TRANSCORP HOLDINGS LIMITED
(Formerly known as Transview Holdings Limited)
Co. Reg. No. 199502905Z

UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE HALF YEAR ENDED 30 APRIL 2018

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF FINANCIAL RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Comprehensive Income

	Group		
	Period ended 30-Apr-18	Period ended 30-Apr-17	Increase / Decrease
	S$	S$	%
Revenue	**2,911,944**	**3,136,614**	**(7.2%)**
Cost of sales	(2,712,559)	(3,007,757)	(9.8%)
Gross profit	**199,385**	**128,857**	**54.7%**
Other income	40,374	43,963	(8.2%)
Administrative expenses	(2,147,059)	(2,418,090)	(11.2%)
Finance costs	(87,804)	(42,136)	108.4%
Other operating expenses	(821,798)	-	n.m.
Loss before tax	**(2,816,902)**	**(2,287,406)**	**23.1%**
Taxation			
- Current	48	-	n.m.
- Deferred	139,706	6,758	1967.3%
Loss for the period	**(2,677,148)**	**(2,280,648)**	**17.4%**
Total comprehensive loss for the period	**(2,677,148)**	**(2,280,648)**	**17.4%**
Loss and total comprehensive loss attributable to :			
Equity holders of the company	(2,481,841)	(2,139,145)	
Non-controlling interest	(195,307)	(141,503)	
	(2,677,148)	**(2,280,648)**	

n.m - not meaningful

Consolidated Statement of Comprehensive Income

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

	Period ended 30-Apr-18 S$	Period ended 30-Apr-17 S$	Increase / Decrease %
Loss before tax after Charging/(Crediting):			
Contribution to defined contribution plans	63,117	52,406	20.4%
Depreciation of property, plant and equipment	298,004	120,344	147.6%
Employee salaries and related costs	779,621	828,131	-5.9%
Legal and professional fees	411,566	480,089	-14.3%
Loss on disposal of property, plant and equipment	23,225	-	n.m
Rental expenses	304,302	347,012	-12.3%
Reversal of fair value on inventories	821,798	-	n.m

n.m - not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30-Apr-18 S$	31-Oct-17 S$	30-Apr-18 S$	31-Oct-17 S$
Non-current assets				
Property, plant and equipment	3,886,265	3,619,672	105,479	131,376
Investment in subsidiaries	-	-	8,418,336	7,868,036
Total non-current assets	**3,886,265**	**3,619,672**	**8,523,815**	**7,999,412**
Current assets				
Inventories	4,381,192	6,388,640	-	-
Trade receivables	7,192	-	-	-
Other receivables	9,960,558	10,263,730	11,788,362	12,960,850
Prepayments	48,967	122,462	5,637	4,507
Cash and cash equivalents	61,679	268,903	27,432	240,654
Total current assets	**14,459,588**	**17,043,735**	**11,821,431**	**13,206,011**
Total assets	**18,345,853**	**20,663,407**	**20,345,246**	**21,205,423**
Non-current liabilities				
Finance lease liabilities	1,473,838	872,882	-	-
Other payable - Consideration payable	1,347,352	1,321,147	1,347,352	1,321,147
Deferred tax liabilities	-	139,706	-	-
Total non-current liabilities	**2,821,190**	**2,333,735**	**1,347,352**	**1,321,147**
Current liabilities				
Trade payables	1,181,746	1,542,508	219,080	79,232
Other payables	577,665	285,337	2,148,262	2,167,422
Finance lease liabilities	392,719	278,345	-	
Income tax payable	-	173,801	-	-
Total current liabilities	**2,152,130**	**2,279,991**	**2,367,342**	**2,246,654**
Total liabilities	**4,973,320**	**4,613,726**	**3,714,694**	**3,567,801**
Net Assets	**13,372,533**	**16,049,681**	**16,630,552**	**17,637,622**
Equity				
Share capital	27,167,767	27,167,767	27,167,767	27,167,767
Accumulated losses	(14,098,637)	(11,616,796)	(10,537,215)	(9,530,145)
	13,069,130	**15,550,971**	**16,630,552**	**17,637,622**
Non-controlling interest	**303,403**	**498,710**	-	**-**
Total equity	**13,372,533**	**16,049,681**	**16,630,552**	**17,637,622**

