TRANSCORP HOLDINGS LIMITED

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

RESPONSE TO SGX-ST QUERIES ON TRANSACTIONS WITH AN INTERESTED PERSON TO PARTICIPATE IN A PROPERTY DEVELOPMENT PROJECT IN DONGSHAN

The board of directors (the "**Board**") of Transcorp Holdings Limited ("**Transcorp**" or the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to set out its responses to the queries raised by the Singapore Exchange Regulation on the announcement in relation to the entry into a MOU with an interested person to participate in a property development project in Dongshan released on 31 October 2017 (the "**Announcement**"). The Board also advises the shareholders of the Company ("**Shareholders**") to refer to the announcement dated 13 March 2018 in relation to the Company's responses to the queries raised by the Singapore Exchange Regulation on the Announcement and resignations of Mr Goh Chin Soon as Executive Chairman and Mr Tan Chade Phang, Roger as Independent Director of the Company released on 27 February 2018 and 28 February 2018.

Unless otherwise defined or the context otherwise requires, all terms used herein shall have the same meaning as defined in the Announcement.

A. Company's response to query on 1 March 2018

Query 1

Should Chapter 9 IPT rules apply at this juncture (at MOU stage) given that the 'good faith' deposit has already been paid to the Project Company and not when the Company enters into a formal agreement with the IP (as stated in the announcement on 31 October 2017)? Please provide Company's views / bases.

Company's response:

The MOU is non-binding or does not amount to a legally binding contract on the Company to pursue or complete the proposed transaction of investing into the Project Company or the Project. The good faith deposit is refundable and is not considered a transaction under Chapter 9 IPT.

In addition, the good faith deposit shall be secured by way of a share charge over 100% of the shares in the Project Company and a share charge over CMM's script shares in the Company (comprising of 64,700,000 shares in the Company which constitutes 27.03% of the issued and paid-up shares of the Company to secure the refund of the Deposit).

As such, IPT rules does not apply at MOU stage.

B. Company's response to query on 12 March 2018

Query 1

Regarding the S$6m "good faith deposit" – the Company explained (in its response to our 1 Nov 17 Q2 query) that the deposit was to enable the Company to continue to "negotiate and secure exclusivity to participate in the project". Would the said deposit be considered an option granted to the Company for a potential acquisition?

Company's response:

The S$6 million deposit is not intended to be and should not be considered as an option granted to the Company for a potential acquisition. Unlike an option, the said deposit is fully-refundable and secured by way of a share charge over 100% of the shares in the Project Company and a share charge over CMM's script shares in the Company.

In addition to the above, the Board and the Management of the Company confirm that (a) the S$6 million deposit is fully refundable and has not been utilised as at the date of this announcement; and (b) based on the confirmation received from the counterparty that the S$6 million deposit will only be utilised upon the Company obtaining the Shareholders' approval for the underlying transaction. A circular to the Shareholders will be despatched in due course.

The Board and the Management of the Company confirm that all material disclosures, facts and information (including but not limited to disclosures pertaining to inter alia material operations and business of the Group, the MOU, the refundable good-faith deposit) have been provided and are not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or previous announcements or disclosures misleading.

BY ORDER OF THE BOARD

Tan Wee Peng Kelvin
Lead Independent Director

20 April 2018

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