



## **TRANSCORP HOLDINGS LIMITED**

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

### **CASH COMPANY STATUS PURSUANT TO RULE 1017 OF THE CATALIST RULES OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

#### **1. CASH COMPANY STATUS**

The Board of Directors (the “Board”) of Transcorp Holdings Limited (the “Company”) wishes to inform shareholders of the assessment of its status as a cash company, pursuant to Catalist Rule 1017.

In the Company’s announcement on 4 May 2020, it was stated that *“There continues to be no turnaround in the Group’s automobile sales business. Strategic initiatives and plans by Management to revive this line of business did not produce their intended results and hence the remaining cars were returned to the financial institution.”* Arising from this announcement, Singapore Exchange Securities Trading Limited (“SGX-ST”) queried the Company on the considerations set out in Catalist Rules 1017, which provides that if the assets of an issuer consist wholly or substantially of cash or short-dated securities, the issuer must place 90% of its cash and short-dated securities in an escrow account and provide to the market, amongst others, quarterly updates of milestones in obtaining a new business. The amount in the escrow account cannot be drawn down until a new business is acquired.

On 15 May 2020, the Company was informed by SGX-ST, through the Company’s former Continuing Sponsor, that it is given the deadline of 31 July 2020 to demonstrate whether it has a viable operating business with recurring revenue.

As the deadline has passed and there is no turnaround in the business activities of the Company to generate recurring revenue and support its financial performance, the Company has agreed to be deemed as a cash company pursuant to Catalist Rule 1017, with effect from 4 May 2020.

Pursuant to Rule 1017(2) of the Catalist Rules, an issuer has up to 12 months from the time it becomes a cash company to meet the requirements for a new listing, failing which the SGX-ST will proceed to remove the issuer from the Official List and the issuer must comply with Rule 1308 of the Listing Manual to provide an exit offer upon delisting.

#### **2. UPDATE ON VOLUNTARY TRADING SUSPENSION AND INDEPENDENT REVIEW**

In the Company’s announcements on 24 December 2019 and 26 December 2019, the Company requested for a voluntary trading suspension as it was no longer able to operate as a going concern.

The Company also reiterated its commitment to SGX-ST’s directive to conduct an Independent Review into certain past transactions of the Company, including but not limited to recovering approximately S\$8.6 million from two past transactions that are pending legal action by the Company. The Company remains committed to the Independent Review and will set aside sufficient funds from future successful fund-raising efforts for this purpose.

The Company will continue remain in voluntary trading suspension until it is able to resolve the issue of working capital sufficiency and going concern, completion of the independent review and a new business to satisfy the SGX-ST’s requirements for a new listing (i.e. no longer a cash company) under Catalist Rule 1017.

### **3. UPDATE ON THE COMPANY'S STATUS AND PLANS**

The Company is currently in discussion with potential lenders to negotiate the terms of a loan to the Company to finance certain key operating and business activities, namely:

- a) Appoint a Catalist Continuing Sponsor by 12 September 2020, failing which it may face delisting pursuant to Catalist Rule 746(5);
- b) Commence legal action relating to Car Profile and Dongshan Project;
- c) Finalize the outstanding matters relating to financial reporting and audit so that the Company can fulfil financial reporting requirements, Catalist Rules, as well as conduct the AGM for FY2019.

The Board and the Company have approached potential Continuing Sponsors and will continue to explore all options available to turnaround the current situation and will make the necessary announcement as and when there are further developments on these matters.

### **4. CAUTION IN TRADING**

The Board wishes to remind the shareholders that there is no assurance that the Company will be able to meet SGX-ST's requirements for a new listing within the timeframe prescribed by the SGX-ST. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts as to the actions they should take.

By Order of the Board

Vincent Chia Siak Yan  
Non-Executive Chairman & Independent Director  
25 August 2020