

CIRCULAR DATED 29 SEPTEMBER 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by TSH Corporation Limited (“**Company**”).

If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. If you have sold or transferred all your ordinary shares in the capital of the Company, please forward this Circular, the notice of the extraordinary general meeting (“**EGM**”) of the Company and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, SAC Capital Private Limited (“**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Sponsor has not independently verified the contents of this Circular.

This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms Tan Pei Woon (Tel: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.



TSH CORPORATION LIMITED

Company Registration No.: 200003865N
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to

(1) THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION

(2) THE PROPOSED SPECIAL DIVIDEND

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	19 October 2016 at 3.00 p.m.
Date and time of Extraordinary General Meeting	:	21 October 2016 at 3.00 p.m.
Place of Extraordinary General Meeting	:	1 Irving Place, #07-13, The Commerze@Irving, Singapore 369546

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DEFINITIONS

For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires or is otherwise stated:

“ACRA”	: The Accounting and Corporate Regulatory Authority of Singapore
“Board”	: The board of directors of the Company for the time being
“Books Closure Date”	: A date to be determined by the Directors on which the transfer books and Register of Members of the Company will be closed for the purpose of determining the entitlements of Shareholders to the payment of the Proposed Cash Distribution pursuant to the Proposed Capital Reduction and the Proposed Special Dividend
“Catalist”	: The sponsor-supervised board of the SGX-ST
“Catalist Rules”	: The Listing Manual (Section B: Rules of Catalist) of the SGX-ST, as amended, modified or supplemented from time to time
“CDP”	: The Central Depository (Pte) Limited
“Circular”	: This circular to the Shareholders dated 29 September 2016
“Company”	: TSH Corporation Limited, a company incorporated in the Republic of Singapore and having its registered office at 62 Burn Road #06-01 Singapore 369976
“Companies Act”	: The Companies Act (Cap. 50) of Singapore, as amended, modified or supplemented from time to time
“Creditor Objection Period”	: Has the meaning ascribed to it in paragraph 3.3(e) of this Circular
“Directors”	: The directors of the Company for the time being
“Disposals”	: Has the meaning ascribed to it in paragraph 2.3 of this Circular
“EGM”	: The extraordinary general meeting of the Company to be convened on 21 October 2016, notice of which is set out on pages 17 to 18 of this Circular
“Entitled Shareholders”	: Has the meaning ascribed to it in paragraph 3.6(a) of this Circular
“EPS”	: Earnings per Share
“Explomo Disposal”	: Has the meaning ascribed to it in paragraph 2.1.1 of this Circular
“Group”	: The Company and its subsidiaries
“Latest Practicable Date”	: 23 September 2016, being the latest practicable date prior to the printing of this Circular

“Market Day”	: A day on which the SGX-ST is open for trading in securities
“NTA”	: Net tangible assets
“Property”	: Has the meaning ascribed to it in paragraph 2.2.1 of this Circular
“Property Disposal”	: Has the meaning ascribed to it in paragraph 2.2.1 of this Circular
“Proposed Capital Reduction”	: Has the meaning ascribed to it in paragraph 1.1(a) of this Circular
“Proposed Capital Reduction Resolution”	: Has the meaning ascribed to it in paragraph 1.3 of this Circular
“Proposed Cash Distribution”	: Has the meaning ascribed to it in paragraph 1.1(a) of this Circular
“Proposed Special Dividend”	: Has the meaning ascribed to it in paragraph 1.1(b) of this Circular
“Proposed Special Dividend Resolution”	: Has the meaning ascribed to it in paragraph 1.3 of this Circular
“Proxy Form”	: The proxy form in respect of the EGM as set out in this Circular
“Register of Members”	: Has the meaning ascribed to it in paragraph 3.6(a) of this Circular
“Resolution Date”	: Has the meaning ascribed to it in paragraph 3.1.5 of this Circular
“Securities Account”	: Securities account maintained by a Depositor with CDP
“Securities and Futures Act”	: Securities and Futures Act (Cap. 289) of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shares”	: Ordinary shares in the capital of the Company
“Shareholders”	: Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons to whose direct Securities Accounts maintained with CDP are credited with the Shares and any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders’ Securities Accounts
“Share Registrar”	: Boardroom Corporate & Advisory Services Pte Ltd
“Solvency Statement”	: Has the meaning ascribed to it in paragraph 3.1.4 of this Circular
“Sponsor”	: SAC Capital Private Limited
“Starmo”	: Has the meaning ascribed to it in paragraph 2.1.1 of this Circular

