TRANSCORP HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 27 April 1995)
(Company Registration Number: 199502905Z)

UPDATES ON KEY MATTERS

The board of directors (the "**Board**") of Transcorp Holdings Limited (the "**Company**") is pleased to update shareholders on the key matters that the Company is currently managing.

1) UPDATE ON TERMINATION OF THE MEMORANDUM OF UNDERSTANDING RELATING TO THE PROPOSED PROJECT IN DONGSHAN ("**DONGSHAN PROJECT**")

*This section of the announcement should be read in conjunction with and all terms used herein shall have the same meaning unless otherwise defined or the context requires as the other announcements dated 31 October 2017, 13 March 2018, 20 April 2018, 17 December 2018, 31 January 2019, 28 February 2019 and 3 April 2019 (referred to herein as "**Dongshan Announcements**").*

The Board wishes to update shareholders that subsequent to its letter of demand of 12 April 2019 issued to Ms Cheng Ming Ming there have been continued discussions with the Project Company over the return of the refundable deposit of S$6 million. However this has not produced any acceptable repayment proposal.

The Project Company had proposed to pay the refundable deposit in two equal instalments. in August 2019 and December 2019. It also subsequently offered to pay S$50,000 upfront and then have the remainder paid over two equal instalments in August 2019 and December 2019. This proposal has not been accepted as the upfront payment is not a significant percentage of the total refundable deposit.

Hence as the deadline set for further proposals has passed, the Company is now in detailed discussions with its lawyers on affirmative legal action for the recovery process. The Company though does not rule out any subsequent proposals from the Project Company.

2) UPDATE ON THE ISSUANCE OF NOTICE OF DEMAND TO A SUPPLIER

*This section of the announcement should be read in conjunction with and all terms used herein shall have the same meaning unless otherwise defined or the context requires as the other announcements dated 5 March 2019, 12 March 2019 and 3 April 2019 (referred to herein as "**Supplier Announcements**").*

The Board wishes to update shareholders that subsequent to its subsidiary Regal Motors Pte Ltd ("**Regal Motors**") letter of demand issued to the supplier, there have been continued discussions with the supplier over the return of the Advanced Deposits of S$2,638,471. However this has not produced any acceptable repayment proposal.

The supplier had proposed to pay the refundable deposit in two equal instalments in August 2019 and December 2019. It also subsequently offered to pay S$50,000 upfront and then have the remainder paid over two equal instalments in August 2019 and December 2019. This proposal has not been accepted as the upfront payment is not a significant percentage of the total Advanced Deposits.

Hence as the deadline set for further proposals has passed, the Company is now in detailed discussions with its lawyers on affirmative legal action for the recovery process. The Company though does not rule out any subsequent proposals from the supplier.

3) UPDATE ON RECEIPT OF LEGAL LETTER

*This section of the announcement should be read in conjunction with and all terms used herein shall have the same meaning unless otherwise defined or the context requires as the other announcements dated 14 March 2019, 20 March 2019 and 3 April 2019 (referred to herein as "**Legal Letter Announcements**").*

The Board wishes to update shareholders that it has not received any updates on the police investigations into this matter.

The Company's own investigation to the matter have revealed that the case involved a vehicle that was owned by Regal Motors and then placed in a floor stock arrangement with a credit company in November 2018. This floor stock arrangement was then taken over by Ace Financial and sold on to a customer through financing arranged by Ace Financial. The documentation for this financing included supporting documents from Regal Motors. Irregularities have been identified in these documents which have led to the financing company cancelling the financing arrangements. This cancelled financing outcome has been resolved by the payment of S$292,468.88 to Ace Financial. The staff from Regal Motors who was involved in the preparation of the supporting documents has also been disciplined for his part.

Also, the Company's subsidiary Regal Motors is in consultation with Ace Financial their legal representatives for the damages for reputational loss as well as continuing interest and other administrative expenses.

The Company will keep the shareholders informed on material developments in relation to the above key matters. In the meantime, shareholders and investors are advised to exercise caution when dealing in the Company's shares. When in doubt, shareholders and potential investors are advised to seek independent advice from their professional advisors before trading or making any investment decision on the Company's securities.

The Board confirms that to their best knowledge, all material disclosures, facts and information have been provided and announced and are not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or disclosures misleading.

The directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts, and the directors are not aware of any facts the omission of which would any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcements in its proper form and context.

BY ORDER OF THE BOARD

Chia Siak Yan Vincent
Non-Executive Chairman and Independent Director

21 May 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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