TRANSCORP HOLDINGS LIMITED

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

PROPOSED PLACEMENT OF 110,000,000 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF TRANSCORP HOLDINGS LIMITED AT THE ISSUE PRICE OF S$0.005 FOR EACH NEW SHARE

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1. INTRODUCTION

1.1 The Board of Directors (the "**Board**" or the "**Directors**") of Transcorp Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 22 September 2019 (the "**Earlier Announcement**").

1.2 The Board wishes to announce that following the lapse of the placement agreements referred to in the Earlier Announcement, and further to discussions with Ng Chun Hian and Lai Hock Meng regarding their continued interest to invest in the Company, the Company has on 24 September 2019 entered into separate new placement agreements (each a "**Placement Agreement**" and collectively, the "**Placement Agreements**") with each of the abovementioned investors (each a "**Placee**" and collectively, the "**Placees**").

1.3 Pursuant to the Placement Agreements, the Placees have agreed to subscribe for, and the Company has agreed to allot and issue to the Placees, an aggregate of 110,000,000 new ordinary shares in the share capital of the Company (the "**Placement Shares**") at a price of S$0.005 for each Placement Share (the "**Placement**"). The aggregate consideration payable by each Placee for the subscription of their respective Placement Shares is as follows:

S/N	Placee	No. of Placement Shares	Placement Amount (S$)
1.	Ng Chun Hian (through a wholly owned investment holding company, YC Global Capital Pte. Ltd.)	55,000,000	275,000.00
2.	Lai Hock Meng	55,000,000	275,000.00
	Total	110,000,000	550,000.00

1.4 The Placement Shares represent approximately 40.83% of the existing issued and paid-up share capital of the Company of 269,393,000 ordinary shares as at the date of this announcement. Immediately after completion of the Placement and assuming that no further shares are issued prior thereto, the Placement will increase the issued and paid-up share capital of the Company to 379,393,000 ordinary shares and the Placement Shares will represent approximately 28.99% of the enlarged issued and paid-up share capital of the Company. The Company does not have any treasury shares or subsidiary holdings as at the date of this announcement. The proportion of shares held by each Placee upon completion of the Placement (assuming no further shares are issued prior thereto) is shown as follows:

Before Placement		After Placement		
Parties	**No. of Shares (Stake)**	**Parties**	**No. of Shares (Stake)**	**Shareholding Proportion (%)**
Current Shareholders	269,393,000	Current Shareholders	269,393,000	(71.01%)
Ng Chun Hian (through a wholly owned investment holding company, YC Global Capital Pte. Ltd.)	0	Ng Chun Hian (through a wholly owned investment holding company, YC Global Capital Pte. Ltd.)	55,000,000	(14.50%)
Lai Hock Meng	0	Lai Hock Meng	55,000,000	(14.50%)
Total	269,393,000	**Total**	379,393,000	(100.00%)

2. SHAREHOLDERS' MANDATE

2.1 The Placement Shares will be allotted and issued under the general share issue mandate granted by the shareholders of the Company by way of ordinary resolution pursuant to Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**") and Section 161 of the Companies Act (Chapter 50 of Singapore), at the Annual General Meeting of the Company held on 22 March 2019 (the "**General Mandate**").

2.2 Pursuant to the General Mandate, the Directors of the Company are empowered to issue ordinary shares in the capital of the Company ("**Shares**") up to a number not exceeding, in total, 100% of the total number of issued Shares in the capital of the Company, of which up to 50% may be issued other than on a *pro-rata* basis to shareholders, after adjusting for new Shares arising from the events (if any) set out in Rule 806(3) of the Catalist Rules. The General Mandate is 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.

2.3 The Placement Shares represent approximately 40.83% of the existing issued and paid-up share capital of the Company of 269,393,000 ordinary shares as at the date of this announcement. As at the date of this announcement, the Company has not issued any shares under the General Mandate, and no event has occurred which would result in any adjustment in the number of shares on which the General Mandate is based. As the Company may issue, other than on a *pro-rata* basis, up to 50% of the existing issued and paid-up share capital of the Company pursuant to the General Mandate, the proposed allotment and issuance of the Placement Shares will fall within the limits of the General Mandate. The Company does not have any existing warrants or convertible instruments.

3. INFORMATION ON THE PLACEES

3.1 To the best knowledge of the Company, each Placee is a private investor who has entered into the Placement Agreement purely for his own personal financial investment purposes. Further details on the Placees are set out below:

Name of Placee	Background of the Placee
Ng Chun Hian	Private investor, unrelated to the Company, investing through YC Global Capital Pte. Ltd., an investment holding company incorporated in Singapore in which Ng Chun Hian is the sole director and shareholder. Ng Chun Hian and Oh Chee Tat (a substantial shareholder of the Company) are common shareholders and directors in Ace Fleet Management Pte. Ltd, Ace Fleet Leasing Pte Ltd and M Financial Services Pte Ltd., which are all companies incorporated in Singapore.
Lai Hock Meng	Private investor, former Non-Executive Chairman and Independent Director of the Company

3.2 The Placees were introduced to the Company by Vincent Chia, Non-Executive Chairman and Independent Director of the Company (the "**Introducer**"). No introducer fees were paid or are payable to the Introducer for introducing the Placees to the Company. No placement agent has been appointed in relation to the Placement. The Introducer met the Placees in the course of investor relations activities for the Company. The Introducer is not related to nor engaged in any business dealings in any way with the Placees.