“Substantial Shareholder” : A person (including a corporation) who has an interest or interests in one or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares of the Company

“Wow Disposal” : Has the meaning ascribed to it in paragraph 2.1.1 of this Circular

Currencies, Units and Others

“S\$” : Singapore dollars, being the lawful currency of the Republic of Singapore

“%” : Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”**, **“Depository”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act. The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act, the Catalist Rules or any modification thereof and used in this Circular shall have the same meaning assigned to it under the Companies Act, the Securities and Futures Act, the Catalist Rules or any modification thereof, as the case may be.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in tables included in this Circular between the listed amounts and the totals are due to rounding.

INDICATIVE TIMETABLE

The following indicative dates and times for the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend are for illustrative purposes only⁽¹⁾:

Last date and time for lodgement of Proxy Forms for the EGM ⁽²⁾	:	19 October 2016 at 3.00 p.m.
Date and time of EGM	:	21 October 2016 at 3.00 p.m.
Expected effective date of the Proposed Capital Reduction	:	On or about 5 December 2016
Expected last date and time of “cum” trading of the Shares on the SGX-ST	:	On or about 8 December 2016 at 5.00 p.m.
Expected commencement of “ex” trading of the Shares on the SGX-ST	:	On or about 9 December 2016 at 9.00 a.m.
Expected Books Closure Date for the Proposed Cash Distribution pursuant to the Proposed Capital Reduction and Proposed Special Dividend	:	On or about 13 December 2016 at 5.00 p.m.
Expected payment date for the Proposed Cash Distribution pursuant to the Proposed Capital Reduction and Proposed Special Dividend	:	On or about 20 December 2016

Notes:

- (1) Save for the date and time by which the Proxy Forms must be lodged and the date and time of the EGM, the above timetable is only indicative and the actual dates of the above events will be announced in due course by way of SGXNET announcement released on the website of the SGX-ST.
- (2) All Proxy Forms must be lodged at the registered office of the Company at 62 Burn Road #06-01 Singapore 369976 not less than 48 hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy if he wishes to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

TSH CORPORATION LIMITED

Company Registration No.: 200003865N
(Incorporated in the Republic of Singapore)

LETTER TO SHAREHOLDERS

Board of Directors:

Lye Chee Fei Anthony (Chief Executive Officer and Executive Director)
Wong Weng Foo John (Non-Executive Chairman and Independent Director)
Tan Dah Ching (Non-Executive and Independent Director)
Teo Kok Woon (Non-Executive Director)

Registered office:

62 Burn Road
#06-01
Singapore 369976

29 September 2016

To: The Shareholders of TSH Corporation Limited

Dear Sir/Madam

(1) THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION

(2) THE PROPOSED SPECIAL DIVIDEND

1. INTRODUCTION

1.1 On 16 September 2016, the Company announced that it intends to undertake the following exercises:

- (a) the proposed capital reduction ("**Proposed Capital Reduction**") pursuant to Section 78A read with Section 78C of the Companies Act which will involve a cash distribution ("**Proposed Cash Distribution**") by the Company to the Shareholder of S\$0.1072 in cash for each Share held by a Shareholder; and
- (b) the proposed declaration of a one-tier tax-exempt special cash dividend of S\$0.0160 for each Share ("**Proposed Special Dividend**") held by a Shareholder.

1.2 The Directors propose to convene an EGM to be held on 21 October 2016 at 3.00 p.m. at 1 Irving Place, #07-13, The Commerze@Irving, Singapore 369546 to seek the Shareholders' approval for the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend.

1.3 The purpose of this Circular is to provide the Shareholders with relevant information relating to the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend, including the rationale and the pro forma financial effects of the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend, and to seek the Shareholders' approval for the special resolution relating to the Proposed Capital Reduction and Proposed Cash Distribution ("**Proposed Capital Reduction Resolution**") and the ordinary resolution relating to the Proposed Special Dividend ("**Proposed Special Dividend Resolution**") to be proposed at the EGM, notice of which is set out on pages 17 to 18 of this Circular.

