

**TIH LIMITED**  
(Incorporated in Republic of Singapore)  
(Company Registration No.: 199400941K)  
("Company")

**GENERAL ANNOUNCEMENT -  
LEGAL PROCEEDINGS BROUGHT BY TRANSPAC INVESTMENTS LIMITED**

---

The Board of Directors (the "**Board**") of the Company wishes to inform the shareholders ("**Shareholders**") on legal proceedings brought by Transpac Investments Limited ("**Transpac**"), a company incorporated in the British Virgin Islands, against the Company.

**1. BACKGROUND**

1.1 Transpac is an investment holding company and currently holds approximately 10.17% of the issued shares in the Company. Prior to the Company's internalisation exercise, the Company was previously managed by Transpac Capital Pte Ltd ("**TCPL**"), an affiliate of Transpac. Following the completion of the internalisation exercise in May 2014, the Company has internalised the investment functions of the investment manager and the management business of the Company has been undertaken by TIH Investment Management Pte. Ltd, a wholly owned-subsiary of the Company and accordingly, the investment and fund management services provided by TCPL to the Company were terminated.

1.2 As part of the internalisation process, Transpac undertook to pay the Company 20% of the value of certain contingent claims that the Company may be liable for, including those in respect of the Foodstar Group Divestment (as defined below) ("**Contingent Claims**"). Transpac's maximum liability was limited to US\$10 million. Consequently, the Company and Transpac entered into an agreement in around May 2014 ("**BOA**"), pursuant to which Transpac had provided a bond of US\$10 million ("**Bond Amount**") in the form of a deposit into a jointly-operated bank account of Transpac ("**Bond Account**"). In the event that any Contingent Claims crystallized, the Company shall pay 100% of the crystallized Contingent Claim and Transpac shall repay the Company 20% of that claim subject to the said limit by drawing from the Bond Amount.

1.3 As announced by the Company on 21 June 2010, the Company divested its entire holdings in Foodstar Holdings Pte Ltd and its subsidiary companies ("**Foodstar Group Divestment**") to a third party.

1.4 The Contingent Claims pertaining to the Foodstar Group Divestment have been recorded in the Company's yearly audited financial statements as the Group's liabilities. This is also reflected in the latest audited financial statements of the Company for the financial year ended 31 December 2022 which reported a liability of S\$16,141,000. In response to the Singapore Exchange Securities Trading Limited's query on the full year results announcement for year ended 31 December 2021, the Company has also elaborated (on 3 March 2022) that:

(a) a provision of S\$16.2 million has been made in respect of the liabilities due to foreign tax and expenses relating to the Foodstar Group Divestment;

(b) this liability has been recognised in the Company's annual reports since the financial year ended 31 December 2010 in accordance with overseas tax laws and regulations; and

- (c) the necessary filings with local tax authorities have been made and awaiting their response. Therefore, the timing of payment cannot be predicted.

## **2. LEGAL PROCEEDINGS**

- 2.1. On 27 September 2022, Transpac commenced Singapore High Court proceedings against the Company, alleging among other things that the Company is in breach of the BOA, and seeking among other things for the Bond Account to be closed and the Bond Amount to be released to them ("**Transpac Claim**"). The Company sought legal advice immediately. Since then, the Company and Transpac have engaged in various negotiations and a mediation session but no settlement has been reached. The Transpac Claim was transferred to the Singapore International Commercial Court ("**SICC**") around July 2023.
- 2.2. Following an unsuccessful mediation between the Company and Transpac, the SICC has since directed that the matter proceeds to trial in order to determine the substantive issues in the Transpac Claim. The trial dates have been scheduled to commence from 28 May 2024 to 6 June 2024, with an additional day, 27 May 2024, in reserve. The fact that parties are directed to go to trial is a normal part of the litigation process, since no settlement has been reached.

## **3. NO MATERIAL IMPACT**

- 3.1 The Transpac Claim amount does not represent the Company's property or asset and thus, does not materially affect the Company's financial condition or prospects. Accordingly, the Company is of the view that the Transpac Claim does not have a material impact on the Company.
- 3.2 Notwithstanding the above, given that the Company is possibly entering into trial, the Company wishes to make this voluntary announcement regarding the abovementioned legal proceedings to keep Shareholders informed. The Company will make further announcements as and when there are material developments on the above matter.

Shareholders are advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action in respect of their investments which may be prejudicial to their interests. In the event that Shareholders wish to deal in the shares of the Company, they should seek their own professional advice and consult with their stockbrokers or other professional advisors.

**BY ORDER OF THE BOARD**

**29 December 2023**