

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 January 2005, the date of inception is deemed to be 1 January 2005 in accordance with the transitional requirements of INT FRS 104.

(a) As lessee

Finance leases which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss.

2. Summary of significant accounting policies (cont'd)

2.17 ***Leases* (cont'd)**

(a) As lessee (cont'd)

Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.18(d). Contingent rents are recognised as revenue in the period in which they are earned.

2.18 ***Revenue***

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The following specific recognition criteria must also be met before revenue is recognised:

(a) Dividends income

Dividend income is recognised when the Group's right to receive payment is established.

(b) Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(c) Interest income

Interest income is recognised using the effective interest method.

2. Summary of significant accounting policies (cont'd)

2.19 *Taxes*

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. Summary of significant accounting policies (cont'd)

2.19 ***Taxes* (cont'd)**

(b) Deferred tax (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of the reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are organized net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

2.20 ***Contingencies***

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

2. Summary of significant accounting policies (cont'd)

2.20 ***Contingencies*** **(cont'd)**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

(a) Impairment of available-for-sale equity investments

The Group records impairment charges on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgment. In making this judgment, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost. For the financial year ended 31 October 2015, the amount of impairment loss recognised in the profit or loss for available-for-sale quoted equity instruments was $146,706 (2014: $458,507). The carrying amount of available-for-sale quoted equity investments as at 31 October 2015 was $154,701 (2014: $246,216).

3. Significant accounting judgments and estimates (cont'd)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of investment properties

The Group's investment properties are measured at cost less accumulated depreciation and any accumulated impairment losses. Management has assessed that there is no indication of impairment as the fair value of the properties is in excess of the net book value as at year end. The Group engaged real estate valuation experts to assess fair value as at 31 October 2015. The fair values of investment properties are determined by independent real estate valuation experts using recognised valuation techniques as disclosed in Note 10 to the financial statements. The carrying amounts of the investment properties at cost as at 31 October 2015 is $3,011,635 (2014: $3,339,515).

(b) Income taxes

The Group has exposure to income taxes in Singapore and Hong Kong. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's tax payables and deferred taxation at 31 October 2015 were S$283,190 (2014: S$142,921) and S$ Nil (2014: S$36,000) respectively.

(c) Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. Factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments are objective evidence of impairment. In determining whether there is objective evidence of impairment, the Group considers whether there is observable data indicating that there have been significant changes in the debtor's payment ability or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the end of the reporting period is disclosed in Note 16 to the financial statements.

3. Significant accounting judgments and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(d) Useful lives of investment properties

Investment properties are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these assets to be 25 years. The carrying amount of the Group's investment properties at 31 October 2015 was $3,011,635 (2014: $3,339,515). Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

4. Revenue

Sales of goods represents invoiced trading sales to customers, less discounts given, and exclude Goods and Services Tax.

5. (Loss)/profit before tax from continuing operations

(Loss)/profit before tax from continuing operations is stated after the following credit/(charges):

	Group	
	2015	**2014**
	$	$
Interest income on short term deposits	340	22,156
Interest income on loan to investee company	236,521	225,258
Audit fees payable to:		
- Auditors of the Company	(59,000)	(66,444)
- Other auditors	(3,148)	(3,233)
Non-audit fees payable to auditors of the Company	(38,660)	(3,760)
Legal and other professional fees	(266,822)	(285,610)
Transportation charges	(21,336)	(2,604)
Advertising and promotional expenses	(4,782)	(4,726)
Property, plant and equipment written off	(1,040)	–
Loss on disposal of available-for-sale investment	–	(43,143)
Operating lease expense (Note 22(b))	(93,668)	(762,214)
Salaries and employee benefits:		
- Salaries, wages and bonuses	(658,955)	(1,308,295)
- Contributions to defined contribution plans	(26,112)	(32,495)
- Directors' fees	(135,000)	(86,000)
- Other employee benefits	(681)	(288)

6. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 October are:

	Group	
	2015	2014
	$	$
Current income tax - continuing operations:		
- Current income taxation	73,927	–
- Under provision in respect of previous years	69,195	–
	143,122	–
Deferred income tax - continuing operations (Note 14)		
- Reversal of temporary differences	(36,000)	–
Income tax attributable to continuing operations	107,122	–
Income tax attributable to discontinued operations (Note 7)	–	74,007
Income tax expense recognized in profit or loss	107,122	74,007

Relationship between tax expense and accounting (loss)/profit

A reconciliation between tax expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the years ended 31 October are as follows:

	Group	
	2015	2014
	$	$
(Loss)/profit before tax from continuing operations	(1,158,563)	9,231,206
Profit before tax from discontinued operations	–	496,644
Accounting (loss)/profit before tax	(1,158,563)	9,727,850
Tax at the domestic rates applicable to profits in the countries where the Group operates	(196,473)	1,664,877
Adjustments:		
Non–deductible expenses	277,543	561,889
Deferred tax assets not recognised	53,955	59,315
Income not subject to taxation	(50,148)	(2,106,848)
Effect of partial tax exemption	(25,925)	(101,200)
Effect of tax rebate	(20,000)	–
Under/(over) provision in respect of previous years	69,195	(993)
Others	(1,025)	(3,033)
Income tax expense recognised in profit or loss	107,122	74,007

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

7. Discontinued operations

On 31 March 2014, the Company completed the disposal of its golf business to Leonian Singapore Pte Ltd, a subsidiary of Xebio Co., Ltd.

Balance sheet disclosures

The major classes of assets and liabilities of the golf business as at 31 March 2014 are as follows:

	2014 $
Assets:	
Plant and equipment	1,144,598
Available-for sale investment	44,010
Inventory	11,960,083
Trade and other receivables	4,274,958
Cash and cash equivalent	150,769
Assets of disposed group	17,574,418
Liabilities:	
Trade and other payables	(558,278)
Income tax payable	(5,101)
Deferred tax liabilities	(11,751)
Liabilities of disposed group	(575,130)
Net assets of disposed group	16,999,288
Realisation of foreign currency translation reserve	840,132
	17,839,420
Total consideration	(28,869,177)
Gain on disposal of the golf business	11,029,757

Income statement disclosures

The results of the golf business for the period ended 31 March 2014 are as follows:

	2014 $
Revenue	12,135,501
Expenses	(11,638,857)
Profit before tax from discontinued operation	496,644
Taxation	(74,007)
Profit from discontinued operation, net of tax	422,637

7. Discontinued operations (cont'd)

Cash flow statement disclosures

The cash flows attributable to the golf business are as follows:

	2014 $
Operating	(923,240)
Net cash outflows	(923,240)

Earnings per share disclosures

Earnings per share from discontinued operation attributable to owners of the Company (cents per share)	
- Basic and Diluted	0.24

The basic and diluted earnings per share from discontinued operation are calculated by dividing the profit from discontinued operation, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares for basic earnings per share computation and weighted average number of ordinary shares for diluted earnings per share computation respectively.

As part of the disposal of the golf business, the Group has provided an indemnity to the buyer, Leonian Singapore Pte Ltd, for the recovery of all related party balances transferred. Consequently, a director and shareholder of the Company had provided an undertaking to the Company for the amount due from the related party, as at year end, of $864,000 (2014: $1,730,485).

8. Earnings per share from continuing operations

Basis of basic and diluted earnings per share from continuing operations are calculated by dividing profit from continuing operations, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following table reflects the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 October:

	Group	
	2015	**2014**
	$'000	$'000
(Loss)/profit for the year attributable to owners of the Company	(1,266)	9,654
Less: Profit from discontinued operations, net of tax, attributable to owners of the Company	–	(423)
(Loss)/profit from continuing operations, net of tax attributable to ordinary equity holders of the Company	(1,266)	9,231

	No. of shares	
	'000	'000
Weighted average number of ordinary shares for basic and diluted earnings per share computation	179,280	179,280

9. Property, plant and equipment

Group	Freehold land $	Buildings $	Office equipment $	Furniture and fittings $	Motor vehicles $	Computers $	Golfing equipment $	Total $
Cost								
At 1 November 2013	979,287	6,263,463	675,672	4,356,562	1,112,665	887,748	7,402	14,282,799
Additions	–	–	1,980	–	–	120	–	2,100
Transfer to investment properties (Note 10)	(979,287)	(5,968,468)	–	–	–	–	–	(6,947,755)
Attributable to discontinued operations (Note 7)	–	(202,043)	(670,877)	(4,126,447)	(756,690)	(874,709)	(7,325)	(6,638,091)
Currency realignment	–	(19,852)	(6,775)	(24,554)	(3,086)	(2,454)	(77)	(56,798)
At 31 October 2014 and 1 November 2014	–	73,100	–	205,561	352,889	10,705	–	642,255
Additions	–	–	–	–	–	2,185	–	2,185
Written off	–	–	–	–	–	(2,080)	–	(2,080)
Currency realignment	–	4,599	–	2,374	–	677	–	7,650
At 31 October 2015	–	77,699	–	207,935	352,889	11,487	–	650,010

