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TIGER AIRWAYS HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200701866W)

ANNOUNCEMENT – RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE TO ENTITLED SHAREHOLDERS

Singapore, 17 October 2014. Tiger Airways Holdings Limited (the “**Company**” or “**Tiger Airways**”) wishes to announce that it is proposing to undertake a renounceable non-underwritten rights issue (the “**Rights Issue**”) to the Entitled Shareholders (as defined herein) to raise gross proceeds of up to approximately S\$234 million.

Pursuant to the Rights Issue, up to 1,169,842,389¹ new ordinary shares in the capital of the Company (the “**Rights Shares**”) are proposed to be issued at an issue price of S\$0.20 for each Rights Share (the “**Issue Price**”) on the basis of 85 Rights Shares for every 100 existing ordinary shares in the capital of the Company (the “**Shares**”) held by shareholders of the Company (the “**Shareholders**”) as at a date and time to be determined by the directors of the Company (the “**Directors**”) for the purpose of determining the Shareholders’ entitlements under the Rights Issue (the “**Record Date**”), fractional entitlements to be disregarded.

The Issue Price represents a discount of approximately 39 per cent. to the one-day volume weighted average price (“**VWAP**”) on 16 October 2014, being the date preceding the date of this announcement, of S\$0.328 per Share, and a discount of approximately 26 per cent. to the theoretical ex-rights price² (“**TERP**”) of S\$0.269 per Share.

¹ Assuming that (i) all the share options (the “**Vested Share Options**”) that have been granted by the Company under the Pre-IPO Tiger Aviation Share Option Scheme which are exercisable are exercised prior to the Record Date and (ii) all holders of the Convertible Securities (as defined herein) exercise their conversion rights based on the Adjusted Conversion Price (as defined below) prior to the Record Date such that the Conversion Shares (as defined herein) will rank for the Rights Issue.

² The theoretical ex-rights price is the theoretical market price of each share calculated based on the market capitalisation of the Company (computed based on the one-day VWAP on 16 October 2014 and assuming the conversion of all the Convertible Securities at the Adjusted Conversion Price and the exercise of all the Vested Share Options), the Maximum Gross Proceeds (as defined herein), and the number of Shares following the completion of the Rights Issue.

As at the date of this announcement, Singapore Airlines Limited (“**SIA**”) holds an aggregate of 394,551,000 Shares, representing approximately 40.0 per cent. of the existing issued share capital of the Company³. SIA also holds 189,390,367 perpetual convertible capital securities (“**Convertible Securities**”) issued by the Company, pursuant to a non-renounceable preferential offering (the “**Preferential Offering**”) of the Convertible Securities to Shareholders which was completed on 22 April 2013. To support the Rights Issue and the Company and its subsidiaries (the “**Group**”), SIA has undertaken to the Company that it will, *inter alia*, (i) convert all its Convertible Securities into the Conversion Shares (defined herein) following the adjustment of the conversion price of the Convertible Securities pursuant to the Rights Issue and on the date on which the Shares first trade ex-rights, (ii) subscribe and pay in full for its pro-rata entitlements to the Rights Shares after the conversion of its Convertible Securities; and (iii) subscribe and pay in full for such number of excess Rights Shares which are not validly subscribed for by Shareholders, provided that the aggregate amount payable by SIA pursuant to (ii) and (iii) shall not exceed a maximum aggregate amount of S\$140 million (the “**Undertaking**”). Please refer to the section “Undertaking” for further details.

The Company has appointed DBS Bank Ltd. as the sole financial adviser and manager of the Rights Issue (the “**Sole Financial Adviser and Manager**”).

Approvals and Other Conditions to the Rights Issue

Shareholders should note that the Rights Issue is subject to, *inter alia*, the following conditions:

- (a) the receipt of the approval in-principle of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the dealing in, listing of and quotation for the Rights Shares on the Main Board of the SGX-ST and such approval in-principle not having been withdrawn;
- (b) the Rights Issue, including the allotment and issue of the Rights Shares, being approved by the Shareholders at an extraordinary general meeting of the Company (the “**EGM**”) to be convened;
- (c) all approvals of any government whether Singapore or foreign, any department, minister or agency of any government and any other governmental, administrative, fiscal, regulatory, monetary or judicial body, which SIA reasonably determines are necessary to implement the transactions contemplated by the Undertaking having been obtained either unconditionally or on conditions satisfactory to SIA acting reasonably and not having been withdrawn or revoked, including the Competition Commission of Singapore (the “**CCS**”) having made a favourable decision in respect of Section 54 of the Competition Act, Chapter 50B of Singapore (the “**Competition Act**”), without the attachment thereto of any terms, conditions, or remedies (whether in the form of commitments or directions), within the indicative timeframe stipulated for a Phase 1 Review; and
- (d) the lodgment of the offer information statement to be issued by the Company in connection with the Rights Issue (the “**Offer Information Statement**”), together with all other accompanying documents, with the Monetary Authority of Singapore (the “**MAS**”).