Note to the Statement of Financial position

Other receivables comprises of the followings:

	Group		Company	
	30-Apr-18 S$	31-Oct-17 S$	30-Apr-18 S$	31-Oct-17 S$
Sundry deposits	222,087	226,398	54,706	57,997
Refundable deposit	6,003,000	6,003,000	6,003,000	6,003,000
Advance deposits to a supplier	3,735,471	4,025,271	-	-
Amount due from subsidiaries	-	-	5,730,656	6,899,853
Amount due from third parties	-	9,061	-	-
	9,960,558	10,263,730	11,788,362	12,960,850

Other payables comprises of the followings:

	Group		Company	
	30-Apr-18 S$	31-Oct-17 S$	30-Apr-18 S$	31-Oct-17 S$
Other payables	154,247	35,046		-
Amount due to subsidiaries	-	-	2,000,000	2,000,000
Amount due to shareholders	42,006	43,698		-
Accrued operating expenses	381,412	206,593	148,262	167,422
	577,665	285,337	2,148,262	2,167,422

1(b)(ii) Aggregate amount of the group's borrowings and debt securities.

	Group			
	30-Apr-18		31-Oct-17	
	Secured S$	Unsecured S$	Secured S$	Unsecured S$
Borrowings				
Amount repayable in one year or less, or on demand	392,719	-	278,345	-
Amount repayable after one year	1,473,838	-	872,882	-
	1,866,557	-	1,151,227	-

Details of any collaterals

Finance lease liability of S$1.87 million for HY2018 (FY2017: S$1.15 million) is secured by a subsidiary motor cars acquired under finance lease arrangement.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	Period ended 30-Apr-18 S$	**Period ended 30-Apr-17 S$**
Cash flows from operating activities		
Loss before income tax	(2,816,902)	(2,287,406)
Adjustments for :		
Depreciation of property, plant and equipment	298,004	120,344
Finance cost	87,804	42,136
Loss on disposal of property, plant and equipment	23,225	-
Operating cash flow before changes in working capital	(2,407,869)	(2,124,926)
Decrease in trade and other receivables	295,980	10,431,901
Decrease in prepayments	73,495	65,995
Decrease in inventories	2,007,448	285,145
Decrease in trade and other payables	(68,434)	(403,184)
Cash (used in)/generated from operations	(99,380)	8,254,931
Income tax paid, net of refund	(173,753)	-
Net cash (used in)/generated from operating activities	**(273,133)**	**8,254,931**
Cash flows from investing activities		
Purchase of property, plant and equipment	(182,236)	(56,803)
Proceeds from disposal of property, plant and equipment	469,413	-
Net cash generated from/(used in) investing activities	**287,177**	**(56,803)**
Cash flows from financing activities		
Repayment of finance lease liabilities	(159,669)	(873,369)
Interest expenses	(61,599)	-
Net cash used in financing activities	**(221,268)**	**(873,369)**
Net (decrease)/increase in cash and cash equivalent	(207,224)	7,324,759
Cash and cash equivalent at the beginning of period	268,903	481,373
Cash and cash equivalent at the end of period	**61,679**	**7,806,132**

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attribute to equity holder of the company				
	Share capital	Accumulated losses	Total	Non-controlling interest	Total equity
Group	S$	S$	S$	S$	S$
Balance at 1 Nov 2016	27,167,767	(6,268,350)	20,899,417	859,045	21,758,462
Loss and total comprehensive loss for the financial period	-	(2,139,145)	(2,139,145)	(141,503)	(2,280,648)
Balance at 30 Apr 2017	27,167,767	(8,407,495)	18,760,272	717,542	19,477,814
Balance at 1 Nov 2017	27,167,767	(11,616,796)	15,550,971	498,710	16,049,681
Loss and total comprehensive loss for the financial period	-	(2,481,841)	(2,481,841)	(195,307)	(2,677,148)
Balance at 30 Apr 2018	27,167,767	(14,098,637)	13,069,130	303,403	13,372,533