9. **Property, plant and equipment (cont'd)**

Group	Freehold land $	Buildings $	Office equipment $	Furniture and fittings $	Motor vehicles $	Computers $	Golfing equipment $	Total $
Accumulated depreciation								
At 1 November 2013	–	3,464,530	481,447	3,392,660	659,925	849,542	6,187	8,854,291
Depreciation charge for continuing operation	–	2,781	–	65,429	34,308	114	–	102,632
Depreciation charge for discontinued operations	–	106,030	30,355	169,425	78,259	10,389	–	394,458
Transfer to investment properties (Note 10)	–	(3,441,285)	–	–	–	–	–	(3,441,285)
Attributable to discontinued operations (Note 7)	–	(93,522)	(507,692)	(3,508,103)	(530,607)	(847,433)	(6,136)	(5,493,493)
Currency realignment	–	940	(4,110)	(16,666)	(1,725)	(1,907)	(51)	(23,519)
At 31 October 2014 and 1 November 2014	–	39,474	–	102,745	240,160	10,705	–	393,084
Depreciation charge	–	3,008	–	74,798	58,815	1,145	–	137,766
Written off	–	–	–	–	–	(1,040)	–	(1,040)
Currency realignment	–	2,583	–	2,364	–	677	–	5,624
At 31 October 2015		45,065	–	179,907	298,975	11,487	–	535,434
Net carrying amount								
At 31 October 2014	–	33,626	–	102,816	112,729	–	–	249,171
At 31 October 2015	–	32,634	–	28,028	53,914	–	–	114,576

The property owned by the Group is as follows:

Description and Location	Existing use	Tenure	Unexpired lease term
Workspace located at No. 1 3/F Yip Fung Industrial Building, 7 Sheung Hei Street Kowloon, Hong Kong	Warehouse	Leasehold, 50 years lease extension with effect from 1.7.1997	32

10. Investment properties

Group	2015 $	2014 $
Balance sheet:		
Cost		
At beginning of the year	6,947,755	–
Transfer from property, plant and equipment (Note 9)	–	6,947,755
At end of the year	6,947,755	6,947,755
Accumulated depreciation		
At beginning of the year	3,608,240	–
Transfer from property, plant and equipment (Note 9)	–	3,441,285
Depreciation charge for the year	327,880	166,955
At end of the year	3,936,120	3,608,240
Net carrying amount		
At 31 October	3,011,635	3,339,515

Investment properties are stated at cost less depreciation. The fair value of the investment properties held by the Group as at 31 October is approximately $9,414,000 (2014: $10,016,000). The fair valuations were performed by independent valuers with recognised and relevant professional qualification and with recent experience in the location and category of properties being valued.

Income statement:		
Rental income from investment properties:		
- Minimum lease payments	795,521	473,742
Direct operating expenses (including repairs and maintenance) arising from:		
- Rental generating properties	29,255	28,310

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Transfer from property, plant and equipment

On 1 April 2014, the Group transferred two office buildings that were held as property, plant and equipment to investment properties. On that date, the Group has commenced using the properties to earn rental income from third parties.

10. Investment properties (cont'd)

The investment properties owned by the Group as at 31 October 2015 are as follows:

Description and Location	Existing use	Tenure	Unexpired lease term
3 storey semi–detached factory building located at No. 4 Chang Charn Road Singapore 159633	Warehouse and office premises for the Company and 2 subsidiary companies	Leasehold, 99 years with effect from 1.1.1958	42
No. 6 Jalan U8/82 Bukit Jelutong, Seksyen U8 40150 Shah Alam, Selangor Malaysia	Warehouse and office premises for a subsidiary company	Freehold land	–
3 storey semi-detached industrial building located at No. 6 Jalan U8/82, Bukit Jelutong, Seksyen U8 40150 Shah Alam, Selangor Malaysia	Warehouse and office premises for a subsidiary company	–	–

11. Investment in subsidiaries

	Company	
	2015 $	2014 $
Unquoted equity shares, at cost	10,070,701	10,070,701
Less: Impairment losses		
At beginning of the year	(2,291,381)	(429,102)
Impairment loss for the year	(697,993)	(1,862,279)
At end of the year	(2,989,374)	(2,291,381)
	7,081,327	7,779,320

Details of subsidiaries are as follows:

Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
			2015	2014
Held by the Company:				
Transrich Pte Ltd*	Singapore	Investment properties	100	100
Tee to Green (H.K.) Limited***	Hong Kong	Dormant	100	100
Transcorp Resources Pte Ltd*	Singapore	Investment holding	100	100
Transcorp Development Pte Ltd*	Singapore	Investment holding	100	100