³ Based on 987,563,226 Shares in issue as at the date of this announcement.

An application will be made to the SGX-ST for permission to deal in and for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST. The Company will make an appropriate announcement upon receipt of the approval in-principle of the SGX-ST. A circular to Shareholders containing, *inter alia*, details of the Rights Issue and the notice of EGM (the “**Circular**”), will be despatched to Shareholders in due course.

Conversion of Convertible Securities

As at the date of this announcement, 205,253,978 Convertible Securities are outstanding. The Convertible Securities are convertible into fully paid new Shares (the “**Conversion Shares**”) based on the conversion price which is currently S\$0.740 (the “**Conversion Price**”).

The terms and conditions of the Convertible Securities (the “**Terms and Conditions**”) provide for adjustments to be made to the Conversion Price in the event that the Company undertakes a rights issue at less than 95 per cent. of the Current Market Price of the Shares on the last Trading Day preceding the date of the announcement of the terms of such rights issue. “Current Market Price” is defined in the Terms and Conditions as, in respect of a Share at a particular time on a particular date, the average of the closing prices quoted by the SGX-ST for one Share for the five consecutive Trading Days ending on the Trading Day immediately preceding such date, and “Trading Day” is defined in the Terms and Conditions as a day when the SGX-ST is open for dealing business provided that if no closing price is reported in respect of the Shares on the SGX-ST, such day or days will be disregarded in any relevant calculation and shall be deemed not to have existed when ascertaining any period of dealing days.

As a result of the Rights Issue based on the proposed terms, the Conversion Price will be adjusted as follows based on the formula set out in Condition 6(b)(iv) of the Terms and Conditions:

$$\text{Adjusted Conversion Price} = \text{Conversion Price} \times \frac{A + B}{A + C}$$

Where:

Conversion Price = S\$0.740 per Share

A = 987,563,226, being the number of Shares in issue immediately before this announcement;

B = 664,683,175, being the number of Shares which the aggregate amount payable for the Shares issued by way of rights would purchase at the Current Market Price;

C = 1,169,842,389, being the aggregate number of Shares to be issued under the Rights Issue (for the purpose of this calculation, it has been assumed that (i) all Convertible Securities are converted into Conversion Shares based on the Adjusted Conversion Price prior to the Record Date and rank for the Rights Issue; and (ii) the Rights Issue will be fully subscribed); and

Current Market Price (for the purposes of Condition 6(b)(iv)) = S\$0.352, being the Current Market Price calculated on the last Trading Day preceding the date of the announcement of the Rights Issue.

The Adjusted Conversion Price is therefore S\$0.565 and the adjustment will take effect on the first date on which the Shares are traded ex-rights on the SGX-ST.

The Company proposes to allow all Convertible Securities holders who elect to convert their Convertible Securities into Conversion Shares based on the Adjusted Conversion Price to rank for the Rights Issue, so long as they exercise their conversion rights no later than 3.00 p.m. on the first date on which the Shares are traded ex-rights on the SGX-ST. An announcement in relation to the exercise of the conversion rights by the holders of the Convertible Securities based on the Adjusted Conversion Price to rank for the Rights Issue will be made in due course.

Rationale for the Rights Issue and Use of Proceeds

The Rights Issue will enable the Group to (a) strengthen its balance sheet by increasing its equity base and (b) meet its general corporate funding requirements.

Assuming the Rights Issue is fully subscribed, the total estimated maximum gross proceeds from the Rights Issue is approximately S\$234 million (the “**Maximum Gross Proceeds**”). Pursuant to the Undertaking, the minimum gross proceeds from the Rights Issue is approximately S\$140 million (the “**Minimum Gross Proceeds**”). The maximum net proceeds from the Rights Issue (being the Maximum Gross Proceeds less the estimated issue expenses of approximately S\$2 million) are approximately S\$232 million (the “**Maximum Net Proceeds**”) and the minimum net proceeds from the Rights Issue (being the Minimum Gross Proceeds less the estimated issue expenses of approximately S\$2 million) are approximately S\$138 million (the “**Minimum Net Proceeds**”).

The Company intends to use the Minimum Gross Proceeds and the Maximum Gross Proceeds as follows:

Purpose	Minimum Gross Proceeds SGD Million	Maximum Gross Proceeds SGD Million
1) Progressive repayment of existing loans	70	100
2) Funding for aircraft, spare engines and other aircraft parts and associated pre-delivery payments	40	70
3) Working capital and issue expenses	30	64
Total	140	234

Pending the deployment of the net proceeds from the Rights Issue, such net proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or debt instruments, as the Directors may deem appropriate in the interests of the Group.

The Company will announce any material disbursement of the net proceeds accordingly. In addition, a status report on the use of the net proceeds will be provided in the Company’s annual report.