2. BACKGROUND

2.1 Wow Disposal and Explomo Disposal

2.1.1 The Company had on 28 April 2016 and 13 June 2016 announced (a) the disposal of its entire shareholding in Wow Technologies (Singapore) Pte. Ltd. and its subsidiaries to Exact Solution Management Ltd ("**Wow Disposal**"); and (b) the disposal by Starmo International Pte. Ltd. ("**Starmo**"), a wholly-owned subsidiary of the Company, of its entire shareholding in Explomo Technical Services Pte. Ltd. to Lye Chee Fei Anthony ("**Explomo Disposal**") respectively.

- 2.1.2 As announced on 1 August 2016 and 31 August 2016, Starmo and the Company had successfully completed the Explomo Disposal and Wow Disposal respectively. The aggregate net proceeds from the Explomo Disposal and Wow Disposal, after deducting the related fees and expenses, amounted to approximately S\$6.06 million.

2.2 Property Disposal

- 2.2.1 The Company had also on 7 July 2016 announced the disposal of the Company's freehold industrial land and building located at 62 Burn Road Singapore 369976 comprised in the whole of Land Lot No. 99837K of Mukim 24 ("**Property**") ("**Property Disposal**").
- 2.2.2 As announced on 25 August 2016, the Company had successfully completed the Property Disposal. The net proceeds from the Property Disposal, after deducting the related fees and expenses, and after repayment of the Company's bank loan and discharge of the mortgage on the Property, amounted to approximately S\$3.88 million.

2.3 Cash and Cash Equivalents

The cash and cash equivalents, including the net proceeds from the Wow Disposal, Explomo Disposal and Property Disposal (collectively, the "**Disposals**"), amounted to approximately S\$33.69 million as at the Latest Practicable Date, of which approximately S\$30.33 million¹ was held in the Company's escrow account ("**Escrow Account**") in accordance to Rule 1017(1) of the Catalist Rules.

The Board intends to distribute all the net proceeds from the Disposals by way of (a) the Proposed Cash Distribution pursuant to the Proposed Capital Reduction; and (b) the Proposed Special Dividend.

3. THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION

3.1 Details of the Proposed Capital Reduction and Proposed Cash Distribution

- 3.1.1 The Directors propose to effect the Proposed Capital Reduction pursuant to Section 78A read with Section 78C of the Companies Act, by reducing the share capital of the Company from approximately S\$26.03 million to approximately S\$0.26 million and making a distribution of S\$0.1072 in cash for each Share held by the Shareholders as at the Books Closure Date. Based on the Company's issued and paid-up share capital of approximately S\$26.03 million comprising 240,443,565 Shares as at the Latest Practicable Date, an aggregate amount of approximately S\$25.78 million will be paid out to the Shareholders.
- 3.1.2 The Proposed Cash Distribution pursuant to the Proposed Capital Reduction will be funded by the cash balance in the Escrow Account.
- 3.1.3 **The Proposed Capital Reduction will not result in (a) a cancellation of Shares; (b) a change in the number of Shares held by any Shareholder; or (c) a change in the proportion of Shares held by the Shareholders, immediately after the Proposed Capital Reduction. Each Shareholder will hold the same number of Shares before and immediately after the Proposed Capital Reduction.**
- 3.1.4 In determining the Proposed Cash Distribution to the Shareholders, the Board has ensured that the Company has retained sufficient cash after the Proposed Capital Reduction for its operating expenses and for the exploration of potential new businesses. Pursuant to this and in compliance with Section 78C of the Companies Act, each of the Directors will make a solvency statement ("**Solvency Statement**") confirming that:
- (a) as regards the Company's situation as at the date of the Solvency Statement, there is no ground on which the Company could be found to be unable to pay its debts;

¹ The Company's cash balance in the Escrow Account has increased from approximately S\$29.42 million as at 31 August 2016, being the date on which the Company became a cash company, as per the Company's announcement dated 31 August 2016, to approximately S\$30.33 million as at the Latest Practicable Date, due to the deposit of 90% of the proceeds from the sale of the Company's quoted investments.

- (b) the Company will be able to pay its debts as they fall due during the period of twelve (12) months immediately after the date of the Solvency Statement; and
 - (c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the Proposed Capital Reduction, become less than the value of its liabilities (including contingent liabilities).
- 3.1.5 Copies of the Solvency Statements signed by all the Directors will be available for inspection at the EGM, as well as at the registered office of the Company throughout the six (6) weeks beginning with the date on which the Proposed Capital Reduction Resolution is passed ("**Resolution Date**").

