

TRANSPAC INDUSTRIAL HOLDINGS LIMITED

("TIH" or the "Company")

Incorporated in the Republic of Singapore

UEN: 199400941K

SALE OF FOSHAN NANHAI ZHONGNAN ALUMINIUM WHEEL CO LTD

The Company is pleased to announce that Transpac Nominees Pte Ltd (the "**Seller**"), a subsidiary of Transpac Capital Pte Ltd (the "Investment Manager" of the Company), had entered into a Sale and Purchase of Shares Agreement dated 27 September 2012 ("**SPA**") to sell all of its equity stake in Foshan Nanhai Zhongnan Aluminium Wheel Co Ltd ("Zhongnan") to A & E Holding Limited ("**Buyer**"). The sale proceeds were derived after taking into account the business prospects and net asset value of Zhongnan.

The Company's share of the sale proceeds is approximately US\$18.96 million (equivalent to approximately S\$23.16 million before deducting expenses, taxes, provision for representations warranties and other obligations related to the sale). The sale proceeds include interests arising from the Company's investments in other Transpac Funds that have interests in Zhongnan. The Company acquired these interests in these other Transpac Funds through secondary purchases from investors who had wanted to exit from these funds. The Company's share of the sale proceeds under the sale of the stake in Zhongnan is equivalent to about 5.71% of the Company's market capitalization of approximately S\$405.36 million as at 8 October 2012 (based on the last traded price of S\$1.73 per share on the SGX-ST and an issued capital comprising approximately 234 million shares).

Being a venture capital investment company that provides venture capital to private companies, the Company's income is primarily derived from the realization and/or revaluation of investments in such private companies.

The Company's investment in Zhongnan which was held through its wholly owned subsidiary, Little Rock Group Limited, is classified as investments at fair value through profit or loss and valued at approximately S\$10.35 million as at 30 June 2012.

None of the Company's Directors or substantial shareholders has any interest, direct or indirect, in the abovementioned transaction.

The sale of the Company's investment in Zhongnan referred to above is made in the Company's ordinary course of business and is not subject to the requirements of Rule 1014 of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Tham Shook Han
Company Secretary
9 October 2012