

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

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**ADDITIONAL SUBSCRIPTION BY ARGYLE STREET MANAGEMENT HOLDINGS  
LIMITED IN ASM CONNAUGHT HOUSE GENERAL PARTNER II LIMITED**

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**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, 1 November 2016 and 4 July 2017 (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 ASMHL and Killian Court currently hold approximately 67.05% and 32.95% of the issued share capital of the General Partner, respectively.

**2. INFORMATION ON THE ADDITIONAL SUBSCRIPTION (AS DEFINED HEREIN)**

- 2.1 The Board wishes to announce that ASMHL has increased its capital commitment in the General Partner by subscribing for 47,500 additional GP Shares (“**Additional ASMHL Subscription Shares**”) at an issue price of US\$100 for each GP Share, for an aggregate subscription amount of US\$4,750,000 (“**Additional ASMHL Subscription Consideration**”) (“**Additional Subscription**”). Following the Additional Subscription, ASMHL and Killian Court will respectively hold 70% and 30% of the issued share capital of the General Partner.
- 2.2 The Additional ASMHL Subscription Shares will be issued when the Additional ASMHL Subscription Consideration has been paid. It is intended that the Additional ASMHL Subscription Consideration received by the General Partner will be used to satisfy the General Partner’s increased capital commitment in the CHF II Fund.
- 2.3 In connection with the Additional Subscription, Killian Court, ASMHL and the General Partner have on 13 September 2017 terminated and replaced the previous shareholders’ agreement dated 4 July 2017 (“**July 2017 SHA**”) and entered into a new shareholders’ agreement dated 13 September 2017 to re-govern their relations *inter se* in the General Partner following the Additional Subscription (“**September 2017 SHA**”).
- 2.4 TIH Investment Management Pte. Ltd. (“**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 subsequently amended and supplemented) 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 13 September 2017 (“**Supplemental Letter**”), the IAA was amended to reflect that the revised investment advisory fees payable by the General Partner to TIH IM (acting as investment advisor to CHF II Fund) as being a relevant percentage of the management fee (such percentage shall be calculated on each management fee due date as the number of paid up shares in the General Partner held by the Company (via Killian Court as the case may be) divided by the entire paid up share capital of the General Partner)) (“**Revised IAA**”).

### 3. RATIONALE FOR THE ADDITIONAL SUBSCRIPTION

- 3.1 Following the previous round of increase in capital commitment in the General Partner by Killian Court (further details of which are set out in the Company's announcement dated 4 July 2017), ASMHL has decided to increase their investment into the General Partner which will correspondingly increase its investment into the CHF II Fund. This is in response to market expectations and to align interests between the General Partner and investors in CHF II Fund. The General Partner's significant commitment into CHF II Fund demonstrates its conviction in the future success of CHF II Fund which boosts the confidence of existing and potential investors. This increase in commitment is critical to the successful fund-raising of the CHF II Fund. The final close date of the CHF II Fund has been extended to 31 December 2017.

### 4. FINANCIAL EFFECTS

- 4.1 As the additional subscription in the General Partner is made by ASMHL, the capital commitment by the Group in the General Partner remains unchanged. The Group's total capital commitment in the General Partner remains at approximately US\$15.9 million (equivalent to approximately S\$21.4 million at an exchange rate of US\$1.00: S\$1.3435) is about 17.73% of the Group's net asset value ("NAV") as at 31 December 2016 and 16.87% of the Company's market capitalisation as at the date of this announcement (based on the last traded share price on 13 September 2017 of S\$0.525 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 and are based on the audited financial statements of the Company for the financial year ended 31 December 2016:
- (a) **NAV:** Any change in value of the shares held by the Group in the General Partner will have an impact on the NAV of the Company. The Additional Subscription in and of itself should not cause a change in valuation of the shares held by the Group in the General Partner. Therefore, there would be no impact on the Company's NAV if the Additional Subscription was completed on 1 January 2016.
  - (b) **Earnings:** The Group's investment in the General Partner is classified as investment at fair value through profit or loss. Accordingly, any change in valuation of the investment will have an impact on the Company's earnings. Assuming no revaluation from this investment, there would be no impact on the Company's earnings if the Additional Subscription was completed on 1 January 2016.
  - (c) **Share Capital:** The Additional Subscription 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 investment by Killian Court in the General Partner constitutes an interested person transaction involving 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\$6.9 million; and (b) the total value of all transactions, including this transaction, entered into by the Group with ASMHL, ASML, or their affiliates is S\$6.9 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 September 2017 SHA, the terms of the Revised IAA and the advice from external 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 July 2017 SHA in its entirety with the September 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 July 2017 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 the CHF II Fund) as being a relevant percentage of the management fee (such percentage shall be calculated on each management fee due date as the number of paid up shares in the General Partner held by the Company (via Killian Court as the case may be) divided by the entire paid up share capital of the General Partner));
  - (iii) the September 2017 SHA provides 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 September 2017 SHA) and SuperAsianova (as such term is defined in the September 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 September 2017 SHA) and (if ever any) SuperAsianova (as such term is defined in the September 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 September 2017 SHA) and (if ever any) SuperAsianova (as such term is defined in the September 2017 SHA) on the other hand, shall be in proportion to the respective paid-up capital contributions by ASMHL and Killian Court in the General Partner; 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-up, in proportion to the respective paid-up capital contribution of ASMHL and Killian Court to the General Partner.

- (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 joint venture, following the Additional Subscription by ASMHL, continues to satisfy 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 **Directors' Interests:** Save as disclosed and save for their respective shareholdings in the Company or in the controlling shareholders of the Company, none of the directors of the Company have any interest, direct or indirect, in the transactions contemplated by the joint venture.
- 6.2 **Controlling Shareholders' Interests:** Save as disclosed and save for their respective shareholdings in the Company, none of the controlling shareholders of the Company have 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*

13 September 2017