	Share capital	Accumulated losses	Total	Total equity
Company	S$	S$	S$	S$
Balance at 1 Nov 2016	27,167,767	(5,262,344)	21,905,423	21,905,423
Loss and total comprehensive loss for the financial period	-	(1,050,191)	(1,050,191)	(1,050,191)
Balance at 30 Apr 2017	27,167,767	(6,312,535)	20,855,232	20,855,232
Balance at 1 Nov 2017	27,167,767	(9,530,145)	17,637,622	17,637,622
Loss and total comprehensive loss for the financial period	-	(1,007,070)	(1,007,070)	(1,007,070)
Balance at 30 Apr 2018	27,167,767	(10,537,215)	16,630,552	16,630,552

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the Company's share capital since the end of the previous period reported on (31 October 2017).

The Company has no outstanding options on unissued shares (31 October 2017: Nil) and does not hold any treasury shares and subsidiary holdings as at 30 April 2018 (31 October 2017: Nil).

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Total number of issued shares as at 30 April 2018 was 239,393,000 (31 October 2017: 239,393,000).

On 7 Jun 2018, the Company has alloted and issued 30,000,000 new ordinary shares in the capital of the Company to Mr Oh Chee Tat, at an issue price of S$0.05 per share as consideration for the acquisition of 10% equity interest in Motor Megamall Pte. Ltd., pursuant to the Sales and Purchase Agreement dated 23 March 2018. Following the issued and allotment of 30,000,000 new ordinary shares, the issued and paid-up share capital of the Company has increased from 239,393,000 shares to 269,393,000 shares.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company did not have treasury shares during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

The Company did not have any subsidiary holdings during and at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

These figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the new or revised Singapore Financial Reporting Standard ("FRS") and Interpretations to FRS ("INT FRS") that are effective for financial periods beginning on or after 1 November 2017. Save for this, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period compared with the audited financial statements for the year ended 31 October 2017.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of the new or revised FRS and INT FRS does not have any material impact on the financial statements of the Group and the Company.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Period ended 30-Apr-18	Period ended 30-Apr-17
Loss attributable to owners of the Company	(2,481,841)	(2,139,145)
Weighted average number of ordinary shares in issue	239,393,000	239,393,000
Basic and diluted earnings per ordinary share ("EPS") (Singapore cents)	(1.04)	(0.89)

The basic and diluted EPS for the respective financial period are computed based on the loss attributable to the owners of the Company and the weighted average of the Company's ordinary shares in issue during the respective financial period.

The basic and diluted EPS are the same as there were no potentially dilutive ordinary shares in issue during and as at the end of the respective financial period.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30-Apr-18	31-Oct-17	30-Apr-18	31-Oct-17
Net asset value per ordinary share (excluding treasury shares) (Singapore cents)	5.46	6.50	6.95	7.37
Number of issued shares (excluding treasury shares)	239,393,000	239,393,000	239,393,000	239,393,000

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

(i) Review of the Group's performance for 1H2018 compared to 1H2017

During the period under review, the Group's total revenue decreased by S$0.23 million (7.2%), from S$3.14 million in 1H2017 to S$2.91 million in 1H2018.

The decrease was mainly due to the drop in the number of cars sold offset by rental income received from the leasing of cars.

During the period under review, costs of goods sold decreased by S$0.30 million (9.8%), from S$3.01 million in 1H2017 to S$2.71 million in 1H2018. As a result, gross profit increased by S$0.07 million, from S$0.13 million in 1H2017 to S$0.20 million in 1H2018. The decrease in costs of goods sold was mainly due to better management of the cost of cars as well as the operating costs.