Financial Effects of the Rights Issue

The financial effects of the Rights Issue as presented herein:

- (a) are for illustrative purposes only and are not an indication or a projection of the actual future financial performance or financial position of the Group immediately after the completion of the Rights Issue;
- (b) are based on the audited consolidated financial statements of the Group for the financial year ended 31 March 2014 and the unaudited consolidated financial statements of the Group for the six-month period ended 30 September 2014;
- (c) assume that (i) for the scenario based on the Minimum Gross Proceeds, only SIA exercises its conversion rights (based on the Adjusted Conversion Price) no later than 3.00 p.m. on the first date on which the Shares are traded ex-rights on the SGX-ST and 358,668,482 Conversion Shares are issued before the Record Date and only SIA subscribes for the Rights Shares under the Rights Issue in accordance with the terms of the Undertaking and (ii) for the scenario based on Maximum Gross Proceeds, all Convertible Securities holders exercise their conversion rights (based on the Adjusted Conversion Price) no later than 3.00 p.m. on the first date on which the Shares are traded ex-rights on the SGX-ST and 388,711,073 Conversion Shares arising from the conversion of the Convertible Securities are issued before the Record Date and all the Rights Shares under the Rights Issue are fully subscribed;
- (d) assume that all the Vested Share Options are exercised prior to the Record Date; and
- (e) assume that there is no return earned from the Net Proceeds.

Net tangible assets ("NTA")

Assuming the completion of the Rights Issue on 31 March 2014 and 30 September 2014 (as the case may be), the effects of the conversion of the Convertible Securities and the Rights Issue on the NTA (defined as total assets less total liabilities, less intangibles) of the Group are as follows:

	Based on the Minimum Gross Proceeds⁽¹⁾		Based on the Maximum Gross Proceeds⁽²⁾	
	As at 31 March 2014	As at 30 September 2014	As at 31 March 2014	As at 30 September 2014
NTA (S\$'000)	278,464	22,555	278,464	22,555
Add: Exercise of the Vested Share Options	1	1	1	1
Add: Net proceeds from the Rights Issue (S\$'000)	138,000	138,000	231,968	231,968
NTA after the Rights Issue (S\$'000)	416,465	160,556	510,433	254,524
Number of Shares before the conversion of any existing Convertible Securities and before the Rights Issue	986,415,826	987,563,226	986,415,826	987,563,226

Number of Shares after the conversion of the Convertible Securities at the Adjusted Conversion Price and the exercise of the Vested Share Options but before the Rights Issue	1,345,095,173	1,346,242,573	1,375,137,764	1,376,285,164
NTA per Share before the conversion of any existing Convertible Securities and before the Rights Issue (cents)	28.2	2.3	28.2	2.3
NTA per Share after the conversion of the Convertible Securities at the Adjusted Conversion Price and the exercise of the Vested Share Options but before the Rights Issue (cents)	20.7	1.7	20.2	1.6
Number of Shares after the conversion of the Convertible Securities at the Adjusted Conversion Price, the exercise of the Vested Share Options and after the Rights Issue	2,045,095,173	2,046,242,573	2,544,980,153	2,546,127,553
NTA per Share after the Rights Issue (cents)	20.4	7.8	20.1	10.0

Notes:

- (1) Assuming the issue of 700,000,000 Rights Shares.
(2) Assuming the issue of 1,169,842,389 Rights Shares.

Earnings per Share (“EPS”)

The Rights Issue is expected to have a dilutive effect on the EPS of the Group in view of the enlarged issued share capital of the Company upon the issue of the Rights Shares. Assuming the Rights Issue was completed and the relevant number of Rights Shares was issued, the dilutive effects of the conversion of the Convertible Securities and the Rights Issue on the EPS of the Group would be as follows:

	Based on the Minimum Gross Proceeds ⁽¹⁾		Based on the Maximum Gross Proceeds ⁽²⁾	
	FY2014 ⁽³⁾	6M2015 ⁽⁴⁾	FY2014 ⁽³⁾	6M2015 ⁽⁴⁾
Net profit / (loss) for the year/period (S\$'000)	(222,991)	(247,604)	(222,991)	(247,604)
Weighted average number of Shares ('000)	985,983	987,235	985,983	987,235
Weighted average number of Shares after adjusting for the effects of the conversion of the Convertible Securities at the Adjusted Conversion Price, the exercise of the Vested Share Options and the issuance of the Rights Shares ('000)	2,044,662	2,045,915	2,544,547	2,545,800

Basic EPS/(losses per Share) (cents)	(22.62)	(25.08)	(22.62)	(25.08)
Diluted EPS/(losses per Share) (cents)	(22.62)	(25.08)	(22.62)	(25.08)
Basic EPS/(losses per Share) after Rights Issue (cents)	(10.91)	(12.10)	(8.76)	(9.73)
Diluted EPS/(losses per Share) after Rights Issue (cents)	(10.91)	(12.10)	(8.76)	(9.73)

Notes:

- (1) Assuming the issue of 700,000,000 Rights Shares.
- (2) Assuming the issue of 1,169,842,389 Rights Shares.
- (3) Assuming that the relevant number of Rights Shares, the Shares issued pursuant to the exercise of the Vested Share Options and the Conversion Shares are issued on 1 April 2013.
- (4) Assuming that the relevant number of Rights Shares, the Shares issued pursuant to the exercise of the Vested Share Options and the Conversion Shares are issued on 1 April 2014.