3.3 As at the date of this announcement, the Placees do not hold any Shares in the issued share capital of the Company. None of the Directors and substantial shareholders has, to the best of their knowledge, any connection (including business relationships or dealings) with the Placees, save as set out in paragraph 3.1 above. To the Company's knowledge, each Placee is subscribing for his Placement Shares for his own personal financial investment purposes only, and will not be holding the Placement Shares in trust or as a nominee for other persons. Each Placee is also an independent investor and is not under the control or influence of any of the Company's Directors or substantial shareholders.

3.4 Each Placees has in his respective Placement Agreement represented and warranted to the Company, *inter alia*, that he:

(a) does not fall within the categories of restricted persons set out under Rule 812(1) of the Catalist Rules;

(b) is not an "interested person" of the Company as defined under Chapter 9 of the Catalist Rules;

(c) does not hold any shares in the issued share capital of the Company;

(d) does not have any connection (including business relationship) with the Directors and substantial shareholders of the Company, save that Ng Chun Hian and Oh Chee Tat (a substantial shareholder of the Company) are common shareholders and directors in Ace Fleet Management Pte. Ltd, Ace Fleet Leasing Pte Ltd and M Financial Services Pte Ltd.;

(e) is subscribing for the Placement Shares for his own personal financial investment purposes only and will not be holding the Placement Shares in trust or as a nominee for other persons;

(f) is an independent investor and is not under the control or influence of any of the Company's Directors or substantial shareholders; and

(g) is not, and will not be presumed to be, acting in concert or in collaboration with or co-operating, pursuant to an agreement or undertaking (whether formal or informal), with any existing Director or shareholder of the Company or with any other person, to obtain or consolidate effective control of the Company through the issue of the Placement Shares.

3.5 Based on the representations and warranties given by each Placee in his respective Placement Agreement, each Placee is not a person restricted under Rule 812(1) of the Catalist Rules to whom the Company is prohibited from issuing Shares without obtaining specific shareholders' approval. The Board is of the view that there are no indications to suggest that Rule 812(1) is not being met.

4. PRINCIPAL TERMS OF THE PLACEMENT AGREEMENTS

4.1 The Placement Shares

The Placement Shares shall be issued to the Placees as fully paid and shall be free from all encumbrances whatsoever, and shall rank *pari passu* in all respects with and carry all rights similar to the existing issued Shares, save that they shall not rank for any entitlements, distributions, dividends or rights (if any) the record date in respect of which falls on or before the completion of the Placement (the "**Completion**").

4.2 Placement Price

The issue price of the Placement Shares of S$0.005 represents a premium of 12.2% over the volume weighted average price of S$0.004458[(1)] of the Shares for trades done on the SGX-ST on 10 September 2019, being the last full market day of trading volume prior to the signing of the Placement Agreements. There was no trading volume from 11 to 23 September 2019.

Note:
[(1)] Volume weighted average price retrieved from Bloomberg.

Conditions Precedent

The Completion in respect of each Placement Agreement is conditional upon, *inter alia*:

(a) the grant of listing and quotation notice of the Placement Shares on the sponsor supervised platform of the SGX-ST (the "**Catalist**") being obtained from the SGX-ST and not having been revoked or amended and, where such approval is subject to conditions and to the extent that any conditions for the listing and quotation of the Placement Shares on the SGX-ST are required to be fulfilled on or before Completion Date (as defined below), they are so fulfilled;

(b) the issue and subscription of the Placement Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company;

(c) the representations and warranties set out in the Placement Agreement being true, complete and accurate in all respects as at the Completion Date (as defined below); and

(d) the General Mandate being in full force and effect.

If any of the conditions precedent are not fulfilled (or not waived) by the date falling thirty (30) days from the date of the Placement Agreement, the relevant Placement Agreement shall *ipso facto* cease and determine and neither the Company nor the relevant Placee shall have any claim or liability against the other, save for any antecedent breaches.

4.3 **Completion**

The Completion shall take place on the date falling seven (7) market days after the date on which the Condition referred to in paragraph 4.2(a) above has been fulfilled (or such other date as may be mutually agree in writing) (the "**Completion Date**").

5. RATIONALE AND USE OF PROCEEDS

5.1 The Directors believe that the Placement will be in the interests of shareholders as the funds to be injected as a result of the Placement would improve the Company's cash flow and increase the resources available to it for funding potential growth opportunities.

