

**TIH LIMITED**  
(Incorporated in the Republic of Singapore)  
(Unique Entity Number. 199400941K)  
(the “**Company**”)

---

**ADDITIONAL SUBSCRIPTION BY KILLIAN COURT PTE. LTD. IN ASM CONNAUGHT  
HOUSE GENERAL PARTNER II LIMITED**

---

**1. INTRODUCTION**

- 1.1 The board of directors (“**Board**”) of the Company (and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 5 July 2016 and 1 November 2016 (collectively, the “**Announcements**”) in relation to the Joint Venture (as such term is defined in the Announcements). Unless otherwise defined herein, all capitalised terms used herein shall have the same meanings ascribed to them in the Announcements.
- 1.2 Following a capital reduction on 31 May 2017, 40,000 GP Shares belonging to ASMHL were cancelled, which resulted in ASMHL and Killian Court holding approximately 68.47% and 31.53% of the issued share capital of the General Partner, respectively.

**2. INFORMATION ON THE ADDITIONAL SUBSCRIPTION, NEW 2017 SHA AND REVISED IAA**

- 2.1 The Board wishes to announce that Killian Court has increased its capital commitment in the General Partner by the subscribing for 10,000 additional GP Shares (“**Additional Killian Court Subscription Shares**”) at an issue price of US\$100 for each GP Share, for an aggregate subscription amount of US\$1,000,000 (“**Additional Killian Court Subscription Consideration**”) (“**Additional Subscription**”). Following the Additional Subscription, ASMHL and Killian Court will hold approximately 67.05% and 32.95% of the issued share capital of the General Partner, respectively.
- 2.2 The Additional Killian Court Subscription Consideration will be funded entirely through internal funds of the Group. The Additional Killian Court Subscription Shares will be issued when the Additional Killian Court Subscription Consideration has been paid. It is intended that the Additional Killian Court Subscription Consideration received by the General Partner will be used to satisfy part of the General Partner’s capital commitment into the CHF II Fund.
- 2.3 In connection with the Additional Subscription, Killian Court, ASMHL and the General Partner had terminated and replaced the previous shareholders’ agreement dated 31 October 2016 (“**Old SHA**”) and entered into a new shareholders’ agreement dated 4 July 2017 effective 30 June 2017 to re-govern their relations *inter se* in the General Partner following the Additional Subscription (“**New 2017 SHA**”).
- 2.4 TIH IM, a wholly-owned subsidiary of the Company, acts as an investment advisor to the CHF II Fund, and has entered into an investment advisory agreement dated 18 August 2016 (as amended and supplemented by supplemental letters dated 1 November 2016 and 19 May 2017) with, *inter alia*, CHF II Fund (acting by the General Partner) (“**IAA**”). In connection with the Additional Subscription and by way of a supplemental letter dated 4 July 2017 effective 30 June 2017 (“**Supplemental Letter**”), the IAA was amended to reflect the revised investment advisory fees payable by the General Partner to TIH IM (acting as investment advisor to CHF II Fund) as being proportionate to the new equity participation ratio of Killian Court in the General Partner relative to ASMHL, being 32.95% (“**Revised IAA**”).

### 3. RATIONALE FOR THE ADDITIONAL SUBSCRIPTION

- 3.1 As set out in paragraph 2 above, the Additional Subscription will result in Killian Court holding an increased equity interests in the General Partner which, in turn, will result in an increase in investment advisory fees payable by the General Partner to TIH IM (acting as investment advisor to CHF II Fund).

### 4. FINANCIAL EFFECTS

- 4.1 The investment in the General Partner is done in the ordinary course of the Group's business and is classified as an investment at fair value through profit or loss. Following the Additional Subscription, the Group's total capital commitment in the General Partner, of approximately US\$15.9 million (equivalent to approximately S\$21.9 million at an exchange rate of US\$1.00: S\$1.3795 is about 18.2% of the Group's net asset value ("NAV") as at 31 December 2016 and 16% of the Company's market capitalisation as at the date of this announcement (based on the last traded share price on 4 July 2017 of S\$0.565 and approximately 241.7 million issued shares).
- 4.2 The *pro forma* financial effects of the Additional Subscription presented below are purely for illustration purposes only, and are based on the audited financial statements of the Company for the financial year ended 31 December 2016:
- (a) **NAV:** For illustrative purposes only, and assuming that the transaction had been completed, and the Additional Killian Court Subscription Consideration had been fully paid, on 31 December 2016, the investment has no impact on the NAV of the Company as the cash consideration is replaced by an investment at fair value through profit or loss.
  - (b) **Earnings:** The transaction is classified as investment at fair value through profit or loss. Accordingly, any change in revaluation of the investment will have an impact on the Company's earnings. Assuming no immediate revaluation from this investment, there would be no impact on the Company's earnings if the transaction was completed on 1 January 2016.
  - (c) **Share Capital:** The transaction will not have any impact on the issued share capital of the Company.