Gearing

Gearing is computed based on the ratio of total net borrowings to shareholders' equity as at 31 March 2014 and 30 September 2014 (as the case may be). Net borrowings consists of total borrowings less cash and cash equivalents, and excludes amounts due from associates and estimated issue expenses of the Rights Issue of approximately S\$2 million.

	Based on the Minimum Gross Proceeds ⁽¹⁾		Based on the Maximum Gross Proceeds ⁽²⁾	
	As at 31 March 2014	As at 30 September 2014	As at 31 March 2014	As at 30 September 2014
Total net borrowings before the Rights Issue (S\$'000)	188,476	209,674	188,476	209,674
Shareholders' equity (S\$'000)	278,690	22,648	278,690	22,648
Net gearing (times)	0.68	9.26	0.68	9.26
Total net (cash) / borrowings after the Rights Issue ⁽³⁾ (S\$'000)	50,476	71,674	(43,492)	(22,294)
Shareholders' equity after the Rights Issue (S\$'000)	416,690	160,648	510,658	254,616
Net gearing after the Rights Issue (times)	0.12	0.45	_(4)	_(5)

Notes:

- (1) Assuming the issue of 700,000,000 Rights Shares.
- (2) Assuming the issue of 1,169,842,389 Rights Shares
- (3) As adjusted for the Minimum Net Proceeds or the Maximum Net Proceeds, as the case may be.
- (4) The Group will be in a net cash position of approximately S\$43.5 million after the Rights Issue based on the Maximum Net Proceeds.
- (5) The Group will be in a net cash position of approximately S\$22.3 million after the Rights Issue based on the Maximum Net Proceeds.

Principal Terms of the Rights Issue

Pursuant to the Rights Issue, up to 1,169,842,389 Rights Shares will be issued at the Issue Price on the basis of 85 Rights Share for every 100 existing Shares held by Shareholders as at the Record Date, fractional entitlements to be disregarded.

The Issue Price represents a discount of approximately 39 per cent. to the one-day VWAP on 16 October 2014, being the date preceding the date of this announcement, of S\$0.328 per Share, and a discount of approximately 26 per cent. to the TERP of S\$0.269 per Share.

The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls before the date of issue of the Rights Shares.

Entitlements to subscribe for the Rights Shares will be renounceable and are expected to be traded on the Main Board of the SGX-ST over a period to be determined by the board of Directors (the “**Board**”) in compliance with the rules of the Listing Manual of the SGX-ST. Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce, or in the case of Entitled Depositors (as defined herein) only, trade their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors who do not wish to subscribe for the Rights Shares may choose to sell their entitlements during the “nil-paid” rights trading period. All fractional entitlements to the Rights Shares will be disregarded in arriving at the entitlements of the Entitled Shareholders and will, together with the entitlements not allotted or taken up for any reason, be aggregated and issued to satisfy applications, if any, for excess Rights Shares, or dealt with in such manner as the Directors in their absolute discretion deem fit. In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots and the Directors and the substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, including SIA, will rank last in priority for the rounding of odd lots and the allotment of excess Rights Shares, but subject to the foregoing, as between the Directors and such substantial Shareholders, preference shall be given to SIA.

The terms and conditions of the Rights Issue are subject to such changes as the Directors, after consultation with the Sole Financial Advisor and Manager, deem fit. Subject to, among others, the approval of the Rights Issue by the Shareholders at the EGM, the final terms and conditions of the Rights Issue will be contained in the Offer Information Statement to be lodged by the Company with the MAS in connection with the Rights Issue and to be despatched to Entitled Shareholders.

In view of the Undertaking as set out below, the Company has decided to proceed with the Rights Issue on a non-underwritten basis. On the basis that the Undertaking is fulfilled by SIA, the Minimum Net Proceeds raised from the Rights Issue will be sufficient to meet the Company’s present funding requirements.

Undertaking

As at the date of this announcement, SIA holds 394,551,000 Shares (the “**Existing SIA Shares**”) and 189,390,367 Convertible Securities (the “**Existing SIA Convertible Securities**”). SIA has given the Undertaking pursuant to which it has irrevocably undertaken to the Company that it will, *inter alia*:

- (a) vote, and/or procure the voting of, all the Existing SIA Shares in favour of the resolution to be proposed at the EGM to be held or any adjournment thereof, to approve, *inter alia*, the Rights Issue and the issue of the Rights Shares;
- (b) convert all the Existing SIA Convertible Securities into the Conversion Shares subsequent to the adjustment of the Conversion Price of the Convertible Securities pursuant to the Rights Issue in accordance with the Terms and Conditions and on the date on which the Shares first trade ex-rights (the “**SIA Conversion Shares**”);
- (c) as at 5.00 p.m. (Singapore time) on the Record Date, have not less than the Existing SIA Shares credited to its securities account with The Central Depository (Pte) Limited (“**CDP**”) (the “**SIA Securities Account**”);
- (d) in accordance with the terms and the conditions of the Rights Issue and in any case, not later than the last date and time for acceptance and payment of the Rights Shares (the “**Closing Date**”), subscribe and pay in full for its pro-rata entitlement under the Rights Issue in relation to (i) the Existing SIA Shares and (ii) the SIA Conversion Shares that are credited to the SIA Securities Account on or prior to the Record Date pursuant to the undertaking by the Company described below (the “**Pro-rata Subscription**”); and
- (e) in accordance with the terms and conditions of the Rights Issue and in any case, not later than the Closing Date, subscribe and pay in full for up to such number of excess Rights Shares (the “**Excess Rights Commitment**”) which are not validly subscribed for by Shareholders other than SIA, provided that the aggregate amount payable by SIA pursuant to the Pro-rata Subscription and the Excess Rights Commitment in accordance with the terms of the Undertaking shall not exceed a maximum aggregate amount of S\$140 million.

In consideration of SIA providing the Undertaking, the Company has agreed and irrevocably undertaken to SIA that:

- (a) subject to Rule 877(10) of the Listing Manual of the SGX-ST, in the allotment of any excess Rights Shares, as between the Directors and the substantial Shareholders falling within the ambit of Rule 877(10) of the Listing Manual of the SGX-ST, preference shall be given to SIA; and
- (b) it shall procure and ensure that upon SIA converting all of the Existing SIA Convertible Securities into the SIA Conversion Shares pursuant to the Undertaking, SIA shall be allotted and issued the SIA Conversion Shares and such SIA Conversion Shares shall be credited to the SIA Securities Account before 5.00 p.m. (Singapore time) on the Record Date.

The Undertaking is subject to and conditional upon the following:

- (a) the receipt of the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Main Board of the SGX-ST and such approval in-principle not having been withdrawn;
- (b) the Rights Issue, including the allotment and issue of the Rights Shares, being approved by the Shareholders at the EGM;
- (c) all approvals of any government whether Singapore or foreign, any department, minister or agency of any government and any other governmental, administrative, fiscal, regulatory, monetary or judicial body, which SIA reasonably determines are necessary to implement the transactions contemplated by the Undertaking having been obtained either unconditionally or on conditions satisfactory to SIA acting reasonably and not having been withdrawn or revoked, including the CCS having made a favourable decision in respect of Section 54 of the Competition Act, without the attachment thereto of any terms, conditions, or remedies (whether in the form of commitments or directions), within the indicative timeframe stipulated for a Phase 1 Review; and
- (d) the lodgment of the Offer Information Statement, together with all other accompanying documents, by the Company in connection with the Rights Issue with the MAS.

The Undertaking shall terminate on 17 January 2015 or such later date and time as may be agreed in writing between the Company and SIA.

Shareholding of the SIA Concert Party Group

SIA is a subsidiary of Temasek Holdings (Private) Limited ("**Temasek**"). Accordingly, Temasek is, by virtue of section 7 of the Companies Act, Chapter 50 of Singapore, deemed interested in the Shares held by SIA. As at the date of this announcement, SIA and Temasek (the "**SIA Concert Party Group**") hold an aggregate shareholding interest of approximately 40.0 per cent. of the existing issued share capital of the Company. As at the date of this announcement, current shareholdings of the SIA Concert Party Group in the Company are as follows:

	Direct Interest (Number of Shares)	Percentage of issued share capital of the Company	Deemed Interest (Number of Shares)	Percentage of issued share capital of the Company⁽¹⁾
SIA	394,551,000	Approximately 40.0%	-	-
Temasek ⁽²⁾	-	-	394,551,000	Approximately 40.0%

Notes:

(1) Based on the issued share capital of the Company of 987,563,226 Shares as at the date of this announcement.

(2) Based on the Company's Register of Substantial Shareholders as at the date of this announcement.

Assuming that (i) all the Vested Share Options are exercised prior to the Record Date; (ii) only SIA converts all its Convertible Securities (based on the Adjusted Conversion Price) prior to the Record Date, and (iii) no other Convertible Securities holders convert their Convertible Securities (based on the Adjusted Conversion Price) prior to the Record Date, the resultant shareholdings of the SIA Concert Party Group in the Company are as follows:

	Direct Interest (Number of Shares)	Percentage of issued share capital of the Company ⁽¹⁾	Deemed Interest (Number of Shares)	Percentage of issued share capital of the Company ⁽¹⁾
SIA	753,219,482	Approximately 55.9%	-	-
Temasek ⁽²⁾	-	-	753,219,482	Approximately 55.9%

Notes:

- (1) Based on the issued share capital of the Company of 987,563,226 Shares as at the date of this announcement, adjusted for issuance of 10,865 Shares pursuant to exercise of the Vested Share Options and issuance of 358,668,482 Conversion Shares upon the conversion of the Convertible Securities (based on the Adjusted Conversion Price) by SIA.
- (2) Based on the Company's Register of Substantial Shareholders as at the date of this announcement.