Other income

	Period ended 30-Apr-18 S$	Period ended 30-Apr-17 S$
Government grants	26,501	25,472
Exchange gain	13,770	3,261
Interest income	3	6
Other income	100	15,224
	40,374	43,963

Administrative expenses

During the period under review, administrative expenses decreased by S$0.27 million (11.2%), from S$2.42 million in 1H2017 to S$2.15 million in 1H2018. This was mainly due to decrease in advertising expenses, professional fees, directors' remuneration and travelling expenses offset by higher depreciation expenses. The increase in depreciation expense was mainly due to additional motor cars purchased for leasing business during the period under review.

Finance costs

During the period under review, finance cost increased by S$0.05 million, from S$0.04 million in 1H2017 to S$0.09 million in 1H2018. This is mainly due to increase in interest accretion on consideration payable and increase in interest on hire purchase due to additional hire purchase loans taken for new motor cars purchased for the use in the leasing business.

Other operating expenses

	Period ended 30-Apr-18 S$	Period ended 30-Apr-17 S$
Reversal of fair value of inventories	821,798	-

During the period under review, reversal of fair value on inventories amounting to S$0.82 million was due to the fair value of inventories being lower than the expected selling price of inventories as at 30 April 2018.

Taxation

During the period under review, deferred tax credit increased by S$0.13 million from S$0.01 in 1H2017 to S$0.14 million in 1H2018 arose due to the corresponding impact in reversal of fair value on inventories.

Loss after tax

During the period under review, loss after tax increased by S$0.40 million (17.4%) from S$2.28 million in 1H2017 to S$2.68 million in 1H2018. This was mainly due to better gross profit of S$0.07 milllion generated, lower operating expenses by S$0.21 million, offset by a reversal of fair value inventory, net of tax by S$0.68 million.

(ii) Review of the Group's financial position

Non-Current assets

Non-current assets increased by S$0.27 million to S$3.89 million as at 30 April 2018 from S$3.62 million as at 31 October 2017. The increase was mainly due to the purchase of new motor cars of S$1.05 million; offset by (i) a depreciation charge of S$0.30 million; and (ii) cost of disposal of a motor car of S$0.48 million.

Current assets

As at 30 April 2018, current assets stood at S$14.46 million. There was a decrease of S$2.58 million as compared to S$17.04 million as at 31 October 2017 due to the following:

1) decrease in inventory of S$2.01 million was mainly due to transfer of inventory to cost of sale and a write off of fair value of inventory of S$0.82 million;
2) decrease in other receivables of S$0.30 million due to partial return of advance deposit placed with a supplier; and
3) decrease in prepayment and cash at bank of S$0.28 million.

Non-Current liabilities

As at 30 April 2018, non-current liabilities increased by S$0.49 million to S$2.82 million from S$2.33 million as at 31 October 2017, mainly due to: (i) increase in hire purchase creditors of S$0.60 million due to additional purchase of motor cars for the leasing business and; (ii) increase of S$0.03 million due to accrual for the consideration payable; and (iii) offset by a decrease in deferred tax of S$0.14 million as a result of reversal of fair value gain in inventories.

Current liabilities

As at 30 April 2018, current liabilities stood at S$2.15 million, which represented a decrease of S$0.13 million when compared to S$2.28 million as at 31 October 2017. The decrease was mainly due to decrease in trade payables and income tax of S$0.36 million and S$0.17 million respectively due to payments for the period under review. This is offset by an increase in other payables and hire purchase creditors of S$0.29 million and S$0.11 million respectively. This increase is due to higher accrual of expenses, flooring liabilities and hire purchase loan incurred for the purchase of motor cars for the leasing business.

Equity attributable to owners of the Company

Equity attributable to owners of the Company amounted to S$13.07 million as at 30 April 2018, which reflected a decrease of S$2.48 million when compared to S$15.55 million as at 31 October 2017, mainly arising from S$2.48 million net loss for the period under review.