3.2 Illustration

- 3.2.1 The following illustrates the position of a Shareholder who holds 100 Shares as at the Books Closure Date:

	Shareholder with 100 Shares
Shareholding immediately before the Proposed Capital Reduction ⁽¹⁾	100
Shareholding immediately after the Proposed Capital Reduction ⁽¹⁾	100
Cash received (S\$)	10.72

Note:

- (1) On the assumption that such Shareholder does not dispose of any Shares between the Books Closure Date and the effective date of the Proposed Capital Reduction.

- 3.2.2 In summary, Shareholders will receive S\$10.72 in cash for every 100 Shares held as at the Books Closure Date. Shareholders holding lots other than board lots of 100 Shares will likewise receive S\$0.1072 in cash for each Share held by them or on their behalf as at the Books Closure Date. The shareholding of each Shareholder in the Company shall remain unchanged immediately after the Proposed Capital Reduction.

3.3 Conditions

The Proposed Capital Reduction shall be subject to, *inter alia*, the following conditions:

- (a) the approval of the Shareholders by way of a special resolution of the Proposed Capital Reduction Resolution at the EGM;
- (b) each of the Directors making the Solvency Statement in relation to the Proposed Capital Reduction and compliance with other relevant solvency requirements as prescribed by the Companies Act;
- (c) compliance with the relevant publicity requirements as prescribed by the Companies Act;
- (d) lodgement with ACRA of copies of the Solvency Statements and Proposed Capital Reduction Resolution within fifteen (15) days beginning with the Resolution Date;
- (e) no application(s) having been made by any creditor of the Company to the High Court of Singapore for the cancellation of the Proposed Capital Reduction Resolution, within the period of six (6) weeks beginning with the Resolution Date ("**Creditor Objection Period**"), or if any such application(s) were made, the withdrawal or dismissal thereof by the High Court of Singapore;
- (f) lodgement of the relevant documents with ACRA after the end of six (6) weeks (but before the end of eight (8) weeks) beginning with the Resolution Date; and
- (g) the approval of all other relevant regulatory authorities (if any and if necessary).

3.4 Rationale

- 3.4.1 Following the completion of the Wow Disposal and Explomo Disposal, the Company has ceased to have any operating business and has accordingly become a cash company under Rule 1017 of the Catalist Rules.
- 3.4.2 The Board has since been in the process of exploring various potential new business opportunities for the Company which would satisfy the SGX-ST's requirements for a new listing. As at the Latest Practicable Date, the Board has not identified any suitable business opportunities for the Company.
- 3.4.3 The Directors are of the view that the Proposed Capital Reduction is in the best interests of the Company as the Proposed Cash Distribution pursuant to the Proposed Capital Reduction comprises the issued and paid-up capital in excess of the immediate requirements of the Company. In addition, the Proposed Cash Distribution pursuant to the Proposed Capital Reduction will reward the Shareholders for their continued support of the Company. The Company has ensured that it has retained sufficient cash after the Proposed Capital Reduction and Proposed Cash Distribution for its operating expenses and for the exploration of potential new businesses.
- 3.4.4 For the avoidance of doubt, the utilisation of the remaining cash that are held in the Escrow Account shall be in accordance with Rule 1017(1)(a) of the Catalist Rules. Meanwhile, the Board will continue to review and consider any such new business proposals as and when they arise.

3.5 Effective Date and Payment Date

- 3.5.1 As mentioned in paragraph 3.3 of this Circular, the Proposed Capital Reduction is subject to the satisfaction of, *inter alia*, the conditions set out therein. The Proposed Capital Reduction will take effect after the expiry of the Creditor Objection Period upon the lodgement of the prescribed documents with ACRA, and the Proposed Cash Distribution will be made thereafter. It is currently expected that the Proposed Cash Distribution will be paid to the relevant Shareholders tentatively on or about 20 December 2016.
- 3.5.2 The Company wishes to further highlight that the dates set out on page 6 of this Circular are tentative dates and are subject to the Proposed Capital Reduction being effective as provided under Section 78E of the Companies Act.
- 3.5.3 The Company will publicly announce and notify the Shareholders of the effective date of the Proposed Capital Reduction through a SGXNET announcement to be posted on the SGX-ST website at <http://www.sgx.com>.