11. Investment in subsidiaries (cont'd)

Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
			2015	2014
Held through Tee to Green (H.K) Limited:				
Transcorp Golf (H.K.) Limited**	Hong Kong	Retail of golf equipment and accessories	100	100

* Audited by Ernst & Young LLP, Singapore

** Audited by a CPA firm other than a Ernst & Young Global member firm, SGX Listing Rule 716 is complied with.

*** This company is not required to be audited under the laws of the country of incorporation.

12. Investment securities

	Group	
	2015	2014
	$	$
Non-current:		
Available-for-sale financial assets		
Equity instruments (quoted)	154,701	246,216
Equity instruments (unquoted), at cost	1,157,672	1,157,672
	1,312,373	1,403,888

Quoted shares are stated at fair value as at end of the reporting period.

During the year, the Group recognised impairment loss of $146,706 (2014: $458,507) for quoted equity instruments as there were significant or prolonged decline in the fair value of these instruments.

Unquoted shares stated at cost have no market prices and the fair value cannot be reliably measured using valuation techniques.

13. Loan to investee company

	Group	
	2015	2014
	$	$
Gross amount of loan to investee company	5,400,000	5,400,000
Less: Fair value of interest element (Note 12)	(1,057,672)	(1,057,672)
	4,342,328	4,342,328
Add: Interest charged during the year (Note 5)	236,521	225,258
Interest charged in prior year	388,095	162,837
Loan, at amortised cost	4,966,944	4,730,423

The loan to investee company is unsecured, interest free, to be settled in cash, has no fixed repayment terms and is not expected to be repaid within the next twelve months. The fair value of interest element is calculated based on effective interest rate of 5%.

14. Deferred tax

Deferred tax as at 31 October relates to the following:

	Group			
	Consolidated balance sheet		Consolidated statement of comprehensive income	
	2015	2014	2015	2014
	$	$	$	$
Deferred tax assets:				
Allowance for inventory obsolescence	–	–	–	(30,599)
Others	–	–	–	(29,068)
Deferred tax liabilities:				
Differences in depreciation for tax purposes	–	(36,000)	36,000	59,667
	–	(36,000)	36,000	–

The movement of temporary differences is due to discontinued operations.

At the end of the reporting period, the Group has tax losses of approximately $1,260,000 (2014: $933,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

15. Trade and other receivables

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Trade receivables	69,409	9,597	–	–
Amounts due from related companies	–	19,303	–	–
Amounts due from subsidiaries	–	–	7,802,995	14,095,258
Other receivables	5,826	89,672	–	5,650
Total trade and other receivables	75,235	118,572	7,802,995	14,100,908
Add: Cash and cash equivalents (Note 16)	5,940,271	7,272,947	5,515,947	51,439
Total loans and receivables	6,015,506	7,391,519	13,318,942	14,152,347

Trade receivables are non-interest bearing and are generally on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The amounts due from related companies were non-trade in nature, unsecured, non-interest bearing, repayable on demand and to be settled in cash.

The amounts due from subsidiary companies are non-trade in nature. The amounts are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Other receivables are unsecured, non-interest bearing and have an average maturity of 3 months (2014: 3 months). At the end of the reporting period, the Company had written off an amount of $80,277 (2014: $Nil) as impairment of other receivables with a nominal amount of $84,300 (2014: $ $84,300).

Receivables that are past due but not impaired

The Group has trade receivables amounting to $52,779 (2014: $9,597) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	Group	
	2015	2014
	$	$
Trade receivables past due but not impaired:		
Lesser than 30 days	–	9,597
30 to 90 days	34,860	–
91 to 120 days	17,919	–
	52,779	9,597

The Group does not have trade receivables that are impaired at the end of the reporting period.

16. Cash and cash equivalents

Cash and cash equivalents included in the consolidated cash flow statement comprise the following at the end of the reporting period:

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Cash at banks and on hand	5,940,271	6,677,063	5,515,947	51,439
Short-term deposits	–	595,884	–	–
Cash and short-term deposits	5,940,271	7,272,947	5,515,947	51,439

Cash and short-term deposits denominated in foreign currencies at 31 October are as follows:

United States Dollar	1,636	17,183	–	–
Japanese Yen	2,226	2,333	–	–

Cash at banks earns interest at floating rates based on daily bank deposit rates ranging from 1.0% to 2.0 % (2014: 1.0% to 2.0%) per annum.

