



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

NOTICE TO HOLDERS OF THE PERPETUAL CONVERTIBLE CAPITAL SECURITIES

Singapore, 17 October 2014. Tiger Airways Holdings Limited (the "**Company**") refers to the perpetual convertible capital securities (the "**Convertible Securities**") issued by the Company in 2013, and the announcement dated 17 October 2014 (the "**Rights Issue Announcement**") made by the Company in connection with its proposed renounceable non-underwritten rights issue (the "**Rights Issue**") of up to 1,169,842,389¹ new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S\$0.20 for each Rights Share 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 for the purpose of determining the Shareholders' entitlements under the Rights Issue (the "**Record Date**"), fractional entitlements to be disregarded, to raise gross proceeds of up to approximately S\$234 million.

A copy of the Rights Issue Announcement is available on the website of Singapore Exchange Securities Trading Limited (the "**SGX-ST**"): <http://www.sgx.com>.

The proposed Rights Issue is subject to, *inter alia*, the approval of the Shareholders at an extraordinary general meeting of the Company to be convened.

As at the date of this notice, 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.

¹ Assuming that (i) all the 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 exercise their conversion rights based on the Adjusted Conversion Price (as defined herein) prior to the Record Date such that the Conversion Shares will rank for the Rights Issue.

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 the Rights Issue 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 Rights Issue Announcement.

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; this effective date will be notified to holders of the Convertible Securities in due course.

The Company proposes to allow all holders of the Convertible Securities 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 in accordance with the conversion procedure set out in the Terms and Conditions.

Holders of the Convertible Securities should note that pursuant to the Terms and Conditions, during the period from (and including) 8 October 2014 up to (and including) 22 October 2014 (a Distribution Payment Date (as defined in the Terms and Conditions)) being a Conversion Closed Period (as defined in the Terms and Conditions), the rights of the holders of the Convertible Securities to convert the Convertible Securities will be suspended.

A notice setting out further details of the exercise of the conversion rights by the holders of the Convertible Securities at the Adjusted Conversion Price to rank for the Rights Issue will be issued in due course.

Holders of the Convertible Securities should note that the Adjusted Conversion Price of S\$0.565 is significantly higher than the closing price of the Shares of S\$0.325 on the SGX-ST on 16 October 2014.

Holders of the Convertible Securities who require clarification on the conversion of their Convertible Securities may call our **hotline at: [+65 6422 2336](tel:+6564222336) between 8:30 a.m. and 5:30 p.m.** on Mondays to Fridays (excluding public holidays).

By Order of the Board

Ho Zhuanglin
Joint Company Secretary

17 October 2014