3.6 Administrative Procedures for the Proposed Capital Reduction and Proposed Cash Distribution

The following paragraphs set out the administrative procedures for the Proposed Capital Reduction and Proposed Cash Distribution:

(a) Books Closure Date

Persons registered in the register of members of the Company ("**Register of Members**") and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date will be considered for purposes of the Proposed Cash Distribution pursuant to the Proposed Capital Reduction on the basis of the number of such Shares registered in their names or standing to the credit of their Securities Accounts as at the Books Closure Date ("**Entitled Shareholders**"). Accordingly, the Entitled Shareholders will receive a sum of S\$0.1072 for each Share held by them as at the Books Closure Date.

The Company will make announcement(s) to notify the Shareholders of the Books Closure Date as soon as practicable.

(b) Shareholders holding Scrip Shares

Shareholders who hold Shares registered in their own names in the Register of Members and who wish to deposit their Shares with CDP prior to the Books Closure Date must deliver their existing share certificates in respect of their Shares, together with the duly executed instruments of transfer in favour of CDP, at least twelve (12) Market Days prior to the Books Closure Date in order for their Securities Accounts maintained with CDP to be credited with the relevant Shares by the Books Closure Date.

(c) Payments of the Proposed Cash Distribution

Payment of the Proposed Cash Distribution pursuant to the Proposed Capital Reduction will be made in the following manner:

(i) *Shareholders holding Scrip Shares*

Shareholders whose Shares are registered in the Register of Members as at the Books Closure Date will have the cheques for payment of their entitlements to the Proposed Cash Distribution under the Proposed Capital Reduction despatched to them by the Share Registrar by ordinary post at their own risk tentatively on or about 20 December 2016. The Company shall not be liable for any loss in transmission.

(ii) *Scripless Shareholders*

Shareholders who are Depositors and who have Shares standing to the credit of their Securities Accounts as at the Books Closure Date will have the cheques for payment of their respective entitlements to the Proposed Cash Distribution under the Proposed Capital Reduction despatched to them by CDP by ordinary post at their own risk tentatively on or about 20 December 2016. Alternatively, such Shareholders will have payment of their respective entitlements to the Proposed Cash Distribution under the Proposed Capital Reduction made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions tentatively on or about 20 December 2016. The Company shall not be liable for any loss in transmission.

3.7 Taxation

3.7.1 **Shareholders should note that the following statements are not to be regarded as advice on the tax position of any Shareholder in Singapore or in other jurisdictions, or on any tax implications arising from the Proposed Capital Reduction and Proposed Cash Distribution. Shareholders who are in doubt as to their respective tax positions in Singapore or in other jurisdictions or any tax implications arising from the Proposed Capital Reduction and Proposed Cash Distribution should consult their own professional advisers.**

3.7.2 In relation to the Proposed Cash Distribution to be made to Shareholders pursuant to the Proposed Capital Reduction, if effected, as the amounts which are to be paid to Shareholders pursuant to the Proposed Cash Distribution will be paid out of the reduction of the existing issued and paid-up share capital of the Company, the Proposed Cash Distribution would generally be regarded as a return of capital and would not taxable for the Shareholders in Singapore unless the Proposed Cash Distribution in respect of the Proposed Capital Reduction constitutes taxable revenue gains or profits from a trade or business carried on by the Shareholders.

3.7.3 Shareholders are advised to consult their own tax advisers as to the precise tax consequences of the Proposed Cash Distribution pursuant to the Proposed Capital Reduction.

4. THE PROPOSED SPECIAL DIVIDEND

4.1 Details of the Proposed Special Dividend

4.1.1 The Company proposes to distribute a one-tier tax-exempt special cash dividend of S\$0.0160 for each Share held by the Shareholder as at the Books Closure Date. Based on the Company's issued and paid-up Shares comprising 240,443,565 Shares as at the Latest Practicable Date, an aggregate amount of approximately S\$3.85 million will be paid out to the Shareholders pursuant to the Proposed Special Dividend.

4.1.2 The Proposed Special Dividend will be effected out of the revenue reserve of the Company which as at 31 August 2016 stood at approximately S\$10.19 million, and funded by the cash balance in the Escrow Account.

4.2 Rationale

Taking into account the cash requirements for the Company's operating expenses and for the exploration of potential new businesses and based on the Company's present financial position, the Board believes that the Proposed Special Dividend would be favourable to Shareholders as well as the Company and will reward Shareholders for their continued support of the Company.