Deposit in escrow account	2,800,000	2,800,000	50,000	50,000

Out of the total consideration for the disposal of the golf business, a total of $2,800,000 was placed with the Bank of New York Mellon in an escrow amount. This amount will be transferred to the Group on 31 March 2017.

17. Other payables

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Other payables	5,240	15,305	–	–
Amount due to subsidiary companies	–	–	464,312	464,312
Sales tax payables	9,774	–	–	–
	15,014	15,305	464,312	464,312
Accrued operating expenses	132,678	717,183	86,078	686,878
Total financial liabilities carried at amortised cost	147,692	732,488	550,390	1,151,190

Other payables are unsecured, non-interest bearing and have an average term of five months.

The amount due to subsidiary companies are non-trade in nature, unsecured, non–interest bearing, repayable on demand and are to be settled in cash.

18. Share capital

	Group and Company			
	2015		2014	
	No. of shares	$	No. of shares	$
Issued and fully paid ordinary shares				
Balance at beginning and at end of year	179,280,000	18,541,551	179,280,000	18,541,551

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

19. Dividend

	Group	
	2015	2014
	$	$
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for 2015: $Nil (2014: $0.12 per ordinary share	–	21,872,180

20. Related party transactions

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group	
	2015	2014
	$	$
Director-related companies:		
Sales	–	(774,705)
Purchases	–	8,822

20. Related party transactions (cont'd)

(b) Compensation of key management personnel

Directors' fees	135,000	86,000
Short-term employee benefits	578,915	1,445,890
Central Provident Fund contributions	19,612	38,360
	733,527	1,570,250
Comprise amounts paid/payable to:		
Directors of the Company	201,734	759,526
Directors of subsidiary companies	531,793	810,724
	733,527	1,570,250

The remuneration of key management personnel are determined by the remuneration committee. The compensation of key management personnel in 2014 includes $143,172 paid by discontinued operations.

21. Segment information

For management purposes, the Group is organised into business units based on the nature of their activities, and has three reportable segments as follows:.

(i) The golf business represents business activities from managing a public golf course and golf driving ranges;

(ii) The investment property represents rental income earned from the leasing out of investment properties; and

(iii) The corporate activity provides corporate support services to the Group.

Except as indicated above, no operating segments have been aggregated to form the above reportable segments. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

21. Segment information (cont'd)

	Golf Business*		Investment Property		Corporate		Adjustments and eliminations		Notes	Per consolidated financial statements	
	2015 $	2014 $	2015 $	2014 $	2015 $	2014 $	2015 $	2014 $		2015 $	2014 $
Revenue:											
External customers	57,394	11,310,286	–	–	–	–	–	(11,119,178)	A	57,394	191,108
Inter segment sales	–	2,253,998	–	–	–	–	–	(2,253,544)	B	–	–
Rental Income	–	–	795,521	473,742	–	–	–	–		795,521	473,742
Interest income	338	22,156	–	–	236,523	225,258	–	–		236,861	247,414
Other revenue	–	–	–	–	51,302	1,264,584	–	(1,090,258)	A	51,302	174,326
Total revenue	57,732	13,586,440	795,521	473,742	287,825	1,489,842	–	(14,462,980)		1,141,078	1,086,590
Results:											
Depreciation expense	(3,288)	(497,090)	(327,880)	(166,955)	(134,479)	–	–	394,458	A	(465,646)	(269,587)
Segment (loss)/profit	(96,656)	10,261,720	438,385	–	(2,248,832)	–	748,539	(1,030,513)	A,C	(1,158,564)	9,231,206
Assets:											
Additions to non-current assets	-	172,928	–	–	2,185	–	–	(170,828)	D	2,185	2,100
Segment assets	100,694	21,857,166	3,080,580	3,339,515	31,108,396	–	(15,986,330)	(5,179,238)	A	18,303,340	20,017,443
Segment liabilities	5,240	16,434,665	292,964	–	9,354,280	–	(9,221,602)	(15,523,256)		430,882	911,409

* Retail operations were substantially disposed as part of the sales of the golf business.

21. Segment information (cont'd)

A. Discontinued operations are eliminated on consolidation

B. Inter-segment revenues are eliminated on consolidation.

C. Impairment loss on quoted investment, advances to third party written off, interest on shareholders' loan to investee company and foreign exchange difference are excluded.

