TRANSPAC INDUSTRIAL HOLDINGS LIMITED

("**Company" or "TIH")**

Incorporated in the Republic of Singapore

Unique Entity Number: 199400941K

PLACING AND SUBSCRIPTION AGREEMENT WITH COMTEC SOLAR SYSTEMS GROUP LIMITED

The Company wishes to announce that its indirectly wholly owned subsidiary, Sky Ville Investments Limited (Sky Ville) has entered into a Placing and Subscription agreement dated 4 April 2014 (the Agreement) with Fonty Holdings Limited (Fonty), a controlling shareholder of Comtec Solar Systems Group Limited (Comtec), Mr John Zhang, Chairman and an executive director and controlling shareholder interested in 47.19% of Comtec (Mr Zhang), ASM Connaught House Fund LP (ASM Connaught) and ASM Hudson River Fund (ASM Husdson) in the ordinary course of its business, for the placement and subscription of shares in Comtec. ASM Connaught and ASM Hudson are investment funds managed by Argyle Street Management Limited (ASML), a deemed controlling shareholder of the Company (pursuant to the SGX listing rules). ASML is therefore an interested person for the purposes of Chapter 9 of the listing manual of the Singapore Exchange Securities Trading Limited. Fonty, is 100% beneficially owned by Mr Zhang.

RATIONALE

Comtec and its subsidiaries are primarily engaged in the research and development, manufacture and sale of monocrystalline solar wafers. Comtec is listed on the Hong Kong Stock Exchange. ASML is an experienced Hong Kong-based fund manager with investments.

The transactions contemplated under the Agreement strengthen the strategic cooperation relationship with Comtec and ASML in relation to future business opportunities relating to solar power plant projects in South East Asia particularly in Myanmar.

PLACEMENT

Under the Agreement, Fonty as the Vendor has agreed to sell, or procure the sale of, the Placing Shares to the following -

Sky Ville	17,748,090 Placing Shares
ASM Connaught	37,529,618 Placing Shares
ASM Hudson	4,264,277 Placing Shares

Sky Ville has agreed to purchase the Placing Shares on the terms of and subject to the conditions set out in the Agreement. The net placing price (after deduction of placing commission, fees and expenses) shall be HK$1.31 per share. The Placing Price has been determined after arm's length negotiations between the parties. Completion of the Placing is conditional upon the Placing and Subscription Agreement not having been rescinded in accordance with the terms as set out in the Agreement.

LOCK-UP UNDERTAKINGS

There are no lock-up undertakings under the Placing and Subscription Agreement

SUBSCRIPTION

Subject to satisfaction of the Placing Subscription Conditions, Fonty undertakes to Comtec that it will (and Mr Zhang undertakes to procure that Fonty will) itself, or will procure its nominee(s) to, subscribe for the Placing Subscription Shares at a price per Placing Subscription Share equal to the Price and the Comtec shall issue the Placing Subscription Shares free from all Liens together with all rights attaching thereto on and after the date of their allotment including all dividends declared or payable or distributions made or proposed to be made at any time by reference to a record date falling on or following the respective Placing Subscription Completion.

The number of Subscription Shares shall be 59,541,985 new Shares equivalent to the number of Placing Shares under the Placing, representing (i) approximately 4.47% of the existing issued share capital of Comtec; and (ii) approximately 4.28% of the issued share capital of Comtec as enlarged by the issue of the Subscription Shares immediately after the completion of the Placing and the Subscription.

SUBSCRIPTION PRICE

HK$1.31 per Subscription Share, which is equivalent to the Placing Price. The total subscription monies payable by Fonty to Comtec will be the Subscription Price per Share (i.e. HK$1.31) multiplied by the number of Subscription Shares less the placing commission and all other fees and expenses incurred by Fonty in relation to the Placing and the Subscription. The net Subscription Price, after deduction of fees and expenses, is HK$1.30 per Subscription Share.

The Subscription Shares will, when fully paid, rank pari passu in all respects with the existing issued shares of Comtec upon issuance.

Completion of the Placing Subscription is conditional to the conditions as set out in the Agreement.

Save as disclosed in this Announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, (other than through their respective shareholdings in the Company) in the investment in Comtec.

VALUE OF INTERESTED PARTY TRANSACTION FOR THE COMPANY'S INVESTMENT IN COMTEC

As the Company, via Sky Ville, is participating in the Agreement with investment funds managed by ASML as one of the partners, the Company's participation in Comtec will be an interested person transaction ("IPT"). The Company's commitment via Sky Ville under the Agreement is up to the sum of approximately HK$23.25 million or S$3.81 million (based on exchange rate of 0.1640). This is the amount of risk to the Company under the Agreement.

The latest audited net tangible asset of the Company and its subsidiaries (the Group) as at 31 December 2013 was S$116.18 million (the Relevant Figure). As the value of the interested person transaction of about HK$23.25 million or S$3.81 million exceeds 3% but less than 5% of the Relevant Figure, Rule 905 of the Listing Manual would be applicable. However, as the requirements under Rule 915(3) of the Listing Manual are satisfied, that is the interested party's interest, other than that held through the Company in the investee company, is less than 5%, therefore compliance with Rule 905 of the Listing Manual is exempted. This announcement is not mandatory but made in the ordinary course of business.

VALUE OF IPT FOR CURRENT FINANCIAL YEAR

For the current financial year up to the date of this announcement, the total value of all transactions entered into by the Company with ASM Funds, Argyle Street Management Limited and Argyle Street Management Holdings Limited (including that contemplated in the Agreement) is approximately S$3.81 million and the current total of all interested person transactions entered into by the Company for the current financial year up to the date of this announcement (excluding that contemplated in the Agreement) is S$359,000.

FINANCIAL EFFECTS

The investment in Comtec is made in the ordinary course of the Company's business. The investment of approximately S$3.81 million is about 3.28% of the Group's Net Asset Value as at 31 December 2013 and 1.0% of the Company's market capitalization as at the date hereof (based on the last traded share price on 4 April 2014 of S$1.625 and approximately 234 million issued shares).

STATEMENT BY AUDIT COMMITTEE

Under Rule 917(4)(a)(i) of the Listing Manual, the Audit Committee, having considered the terms of the Agreement, is of the view that the transaction is on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders.

DISCLOSURE ANNOUNCEMENTS

For Shareholders' information, this announcement discloses information under Rule 1010 of the Listing Manual. The investment in Comtec is made in the ordinary course of business and is not subject to the requirements of Rule 1014 of the Listing Manual and accordingly, the investment is not subject to the approval by the Company's shareholders.

BY ORDER OF THE BOARD

Stanley Cheong
Director
4 April 2014