The Securities Industry Council (the “**SIC**”) had, in its ruling dated 28 February 2013 (the “**Whitewash Waiver**”), waived the obligation of SIA and its concert parties to make offers to all holders of the Shares (the “**Offer**”) pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”) upon conversion of the Convertible Securities subject to, *inter alia*, a resolution approved by a majority of the independent shareholders of the Company to waive their rights to receive an Offer (the “**2013 Whitewash Resolution**”). The 2013 Whitewash Resolution was duly approved and passed by the independent Shareholders of the Company on 22 March 2013.

The Company wishes to further highlight that following consultation with the SIC by SIA, SIA understands that as the conversion of its Convertible Securities will take place prior to the Pro-rata Subscription and/or the Excess Rights Commitment, SIA will hold more than 50 per cent. of the voting rights of the Company prior to any subscription by SIA for the Rights Shares pursuant to the Undertaking and the Rights Issue and therefore, the Pro-rata Subscription and Excess Rights Commitment will also not result in SIA being obliged to make the Offer pursuant to the said Rule 14 of the Code.

Assuming Shareholders' approval, among others, is obtained in relation to the Rights Issue, and (i) all the Vested Share Options are exercised prior to the Record Date, (ii) SIA converts all its Convertible Securities (based on the Adjusted Conversion Price) into Conversion Shares prior to the Record Date, (iii) SIA subscribes for the Rights Shares and excess Rights Shares under the Rights Issue in accordance with its Pro-rata Subscription and Excess Rights Commitment, resulting in the allotment and issue of 700,000,000 Rights Shares to SIA, and (iv) none of the other Shareholders subscribe for their respective entitlements of Rights Shares, the aggregate shareholding interests of the SIA Concert Party Group are as follows:

(A) All other Convertible Securities holders convert all their Convertible Securities (based on the Adjusted Conversion Price) into Conversion Shares prior to the Record Date

	Direct Interest (Number of Shares)	Percentage of issued share capital of the Company ⁽¹⁾	Deemed Interest (Number of Shares)	Percentage of issued share capital of the Company ⁽¹⁾
SIA	1,453,219,482	Approximately 70.0%	-	-
Temasek ⁽²⁾	-	-	1,453,219,482	Approximately 70.0%

Notes:

- (1) Based on the issued share capital of the Company of 987,563,226 Shares as at the date of this announcement, adjusted for issuance of 10,865 Shares pursuant to exercise of the Vested Share Options and issuance of 388,711,073 Conversion Shares upon the conversion of the Convertible Securities (based on the Adjusted Conversion Price) by SIA, resulting in an enlarged issued share capital of the Company of 2,076,285,164 Shares immediately following the allotment and issue of 700,000,000 Rights Shares under the Rights Issue to SIA.
- (2) Based on the Company's Register of Substantial Shareholders as at the date of this announcement.

(B) No other Convertible Securities holders convert their Convertible Securities (based on the Adjusted Conversion Price) into Conversion Shares prior to the Record Date

	Direct Interest (Number of Shares)	Percentage of issued share capital of the Company ⁽¹⁾	Deemed Interest (Number of Shares)	Percentage of issued share capital of the Company ⁽¹⁾
SIA	1,453,219,482	Approximately 71.0%	-	-
Temasek ⁽²⁾	-	-	1,453,219,482 ⁽²⁾	Approximately 71.0% ⁽²⁾

Notes:

- (1) Based on the issued share capital of the Company of 987,563,226 Shares as at the date of this announcement, adjusted for issuance of 10,865 Shares pursuant to exercise of the Vested Share Options and issuance of 358,668,482 Conversion Shares upon the conversion of the Convertible Securities (based on the Adjusted Conversion Price) by SIA, resulting in an enlarged issued share capital of the Company of 2,046,242,573 Shares immediately following the allotment and issue of 700,000,000 Rights Shares under the Rights Issue to SIA.
- (2) Based on the Company's Register of Substantial Shareholders as at the date of this announcement.

Eligibility of Shareholders to Participate in the Rights Issue

The Company proposes to provisionally allot the Rights Shares under the Rights Issue at the Issue Price on the basis of their shareholdings as at the Record Date to all Shareholders who are eligible to participate in the Rights Issue (the "**Entitled Shareholders**"), comprising Entitled Depositors, Entitled Scripholders and Entitled QIBs (as defined below).

"**Entitled Depositors**" are Shareholders with Shares standing to the credit of their securities accounts (the "**Securities Accounts**") and whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents; but exclude, subject to certain exceptions, Shareholders with a registered address in the United States or who are otherwise located, resident or with a registered address in any jurisdiction in which the offering of Rights (as defined below) and Rights Shares may not be lawfully made.