### 5. INTERESTED PERSON TRANSACTION

- 5.1 **Interested Person and Entity at Risk:** In relation to the Company, ASMHL as a deemed controlling shareholder of the Company, is considered to be an "interested person", whilst Killian Court, as a wholly-owned subsidiary of the Company, is an "entity at risk" as defined in Rule 904 of the Listing Manual Section A: Mainboard Rules ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited. Accordingly, the Additional Subscription constitutes an investment in a joint venture with an interested person.
- 5.2 **Value of Interested Person Transactions:** For the current financial year commencing on 1 January 2017 and up to the date of this announcement, (a) the total value of all transactions by the Group with all interested persons, including this transaction, is approximately S\$6.7 million; and (b) the total value of all transactions, including this transaction, entered into by the Group with ASMHL, ASML, or their affiliates is approximately S\$6.7 million. As the total aggregate value of all transactions with ASMHL, ASML and their affiliates during the same financial year exceeds 5% of the Group's latest audited net tangible assets, Rule 906 of the Listing Manual is applicable, unless any of the exemptions under Rule 916 of the Listing Manual applies.

### 5.3 Exemption under Rule 916(2) of the Listing Manual:

- (a) Pursuant to Rule 916(2) of the Listing Manual, investment in a joint venture with an interested person does not require the approval of shareholders of the Company if:
  - (i) the risks and rewards are in proportion to the equity of each joint venture partner;
  - (ii) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and
  - (iii) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture (“**Rule 916(2) Exemption**”).
- (b) In this connection, the Audit Committee of the Company having considered, *inter alia*, the terms of the Additional Subscription, the terms of the New 2017 SHA, the terms of the revised IAA and the advice from independent legal counsel, is of the view that
  - (i) the risks and rewards of the joint venture are in proportion to the equity of each of Killian Court and ASMHL; and
  - (ii) the terms of the joint venture are not prejudicial to the interests of the Company and its minority shareholders, for the following reasons:
    - (i) the Parties terminating and replacing the Old SHA in its entirety with the New 2017 SHA to re-govern their relations *inter se* following the Additional Subscription, which changed the equity participation ratio of ASMHL and Killian Court in the General Partner and the termination of the Old SHA is not prejudicial to the interests of the Company and its minority shareholders;
    - (ii) the parties amending the IAA with the Supplemental Letter to reflect the revised investment advisory fees payable by the General Partner to TIH IM (acting as investment advisor to CHF II Fund) as being proportionate to the new equity participation ratio of Killian Court in the General Partner relative to ASMHL, being 32.95%;
    - (iii) the New 2017 SHA providing for, *inter alia*, the following:
      - (A) the relative economic interests of ASMHL and Killian Court as shareholders of the General Partner in the GP Shares (including any carried interest payable by CHF II (as such term is defined in the New 2017 SHA) and SuperAsianova (as such term is defined in the New 2017 SHA)) shall in principle be in proportion to the relative paid-up capital contributed by each of them to the General Partner;
      - (B) in the ordinary course of business and absent any supervening circumstances, the ratio of the (i) investment management fees payable by the General Partner to ASML in respect of ASML acting as investment manager to CHF II (as such term is defined in the New 2017 SHA) and (if ever any) SuperAsianova (as such term is defined in the New 2017 SHA) on the one hand; and (ii) the investment advisory fees payable by the General Partner to TIH IM in respect of TIH IM acting as investment advisor to CHF II (as such term is defined in the New 2017 SHA) and (if ever any) SuperAsianova (as such term is defined in the New 2017 SHA) on the other hand, shall be equal to the shareholding percentages held by ASMHL and Killian Court in the General Partner respectively; and

(C) ASMHL and Killian Court shall bear the expenses of the General Partner (i) where all the GP Shares are fully paid-up, in the proportion to their shareholding percentage in the General Partner; and (ii) where any of the GP Shares remain unpaid or are partly paid, in proportion to the respective paid-up capital contribution of ASMHL and Killian Court.

(c) neither ASMHL nor any of its associates or related corporations had any existing equity interest in the General Partner prior to Killian Court's initial participation in the General Partner.

Accordingly, as the Additional Subscription satisfies the conditions set out in the Rule 916(2) Exemption, approval of the shareholders of the Company will not be required under Rule 906 of the Listing Manual.

**6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS OF THE COMPANY**

6.1 Save as disclosed and save for their respective shareholdings in the Company, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the transactions contemplated by the joint venture.

BY ORDER OF THE BOARD

*Allen Wang*

*CEO*

*TIH Investment Management Pte. Ltd.*

*Investment Manager of*

*TIH Limited*

4 July 2017