D. Additions to non-current assets consist of additions to property, plant and equipment.

Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2015	2014	2015	2014
	$	$	$	$
Singapore	863,969	6,275,921	10,601,621	12,489,116
Hong Kong	57,732	257,419	32,724	33,881
Malaysia	219,377	4,806,815	1,571,183	1,188,608
Indonesia	–	359,564	–	–
Thailand	–	774,705	–	–
Others	–	747,667	–	–
Discontinued operations	–	(12,135,501)	–	(1,188,608)
	1,141,078	1,086,590	12,205,528	12,522,997

Non-current assets information presented above consist of property, plant and equipment, available-for-sale investments and other receivables as presented in the consolidated balance sheet.

22. Commitments

(a) Operating leases commitments – as lessor

The Group has entered into commercial property leases on its investment properties. These non-cancellable leases have remaining lease term of 0.4 years. Future minimum rental receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2015	2014
	$	$
Not later than one year	320,836	808,261
Later than one year but not later than five years	–	320,836
	320,836	1,129,097

22. Commitments (cont'd)

(b) Operating leases commitments – as lessee

The Group and the Company have entered into commercial leases on certain properties. These leases have an average tenure of 2 years. There are no restrictions placed upon the Company by entering into these leases. Operating lease payments recognised as an expense in the consolidated statement of comprehensive income for the year ended 31 October 2015 amounted to $93,668 (2014: $762,214).

Future minimum rentals payable under non-cancellable operating leases at the end of the reporting period were as follows:

	Group	
	2015	2014
	$	$
Not later than one year	182,707	–
Later than one year but not later than five years	92,232	–
	274,939	–

23. Corporate guarantee

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Corporate guarantee issued to banks for credit facilities granted to subsidiaries	–	–	4,750,000	4,750,000

24. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy working ratios in order to support its business and maximise shareholder value.

The Group's working capital comprises of inventories, receivables (including amount due from related parties), cash and short term deposits, payables (including amount due to related parties), accruals and provisions stated on the balance sheet. The Group manages its working capital structure and makes adjustment to it, in light of changes in economic conditions. To maintain or adjust the working capital structure, the Group may adjust the dividend payment to shareholders. No changes were made in the objectives, policies or processes during the years ended 31 October 2015 and 2014.

The Company manages capital by regularly monitoring its current and expected liquidity requirements. The Company is not subject to either internally or externally imposed capital requirements.

25. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For the financial assets (including available-for-sale investments and cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the Group Managing Director.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and business segment profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

25. Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

	Group			
	2015		2014	
	$	% in total	$	% in total
By country:				
Hong Kong	464	0.7%	9,597	100.0%
Malaysia	68,945	99.3%	–	–
	69,409	100%	9,597	100%
By business segment:				
Golf Business	464	0.7%	9,597	100.0%
Investment property	68,945	99.3%	–	–
	69,409	100%	9,597	100%

At the end of the reporting period, approximately 0% (2014: 16%) of the Group's trade and other receivables were from related parties.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents are placed with or entered into with reputable financial institutions.

Financial assets that are either past due or impaired

Information regarding trade receivables that are past due or impaired is disclosed in Note 15.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

25. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group	One year or less $	One to five years $	Total $
2015			
Financial assets:			
Investment securities	–	1,312,373	1,312,373
Loan to investee company	–	4,775,383	4,755,383
Trade and other receivables	75,235	–	75,235
Cash and cash equivalents	5,940,271	–	5,940,271
Deposit in escrow account	–	2,800,000	2,800,000
Total undiscounted financial assets	6,015,506	8,887,756	15,094,823
Financial liabilities:			
Other payables	15,014	–	15,014
Accrued operating expenses	132,678	–	132,678
Total undiscounted financial liabilities	147,692	–	147,692
Total net undiscounted financial assets	5,867,814	8,887,756	14,755,570
2014			
Financial assets:			
Investment securities	–	1,403,888	1,403,888
Loan to investee company	–	5,011,905	5,011,905
Trade and other receivables	118,572	–	118,572
Cash and cash equivalents	7,272,947	–	7,272,947
Deposit in escrow account	–	2,800,000	2,800,000
Total undiscounted financial assets	7,391,519	9,215,793	16,325,830
Financial liabilities:			
Other payables	15,305	–	15,305
Accrued operating expenses	717,183	–	717,183
Total undiscounted financial liabilities	732,488	–	732,488
Total net undiscounted financial assets	6,659,031	9,215,793	15,874,824

25. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Company	One year or less $	One to five years $	Total $
2015			
Financial assets:			
Trade and other receivables	7,802,995	–	7,802,995
Cash and cash equivalents	5,515,947	–	5,515,947
Deposit in escrow account	–	50,000	50,000
Total undiscounted financial assets	13,318,942	50,000	13,368,942
Financial liabilities:			
Other payables	464,312	–	464,312
Accrued operating expenses	86,078	–	86,078
Total undiscounted financial liabilities	550,390	–	550,390
Total net undiscounted financial assets	12,768,552	50,000	12,818,552
2014			
Financial assets:			
Trade and other receivables	14,100,908	–	14,100,908
Cash and cash equivalents	51,439	–	51,439
Deposit in escrow account	–	50,000	50,000
Total undiscounted financial assets	14,152,347	50,000	14,202,347
Financial liabilities:			
Other payables	464,312	–	464,312
Accrued operating expenses	686,878	–	686,878
Total undiscounted financial liabilities	1,151,190	–	1,151,190
Total net undiscounted financial assets	13,001,157	50,000	13,051,157

(c) Foreign currency risk

The Group is exposed to currency translation risk arising from its net investments in foreign operations such as Hong Kong. The Group's net investments in Hong Kong are not hedged as currency positions in HKD are considered to be long-term in nature.

26. Fair value of assets and liabilities

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Fair value measurements at the end of the reporting period using			
Group	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant un-observable inputs (Level 3)	Total
2015	$	$	$	$
Assets measured at fair value				
Financial assets:				
Available-for-sale financial assets (Note 12)				
Quoted equity securities	154,701	–	–	154,701
2014				
Assets measured at fair value				
Financial assets:				
Available-for-sale financial assets (Note 12)				
Quoted equity securities	246,216	–	–	246,216

26. Fair value of assets and liabilities (cont'd)

(c) Assets not carried at fair value but for which fair value is disclosed

The following table shows an analysis of the Group's assets and liabilities not measured at fair value but for which fair value is disclosed:

	Fair value measurements at the end of the reporting period using				
Group	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant un-observable inputs (Level 3)	Total	Carrying amount
2015	$	$	$	$	$
Assets					
Investment properties	–	9,414,000	–	9,414,000	3,011,635
2014					
Assets					
Investment properties	–	10,016,000	–	10,016,000	3,339,515

(d) Financial instruments carried at other than fair value

Unquoted shares stated at cost have no market prices and the fair value cannot be reliably measured using valuation techniques. The Group does not intend to dispose of this investment in the foreseeable future. The Group intends to eventually dispose of this investment through a willing buyer-willing seller basis. Loan to investee company is held at amortised cost.

27. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 October 2015 were authorised for issue in accordance with a resolution of the directors on 11 January 2016.

SHAREHOLDERS' INFORMATION

As at 4 January 2016

Class of equity securities	Number of issued shares excluding treasury shares	Voting Rights
Ordinary Shares	179,280,000	One vote per share

There are no treasury shares held in the issued share capital of the Company.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	Number of Shareholders	%	Number of Shares	%
1 - 99	8	0.61	304	0.00
100 - 1,000	50	3.78	27,000	0.02
1,001 - 10,000	794	60.11	2,671,633	1.49
10,001 - 1,000,000	455	34.44	37,279,812	20.79
1,000,001 and above	14	1.06	139,301,251	77.70
Total:	1,321	100.00	179,280,000	100.00

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
SG Royal Group Pte Ltd	53,165,039	29.65%	–	–
Chu Wan Zhen [(1)]	–	–	53,165,039	29.65%
Tan Cheng Chuan	43,451,112	24.24%	–	–

Note:

(1) Madam Chu Wan Zhen owns 100% of the issued shares of SG Royal Group Pte Ltd. Madam Chu has a deemed interest in the 53,165,039 shares in the Company held by SG Royal Group Pte Ltd.

SHAREHOLDERS' INFORMATION

As at 4 January 2016

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	Number of Shares	%
1.	SG Royal Group Pte Ltd	53,165,039	29.65
2.	Tan Cheng Chuan	43,451,112	24.24
3.	United Overseas Bank Nominees (Private) Limited	8,169,950	4.56
4.	Tsai Yeou-Tsang	7,502,425	4.18
5.	Phillip Securities Pte Ltd	6,488,300	3.62
6.	Lee Guan Hock	5,216,000	2.91
7.	Tan Cheow Guek	4,067,675	2.27
8.	Tay Kok Kiong	2,762,000	1.54
9.	DBS Nominees (Private) Limited	1,876,650	1.05
10.	Kim Seng Holdings Pte Ltd	1,733,000	0.97
11.	OCBC Securities Private Limited	1,627,000	0.91
12.	Maybank Kim Eng Securities Pte. Ltd.	1,206,100	0.67
13.	Saw Tin Soo	1,020,000	0.57
14.	Tay Wah Seng	1,016,000	0.57
15.	Lim Boon Teck Jerry	1,000,000	0.56
16.	OCBC Nominees Singapore Private Limited	807,750	0.45
17.	Chan Khai Loen	719,900	0.40
18.	HL Bank Nominees (Singapore) Pte Ltd	697,300	0.39
19.	Lim Thian Kheng @ Lim Tiong Kim	681,625	0.38
20.	Oversea-Chinese Bank Nominees Private Limited	635,000	0.35
	Total:	**143,842,826**	**80.24**