5.2 On the assumption that all the Placement Shares are subscribed for and after deduction of expenses in relation to the Placement, the estimated net proceeds from the issuance and allotment of the Placement Shares is expected to be about S$521,000 which is intended to be used for working capital purposes, repayment of creditors, legal fees and financing the Group's business expansion, in the following percentages below. For the avoidance of doubt, the fees for an independent review will be part of the working capital pool of usage. The independent review is an exercise to provide an independent perspective and opinion on the Company's transactions and dealings in issues including Car Profile advance deposits and the Dongshan refundable deposits.

	Use	Percentage of Proceeds
(a)	Working Capital	50%
(b)	Repayment of Creditors	20%
(c)	Legal Fees	15%
(d)	Business Expansion	15%

5.3 Pending deployment of the proceeds for such purposes, the proceeds may be placed in deposits with banks or financial institutions or invested in short-term money markets or debt instruments or for any other purpose on a short-term basis as the Directors may, in their absolute discretion, deem fit.

5.4 The Company will make periodic announcements on the utilisation of the proceeds from the Placement as and when such proceeds are materially disbursed, and provide a status report on the use of the proceeds raised in its interim and full-year financial statements and its annual report. Where the proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcements and annual report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

6. FINANCIAL EFFECTS OF THE PLACEMENT

6.1 The financial effects of the Placement set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Placement. The table below sets out the financial effects of the Placement based on the following bases and assumptions:

(a) the latest audited consolidated financial statements of the Group for the financial year ended 31 October 2018;

(b) the financial effect on the consolidated net tangible asset ("**NTA**") per Share is computed based on the assumption that the Placement was completed on 31 October 2018;

(c) the financial effect on the consolidated earnings per Share ("**EPS**") is computed based on the assumption that the Placement was completed on 1 November 2018;

(d) the Placement of 110,000,000 Placement Shares at the price of S$0.005 for each Placement Share; and

(e) the expenses incurred in the Placement are approximately S$29,000.

Share Capital

	Before Completion of Placement	**After Completion of Placement**
Paid-up share capital (S$)	28,667,767	29,188,767
Number of issued Shares	269,393,000	379,393,000

NTA

	Before Completion of Placement	**After Completion of Placement**
NTA (S$)	3,983,063	4,504,063
Number of Shares	269,393,000	379,393,000
NTA per Share (Singapore cents)	1.48	1.19

EPS

	Before Completion of Placement	**After Completion of Placement**
Earnings/(Losses) for the year	13,757,751	13,757,751
Number of Shares	269,393,000	379,393,000
Earnings/(Losses) per Share (Singapore cents)	(5.11)	(3.63)

7. DIRECTORS' CONFIRMATION

The Directors are of the opinion that:

(a) after taking into consideration the Group's banking facilities, the working capital available to the Group is insufficient to meet its present requirements. Hence the Company has decided to undertake the Placement to improve its current working capital position and to enable it to execute its strategic plans post-placement;

(b) after taking into consideration the Group's present banking facilities available to the Group and the proceeds from the Placement, the working capital available to the Group is sufficient to meet its present requirements and enable it to execute its strategic plans post-Placement. The Group has plans for a subsequent placement to raise additional funds; and

(c) the proceeds raised are sufficient for the appointment of an independent reviewer.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors (other than in his capacity as Director or shareholder of the Company) and, as far as the Directors are aware, none of the substantial shareholders of the Company, has any interest, direct or indirect, in the Placement.

9. NO PROSPECTUS OR OFFER INFORMATION STATEMENT TO BE ISSUED

The Placement is made pursuant to the private placement exemption under Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the placement.

10. NO TRANSFER OF CONTROLLING INTEREST

The Placement would not, in the opinion of the Directors based on the representation and confirmation (to be) obtained from the Placees, result in any transfer of controlling interest in the Company as none of the Placees will be allotted and issued with Placement Shares representing 15% or more of the voting shares in the Company after completion of the Placement and, to the knowledge of the Company, none of the Placees hold, directly or indirectly, any interest in the shares of the Company as at the date of this announcement.

11. ADDITIONAL LISTING APPLICATION

The Company will be making an application to the SGX-ST for the listing and quotation for the Placement Shares on the Catalist, and will make the necessary announcements upon receipt of the listing and quotation notice from the SGX-ST.

12. RESPONSIBILITY STATEMENT

12.1 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 about the Placement, and the Company, and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

12.2 Where information in this 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 this announcement in its proper form and context.

13. DOCUMENTS FOR INSPECTION

Copies of the Placement Agreements are available for inspection during normal business hours at the registered office of the Company at 237 Alexandra Road, #05-11, The Alexcier, Singapore 159929, for a period of three (3) months from the date of this announcement.

14. CAUTION IN TRADING

Shareholders and potential investors should note that the proposed Placement is subject to the fulfillment of, *inter alia*, the conditions precedent set out above and accordingly should exercise caution when trading in the Shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Chia Siak Yan Vincent
Non-Executive Chairman
and Independent Director

24 September 2019

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*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.

The contact person for the Sponsor is Mr. Liau H.K.
Telephone number: 6221 0271