4.3 Conditions

4.3.1 The Proposed Special Dividend is subject to the following conditions:

- (a) the approval of Shareholders by way of an ordinary resolution relating to the Proposed Special Dividend Resolution at the EGM; and
- (b) the approval of all other relevant regulatory authorities (if any and if necessary) and/or satisfaction of any statutory requirements which may be applicable in connection with the Proposed Special Dividend.

The Company will announce in due course the Books Closure Date and the payment date for the Proposed Special Dividend. Shareholders should note that as the Books Closure Date is conditional on the conditions as stated above, in order to be entitled to the Proposed Special Dividend, Shareholders would have to continue to hold the Shares up to the Books Closure Date. **If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

4.3.2 Payment of the Proposed Special Dividend will be made in the following manner:

(a) *Shareholders holding Scrip Shares*

Shareholders whose Shares are registered in the Register of Members as at the Books Closure Date will have the cheques for payment of their entitlements to the Proposed Special Dividend despatched to them by the Share Registrar by ordinary post at their own risk tentatively on or about 20 December 2016. The Company shall not be liable for any loss in transmission.

(b) *Scripless Shareholders*

Shareholders who are Depositors and who have Shares standing to the credit of their Securities Accounts as at the Books Closure Date will have the cheques for payment of their respective entitlements to the Proposed Special Dividend despatched to them by CDP by ordinary post at their own risk tentatively on or about 20 December 2016. Alternatively, such Shareholders will have payment of their respective entitlements to the Proposed Special Dividend made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions tentatively on or about 20 December 2016. The Company shall not be liable for any loss in transmission.

5. FINANCIAL EFFECTS

5.1 The pro forma financial effects of the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend have been prepared based on the half-year unaudited consolidated financial statements of the Group for the six (6) months ended 30 June 2016 which was announced by the Company on 12 August 2016, and assuming that the Disposals had been completed then.

5.2 The pro forma financial effects of the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend are for illustrative purposes only, and do not necessarily reflect the actual future financial position and performance of the Group following the completion of the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend, and do not take into account any expenses that may be incurred in relation thereto.

(a) Share capital

The Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend will not have any impact on the number of Shares held by the Shareholders after the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend.

For illustrative purposes, assuming that the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend had been completed on 30 June 2016, the pro forma financial effects of the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend on the share capital of the Company are as follows:

	After the Disposals and Before the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend	After the Disposals, Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend
Number of Shares	240,443,565	240,443,565
Share Capital (S\$'000)	26,034	259

(b) EPS

The Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend will not have any impact on the Group's EPS.

(c) NTA per Share

For illustrative purposes, assuming that the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend had been completed on 30 June 2016, the pro forma financial effects of the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend on the NTA per share of the Group are as follows:

	After the Disposals and Before the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend	After the Disposals, Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend
NTA (S\$'000)	36,395	6,772
Number of Shares	240,443,565	240,443,565
NTA per Share (cents)	15.14	2.82

(d) Gearing

The Group had bank borrowings of approximately S\$11.97 million as at 30 June 2016, which had been fully settled following completion of the Property Disposal. The Company does not have any borrowings as at the Latest Practicable Date and will not have any borrowings after the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend. Accordingly, the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend will not have any impact on the Group's gearing.

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST

6.1 The interests of the Directors and Substantial Shareholders in the Shares as at the Latest Practicable Date, based on the information in the register of Directors and Substantial Shareholders as maintained by the Company, were as follows:

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Directors						
Teo Kok Woon	–	–	68,250,728 ⁽¹⁾	28.39	68,250,728	28.39
Wong Weng Foo John	–	–	7,771,666 ⁽²⁾	3.23	7,771,666	3.23
Lye Chee Fei Anthony	13,082,400	5.44	26,846,400 ⁽⁴⁾	11.17	39,928,800	16.61
Substantial Shareholders (Other than Directors)						
Cockpit International Pte Ltd	60,567,262	25.19	–	–	60,567,262	25.19
Yeo Gek Lang Susie	–	–	60,567,262 ⁽³⁾	25.19	60,567,262	25.19
Goodearth Realty Pte Ltd	–	–	60,567,262 ⁽³⁾	25.19	60,567,262	25.19
Khoo Bee Leng Joanna	26,846,400	11.17	13,082,400 ⁽⁵⁾	5.44	39,928,800	16.61

Notes:

- (1) Teo Kok Woon is deemed to be interested in 60,567,262 Shares held by Cockpit International Pte Ltd and 7,683,466 Shares held by UOB Kay Hian Private Limited as nominee of Teo Kok Woon.
- (2) Wong Weng Foo John is deemed to be interested in 7,771,666 Shares held by Maybank Kim Eng Securities Pte Ltd as nominee of Wong Weng Foo John.
- (3) 60,567,262 Shares were held in the name of Cockpit International Pte Ltd in which Yeo Gek Lang Susie and Goodearth Realty Pte Ltd are deemed to be interested.
- (4) Lye Chee Fei Anthony is deemed to be interested in 26,846,400 Shares held by Khoo Bee Leng Joanna, who is his spouse.
- (5) Khoo Bee Leng Joanna is deemed to be interested in 13,082,400 Shares held by Lye Chee Fei Anthony, who is her spouse.

- 6.2 None of the Directors or Substantial Shareholders, has any interest, direct or indirect, in the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend, other than through their respective directorships and/or shareholdings in the Company.

7. DIRECTORS' RECOMMENDATIONS

7.1 The Proposed Capital Reduction and Proposed Cash Distribution

Having fully considered, *inter alia*, the rationale for the Proposed Capital Reduction and Proposed Cash Distribution set out in paragraph 3.4 of this Circular, the Directors are of the opinion that the Proposed Capital Reduction and Proposed Cash Distribution are in the best interests of the Company. Accordingly, the Directors recommend the Shareholders to vote in favour of the Proposed Capital Reduction Resolution.

7.2 The Proposed Special Dividend

Having fully considered, *inter alia*, the rationale for the Proposed Special Dividend set out in paragraph 4.2 of this Circular, the Directors are of the opinion that the Proposed Special Dividend is in the best interests of the Company. Accordingly, the Directors recommend the Shareholders to vote in favour of the Proposed Special Dividend Resolution.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 17 to 18 of this Circular, will be held at 1 Irving Place, #07-13, The Commerze@Irving, Singapore 369546 on 21 October 2016 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions set out in the notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

- 9.1 Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find the Proxy Form attached to this Circular which they should complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at 62 Burn Road #06-01 Singapore 369976 not less than 48 hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy if he wishes to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.
- 9.2 A Depositor shall not be regarded as a member of the Company entitled to attend the EGM to speak and vote thereat unless his name appears in the Depository Register as at 72 hours before the time fixed for the EGM.

10. DIRECTORS' RESPONSIBILITY STATEMENT

- 10.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Capital Reduction, Proposed Cash Distribution and Proposed Special Dividend and the Company, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.
- 10.2 Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

11. DOCUMENTS AVAILABLE FOR INSPECTION

- 11.1 Copies of the following documents are available for inspection by the Shareholders at the registered office of the Company at 62 Burn Road #06-01 Singapore 369976 during normal business hours from the date of this Circular up to and including the date of the EGM:
- (a) the Constitution of the Company; and
 - (b) the announcement dated 12 August 2016 in relation to the half-year unaudited consolidated financial statements of the Group for the six (6) months ended 30 June 2016.
- 11.2 Copies of the Solvency Statements signed by all the Directors will be available for inspection at the EGM, as well as at the registered office of the Company throughout the Creditor Objection Period.

Yours faithfully

For and on behalf of the Board of Directors of
TSH CORPORATION LIMITED

Lye Chee Fei Anthony
Group Chief Executive Officer and Executive Director

TSH CORPORATION LIMITED

(Company Registration Number 200003865N)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of **TSH CORPORATION LIMITED** ("**Company**") will be held at 1 Irving Place, #07-13, The Commerze@Irving, Singapore 369546 on 21 October 2016 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions.

*All capitalised terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the circular dated 29 September 2016 to shareholders of the Company ("**Circular**").*

AS SPECIAL RESOLUTION

RESOLUTION 1: THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION

THAT, pursuant to Article 60(2) of the Constitution of the Company and subject to Section 78A read with Section 78C of the Companies Act (Cap. 50) of Singapore ("**Companies Act**"):

- (a) the issued and paid-up capital of the Company be reduced by approximately S\$25.78 million ("**Proposed Capital Reduction**") and such reduction be effected by returning the sum of approximately S\$25.78 million ("**Proposed Cash Distribution**") to the Shareholders on the basis of S\$0.1072 for each issued ordinary share in the capital of the Company held by a Shareholder as at the Books Closure Date; and
- (b) the Directors of the Company and each of them be and are hereby authorised and empowered to do all such acts and things (including, without limitation, executing all such documents as may be required) as they or each of them deem desirable, necessary or expedient to give effect to the Proposed Capital Reduction and Proposed Cash Distribution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