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

45.83% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **Transcorp Holdings Limited** (the "**Company**") will be held at Poolside Events Room, Level 1, Singapore Polytechnic Graduates' Guild, 1010 Dover Road, Singapore 139658 on Thursday, 4 February 2016 at 3.00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 October 2015 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors of the Company retiring pursuant to Article 97 of the Constitution of the Company:-

   Mr Jong Khee Beng Ainsley **(Resolution 2)**

   Mdm Chu Wan Zhen **(Resolution 3)**

   Ms Pok Mee Yau **(Resolution 4)**

   Mr Seah Chee Wei **(Resolution 5)**

   Mdm Chu Yi Han **(Resolution 6)**

   Mr Neo Yim Pui **(Resolution 7)**

   Mr Swee Kay Seng **(Resolution 8)**

   Mr Goh Chin Soon **(Resolution 9)**

   Mdm Chu Wan Zhen will, upon re-election as a Director of the Company, remain as a member of the Nominating and Remuneration Committees, and will be considered non-independent.

   Ms Pok Mee Yau will, upon re-election as a Director of the Company, remain as the Chairman of the Nominating and Remuneration Committees and a member of the Audit Committee, and will be considered independent.

   Mr Seah Chee Wei will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees, and will be considered independent.

   Mdm Chu Yi Han will, upon re-election as a Director of the Company, remain as a member of the Audit, Nominating and Remuneration Committees, and will be considered non-independent.

3. To approve the payment of Directors' fees of S$113,750 for the financial year ended 31 October 2015 (FY2014: S$135,000). **(Resolution 10)**

4. To re-appoint Messrs Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 11)**

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as an Ordinary Resolution, with or without any modifications:

6. **Authority to issue shares**

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited, the Directors of the Company be authorised and empowered to:

(a) (i) issue shares in the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. **(Resolution 12)**

[See Explanatory Note (i)]

By Order of the Board

Lynn Wan Tiew Leng
Kelly Kiar Lee Noi
Secretaries
Singapore, 20 January 2016

Explanatory Notes:

(i) The Ordinary Resolution 12 in item 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 50% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting (the "**Meeting**") is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 1 Kim Seng Promenade, #17-04 Great World City East Tower, Singapore 237994 not less than forty-eight (48) hours before the time appointed for holding the Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting ("**AGM**") and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

TRANSCORP HOLDINGS LIMITED

Company Registration No. 199502905Z
(Incorporated in the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see note 4 for the definition of "relevant intermediary").
2. For investors who have used their CPF monies to buy the Company's shares, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____

of _____

being a member/members of Transcorp Holdings Limited (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "**Meeting**") of the Company to be held on Thursday, 4 February 2016 at 3.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

No.	Resolutions relating to:	Number of Votes For[(1)]	Number of Votes Against[(1)]
1	Directors' Report and Audited Financial Statements for the financial year ended 31 October 2015		
2	Re-election of Mr Jong Khee Beng Ainsley as a Director		
3	Re-election of Mdm Chu Wan Zhen as a Director		
4	Re-election of Ms Pok Mee Yau as a Director		
5	Re-election of Mr Seah Chee Wei as a Director		
6	Re-election of Mdm Chu Yi Han as a Director		
7	Re-election of Mr Neo Yim Pui as a Director		
8	Re-election of Mr Swee Kay Seng as a Director		
9	Re-election of Mr Goh Chin Soon as a Director		
10	Approval of Directors' fees amounting to S$113,750		
11	Re-appointment of Messrs Ernst & Young LLP as Auditors		
12	Authority to issue new shares		

[(1)] *If you wish to exercise all your votes "For" or "Against", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.*

Dated this _____ day of _____ 2016

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

_____

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

Notes :

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "Relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 1 Kim Seng Promenade, #17-04 Great World City East Tower, Singapore 237994 not less than forty-eight (48) hours before the time appointed for the Meeting.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 20 January 2016.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.



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