TRANSCORP HOLDINGS LIMITED

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

TERMINATION OF THE MEMORANDUM OF UNDERSTANDING RELATING TO THE PROPOSED PROJECT IN DONGSHAN (THE "PROJECT")

*Unless otherwise defined or the context otherwise requires, all terms used herein shall have the same meaning as defined in the announcements dated 31 October 2017, 13 March 2018, 20 April 2018, 17 December 2018 and 31 January 2019 (collectively referred to herein as "**Announcements**").*

The board of directors (the "**Board**") of Transcorp Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Announcements, after careful and due consideration, the Board has decided not to enter into any Formal Agreements relating to the Project.

On 28 February 2019, the Company has written to the Project Company and Madam Cheng Ming Ming, being a controlling shareholder of the Company, to give the required one (1) month notice to terminate the tripartite MOU and has requested the full refund of the $6,003,000 good faith deposit paid pursuant to the MOU by 31 March 2019 (the "**Recovery**").

The Company will now work towards recovering the full amount of the deposit. In the process, the Company is ready to seek the necessary legal assistance and advice to ensure the proper termination of the MOU and the prompt recovery of the deposit monies.

The Board is of the view that the Project's potential risks outweigh the potential benefits. In arriving at the conclusion, the Board has considered, amongst others, the following factors:

(i) the Group currently does not have the necessary expertise, financial and operational resources to see through the Project; and

(ii) the Group would like to focus on its financial resources to the expansion of the existing car rental business which carry a lesser degree of risk to the Group.

The Company will provide further updates when there is any material development relating to the Recovery.

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.

BY ORDER OF THE BOARD

Chia Siak Yan Vincent
Acting Non-Executive Chairman and Independent Director

28 February 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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