(iii) Review of the Group's cash flow

Net cash flows used in operating activities amounted to S$0.27 million mainly due to operating cash outflows before working capital changes of S$2.41 million, adjusted for net working capital inflows of S$2.31 million, as well as income tax payment of S$0.17 million. The net working capital inflows were mainly due to sale and write-off of fair value inventory and partial return of advance deposit placed with a supplier.

Net cash generated from investing activities of S$0.29 million was mainly attributable to the purchase of motor cars for leasing business and disposal of existing motor cars purchased previosuly.

Net cash used in financing activities amounted to S$0.22 million was mainly due to the repayment of finance leases taken for the purchased of motor cars for the leasing business, property,plant and equipment and payment of interest.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was previously given.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The automobile sales business still remains challenging.

The Group is also currently exploring and evaluating other business opportunities that may enhance shareholders' value in the long term. On 31 October 2017, the Company released an announcement that the Company has entered into a Memorandum of Understanding with an interested person to participate in a property development project in Dongshan.

The Board will seek the necessary shareholders' approval for the transaction upon entering into the Formal Agreement in compliance with the Catalist Rules, including but not limited to approval for participation into property development, change of risk profile and business diversification (where applicable) and to comply with the requirements of Chapter 9 and Chapter 10 of the Catalist Rules.

The Company is currently in the process of finalising and signing the Formal Agreement with the interested person. Furthermore, the Company is in the final stage of negotiation and appointment of an Independent Financial Advisor ("**IFA**") so as to proceed with the holding of an Extraordinary General Meeting to comply with the requirements of Chapter 9 of the Catalist Rules.

In Jan 2018, Stallion Auto Pte Ltd, a wholly-owned subsidiary of the Group has entered into a tie-up arrangement with one of the local Grab authorised counters to provide motor car leasing services to Grab drivers.

On 23 Mar 2018, the Company has entered into a sale and purchase agreement with Mr Oh Chee Tat (Hu Zhida) to acquire 10,000 fully paid-up ordinary shares in the issued and paid-up capital of Motor Megamall Pte. Ltd. ("**Target**"), which comprises 10% of the entire issued and paid-up share capital of the Target based on the terms and conditions of the Sale and Purchase Agreement, for S$1,500,000 to be satisfied entirely by the Company through the issuance and allotment of 30,000,000 new ordinary shares in the capital of the Company ("**Consideration Shares**"), at the issue price of S$0.05 per Consideration Share.

On 7 Jun 2018, the Company has alloted and issued 30,000,000 new ordinary shares in the capital of the Company to Mr Oh Chee Tat, at an issue price of S$0.05 per share as

consideration for the acquisition of 10% equity interest in Motor Megamall Pte. Ltd., pursuant to the Sales and Purchase Agreement dated 23 Mar 2018.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared or recommended.

(b)(i) Amount per share (cents):

Not applicable.

(b)(ii) Previous corresponding period (cents):

No dividend has been declared or recommended.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date of dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended as at 30 April 2018.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPTs.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Chu Wan Zhen Consultancy services - Explore, evaluate and recommend potential project investment and M&A target for the Company	S$120,000	-
Cheng Ming Ming Consultancy services - Explore, evaluate and recommend new car business from countries such as China, Hong Kong & Vietnam, etc	S$108,000	-

14. Confirmations by the Board pursuant to Rule 705(5)

The Board of Directors of Transcorp Holdings Limited hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Group and the Company for the half year ended 30 April 2018 to be false or misleading in any material aspect.

15. Confirmations that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that it has procured undertakings from the Company's directors and executive officers in the format set out in Appendix 7H under Rule 720(1).

BY ORDER OF THE BOARD

Tan Wee Peng Kelvin
Lead Independent Director

Chia Siak Yan Vincent
Independent Director

12 June 2018

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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.
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