AS ORDINARY RESOLUTION

RESOLUTION 2: THE PROPOSED SPECIAL DIVIDEND

THAT:

- (a) a special one-tier tax exempt dividend be and is hereby approved and declared on the basis of S\$0.0160 for each Share held by a Shareholder as at the Books Closure Date; and
- (b) the Directors of the Company and each of them be and are hereby authorised and empowered to do all such acts and things (including, without limitation, executing all such documents as may be required) as they or each of them deem desirable, necessary or expedient to give effect to the Proposed Special Dividend as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

By Order of the Board

CHAN LAI YIN
Company Secretary

Singapore, 29 September 2016

Notes:

- (1) A proxy need not be a member of the Company.
- (2) Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act (Cap. 50) of Singapore, a member entitled to attend and vote at the Extraordinary General Meeting (“EGM”) is entitled to appoint not more than two (2) proxies to attend and vote in his stead.
- (3) Where a member appoints more than one (1) proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no percentage is specified, the first named proxy shall be treated as representing one hundred per cent (100%) of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
- (4) A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote at the EGM, but each proxy must be appointed to exercise the rights attached to different shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
- (5) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.
- (6) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 62 Burn Road #06-01 Singapore 369976 not less than 48 hours before the time appointed for holding the EGM.

Personal data privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

TSH CORPORATION LIMITED

Company Registration No.: 200003865N
(Incorporated in the Republic of Singapore)

PROXY FORM

IMPORTANT:

1. Pursuant to Section 181(1C) of the Companies Act (Cap. 50) of Singapore, Relevant Intermediaries may appoint more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting ("EGM").
2. For investors who have used their CPF monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies.

*I/We, _____ (Name) _____ (NRIC/Passport No.)
of _____ (Address)

being *a member/members of TSH Corporation Limited (the "**Company**"), hereby appoint

Name	NRIC/ Passport No.	Address	Proportion of shareholdings to be represented by proxy (%)

*and/or

Name	NRIC/ Passport No.	Address	Proportion of shareholdings to be represented by proxy (%)

or failing him/them the Chairman of the EGM, as my/our proxy/proxies to vote for me/us on my/our behalf at the EGM to be held at 1 Irving Place, #07-13, The Commerze@Irving, Singapore 369546 on 21 October 2016 at 3.00 p.m. and at any adjournment thereof.

I/we direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the EGM as indicated with an "X" in the spaces provided hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/their discretion as he/they may on any other matters arising at the EGM.

Please tick here if more than two (2) proxies will be appointed. (Please refer to note 4). This is only applicable for intermediaries such as banks and capital market services licence holders which provide custodial services.

	For	Against
AS SPECIAL RESOLUTION RESOLUTION 1: THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION		
AS ORDINARY RESOLUTION RESOLUTION 2: THE PROPOSED SPECIAL DIVIDEND		

** Voting will be conducted by Poll. If you wish to exercise all your votes "For" or "Against", please indicate an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2016

Total Number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s)/Common Seal*

*Delete accordingly

IMPORTANT. Please read notes overleaf



Notes:

- (1) Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act (Cap. 50) of Singapore (“**Companies Act**”), a member entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) Where a member appoints more than one (1) proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing one hundred per cent (100%) of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
- (3) A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap 289) of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the register of members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
- (4) Pursuant to Section 181(1C) of the Companies Act, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM provided that each proxy is appointed to exercise the rights attached to different shares held by such member. In such event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.
- (5) The instrument appointing proxy or proxies must be deposited at the registered office of the Company at 62 Burn Road #06-01 Singapore 369976 not later than 48 hours before the time set for the EGM.
- (6) The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
- (7) Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- (8) A corporation which is a member of the Company may, in accordance with Section 179 of the Companies Act, authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM.
- (9) The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
- (10) In the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.
- (11) An investor who buys shares using CPF monies (“**CPF Investor**”) and/or SRS monies (“**SRS Investor**”) (as may be applicable) may attend and cast his vote(s) at the EGM in person. CPF and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the EGM.

Personal data privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.