“Entitled Scripholders” are Shareholders whose share certificates have not been deposited with CDP and who have tendered to the Share Registrar of the Company valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date and whose registered addresses with the Company are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents; but exclude, subject to certain exceptions, Shareholders with a registered address in the United States or who are otherwise located, resident or with a registered address in any jurisdiction in which the offering of Rights and Rights Shares may not be lawfully made.

“Entitled QIBs” are “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) (a) whose identities have been agreed upon by the Company and the Sole Financial Adviser and Manager; (b) who have each provided the Company and the Sole Financial Adviser and Manager with a signed Investor Representation Letter (in the form attached to the Offer Information Statement); and (c) who are Entitled Depositors or Entitled Scripholders.

Entitled Shareholders will be eligible to participate in the Rights Issue and to receive the Offer Information Statement together with the application and acceptance form for Rights Shares and excess Rights Shares to be issued to an Entitled Depositor in respect of the provisional allotment of Rights Shares of such Entitled Depositor under the Rights Issue (the **“ARE”**) or the provisional allotment letter to be issued to an Entitled Scripholder, setting out the provisional allotment of Rights Shares of the Entitled Scripholder under the Rights Issue (the **“PAL”**) and other accompanying documents at their respective Singapore addresses. Entitled Depositors who do not receive the Offer Information Statement and the ARE and the PAL may obtain them from CDP, the Share Registrar or any stockbroking firm during the period from the date the Rights Issue commences up to the Closing Date of the Rights Issue. Entitled Scripholders who do not receive the Offer Information Statement and the PAL may obtain them from the Share Registrar during the period from the date the Rights Issue commences up to the Closing Date of the Rights Issue.

Entitled Shareholders will be provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings as at the Record Date. They are at liberty to accept (in full or in part), decline, renounce (in the case of their provisional allotment of Rights Shares) or, in the case of Entitled Depositors only, trade on the SGX-ST (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotment of Rights Shares, and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

For CPF Investment Scheme Members, acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares, can only be made using CPF Funds. In the case of insufficient CPF Funds or stock limit, CPF Investment Scheme Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept the Rights Shares and (if applicable) apply for excess Rights Shares.

Any application made by the abovementioned CPF Investment Scheme Members directly to CDP or through the automated teller machines of the participating banks to the Rights Issue will be rejected. Such Shareholders should refer to the Offer Information Statement for the details relating to the offer procedure in connection with the Rights Issue.

Foreign Shareholders

The Rights and the Rights Shares will not be offered to Shareholders who are not Entitled Depositors or Entitled Scripholders, with registered addresses outside Singapore as at the Record Date and who have not provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents at least three (3) market days prior to the Record Date (the “**Foreign Shareholders**”). Accordingly, no provisional allotment of Rights will be made to Foreign Shareholders and no purported acceptance or application for Rights by Foreign Shareholders will be valid.

To the extent it is practicable to do so, arrangements may, at the absolute discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “nil-paid” on the SGX-ST, as soon as practicable after the commencement of trading of the provisional allotments. The net proceeds of such sales (after deducting any applicable brokerage, commissions and expenses, including goods and services tax) will be aggregated and paid to Foreign Shareholders in proportion to their respective shareholdings as at the Record Date, save that no payment will be made of amounts of less than S\$10.00 to a single or joint Foreign Shareholder and the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company. No Foreign Shareholder shall have any claim whatsoever against the Company, the Sole Financial Adviser and Manager, CDP, the CPF Board or the Share Registrar and their respective officers in respect of such sales or the proceeds thereof.

Adjustments to Share Options and Share Awards

The Company intends to make adjustments with respect to the share options to acquire Shares granted under the Pre-IPO Tiger Aviation Share Option Scheme, the awards of Shares granted under the Tiger Airways Group Performance Share Plan (the “**PSP**”) and the Tiger Airways Group Restricted Share Plan (the “**RSP**”) to take into account the Rights Issue so that the participants under the Pre-IPO Tiger Aviation Share Option Scheme, the PSP and the RSP thereof will not be adversely affected thereby. Details of such adjustments will be communicated separately to such participants.

Indicative Timeline

The Rights Issue is targeted to be completed by mid January 2015, after the convening of the EGM and receipt of applicable approvals from regulatory authorities. An indicative timeline for the Rights Issue will be provided to Shareholders in due course.

By Order of the Board

Ho Zhuanglin
Joint Company Secretary

17 October 2014

Important Notice

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, any Rights or Rights Shares to take up any entitlements to Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Rights or Rights Shares except on the basis of the information contained in the Offer Information Statement. The information contained in this announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this announcement, the Offer Information Statement, the provisional allotment letters and/or the application forms for Rights Shares and excess Rights Shares into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

All statements contained in this announcement, press releases and oral statements that may be made by Tiger Airways or its Directors, officers or employees acting on its behalf, that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as, without limitation, "anticipate", "aim", "believe", "could", "estimate", "expect", "forecast", "if", "intend", "may", "plan", "possible", "predict", "probable", "project", "seek", "should", "will" and "would" or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group's future financial position, operating results, business strategies, plans and future prospects are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Group's revenue and profitability, prospects, future plans and other matters discussed in this announcement regarding matters that are not historical facts, are merely predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group's actual, future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks (both known and unknown), uncertainties and other factors that may cause the Group's actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this announcement, undue reliance must not be placed on these statements. The Group's actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither Tiger Airways, the Sole Financial Adviser and Manager nor any other person represents or warrants that the Group's actual future results, performance or achievements will be as discussed in those statements. Further, Tiger Airways, the Sole Financial Adviser and Manager disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future.

The value of the shares in the capital of the Company (the "**Securities**") and the income derived from them may fall as well as rise. The Securities are not obligations of, deposits in, or guaranteed by, the Company or any of its affiliates. An investment in the Securities is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request that the Company redeem or purchase the Securities while the Securities are listed. It is intended that holders of the Securities may only deal in the Securities through trading on the SGX-ST.

Listing of the Securities on the SGX-ST does not guarantee a liquid market for the Securities.

This announcement is not an offer for sale of securities in the United States or elsewhere. Rights and Rights Shares are not being registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from registration under the Securities Act. There will be no public offering of securities in the United States.

Convertible Securities issued to SIA

On 22 April 2013, the Company had allotted and issued, and SIA had subscribed for, S\$202,647,692.69 in aggregate principal amount of 189,390,367 Convertible Securities in the denomination of S\$1.07 for each Convertible Security, pursuant to the Preferential Offering announced by the Company on 4 March 2013 and an undertaking dated 4 March 2013 provided by SIA to the Company (the "**2013 Undertaking**").

SIA has the right to convert any Convertible Security into Conversion Shares at any time from the 41st day after the date of issue of the Convertible Securities (being 3 June 2013). The number of Conversion Shares to be issued on the conversion will be determined by dividing the principal amount of each Convertible Security by the Conversion Price which is currently S\$0.740. The Conversion Price will be subject to adjustments under certain circumstances in accordance with the Terms and Conditions.

Details of the 2013 Whitewash Resolution

Prior to the issue of the Convertible Securities, Shareholders independent of SIA and its then concert parties (including Temasek Holdings (Private) Limited, Dahlia Investments Pte. Ltd. and Aranda Investments Pte. Ltd.) (the "**Concert Party Group**")* had, at an extraordinary general meeting of the Company held on 22 March 2013, passed the 2013 Whitewash Resolution, waiving their rights to receive a mandatory general offer from the Concert Party Group for all the Shares not already owned or controlled by them, in the event an obligation to extend such an offer is incurred pursuant to Rule 14 of the Code, as a result of, *inter alia*, the subscription of the Convertible Securities under the Preferential Offering by SIA and the conversion of the Convertible Securities by SIA into Conversion Shares. For the purposes of the 2013 Whitewash Resolution, the acquisition of the Conversion Shares by the Concert Party Group upon the conversion of the Convertible Securities must be completed within five years of the date of issue of the Convertible Securities. Accordingly, the Whitewash Waiver pursuant to the 2013 Whitewash Resolution is valid from 22 April 2013 (being the date of the issue of the Convertible Securities) to 22 April 2018 (being the date five years from the date of issue of the Convertible Securities). Further details of the Convertible Securities and the 2013 Whitewash Resolution are set out in the Company's circular dated 7 March 2013.

** SIA had on 20 December 2013 announced its acquisition from Dahlia Investments Pte. Ltd. and Aranda Investments Pte. Ltd. of their entire respective shareholding in the Company.*

Holdings and Interests of the SIA Concert Party Group

As at the date hereof, the SIA Concert Party Group holds or is interested in:

- (i) 394,551,000 Shares, representing approximately 40.0 per cent. of all the Shares in issue; and
- (ii) S\$202,647,692.69 in aggregate principal amount of 189,390,367 Convertible Securities.

Save as disclosed, none of the SIA Concert Party Group holds any voting rights in the Company and instruments convertible into, rights to subscribe for and options in respect of the Shares as at the date hereof.

Maximum Potential Interests of the SIA Concert Party Group

The SIA Concert Party Group would have a maximum potential interest of 53.0 per cent. in the Company's enlarged share capital, based on 1,261,411,459 Shares in issue assuming the SIA Concert Party Group exercises and converts the Convertible Securities (at the prevailing Conversion Price of S\$0.740) (assuming no adjustments thereto) they hold in full to Conversion Shares and no other holders of instruments convertible into, rights to subscribe for and options in respect of the Shares exercise and convert such instruments, rights and options.

Cautionary Statement

Shareholders should note that, having approved the 2013 Whitewash Resolution, Shareholders have waived their rights to receive a general offer from the SIA Concert Party Group at the highest price paid by the SIA Concert Party Group for Shares in the past six months preceding the date of the 2013 Undertaking.

Shareholders should also note that, having approved the 2013 Whitewash Resolution, Shareholders could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Convertible Securities.