



TSH Corporation Limited

(Company Registration No. 20003865N)

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## PROPOSED SUBSCRIPTION OF SHARES IN THE CAPITAL OF HIBISCUS PETROLEUM BERHAD (THE "SUBSCRIPTION")

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### 1. INTRODUCTION

The Board of Directors of TSH Corporation Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 3 August 2015 accepted the placement letter (the "**Placement Letter**") issued by Maybank Investment Bank Berhad, the placement agent of Hibiscus Petroleum Berhad (the "**Issuer**"), to subscribe for 18,500,000 new shares (the "**Placement Shares**"), representing approximately 1.96% of the existing issued share capital of the Issuer for a total consideration (the "**Consideration**") of Malaysian Ringgit ("**RM**") 13,875,000, equivalent to approximately Singapore Dollars ("**S\$**") 5,005,000.

The subscription price of RM0.75 for each Placement Share represents a discount of RM0.07 or approximately 8.54% to the five (5)-day volume weighted average market price of the Issuer's shares up to and including 28 July 2015, being the market day immediately prior to the Issuer's price-fixing date on 29 July 2015, of approximately RM0.82. The latest volume weighted average market price of the Issuer's shares as at 31 July 2015 was RM0.83.

### 2. INFORMATION ON THE ISSUER

The Issuer is a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**") principally engaged in oil and gas exploration and production.

### 3. SALIENT TERMS OF THE SUBSCRIPTION

#### (i) Consideration

The Consideration was arrived at on a willing-buyer willing-seller basis, and it was fully paid in cash using the Company's internal resources.

#### (ii) Placement Shares and Status

The Placement Shares shall be issued and allotted to the Company by the Issuer free and clear from all encumbrances, ranking *pari passu* in all respects with all other existing shares, and together with all rights, benefits and entitlements attaching thereto as at the date on which the Subscription is completed (save in respect of rights, benefits, entitlements or other distributions the record date for which is on or prior to the date on which the Subscription is completed), pursuant to terms of the Placement Letter.

#### 4. RATIONALE FOR THE SUBSCRIPTION

The Subscription is made for the Company's investment purposes and will allow the Company to benefit from the potential investment return of the Placement Shares.

#### 5. FINANCIAL EFFECTS OF THE SUBSCRIPTION

The financial effects of the Subscription as set out below are strictly for illustrative purposes and do not necessarily reflect the actual financial position and results of the Group following completion of the Subscription.

The financial effects of the Subscription are computed based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2014 ("FY2014").

##### (i) Share Capital

There is no effect on the issued share capital of the Company as the Subscription did not involve the issuance of shares of the Company.

##### (ii) Net Tangible Assets

For the purpose of illustration only, assuming the Subscription had been completed on 31 December 2014, the proforma effect on the Net Tangible Assets ("NTA") per share of the Group as at 31 December 2014 are as follows:

	Audited as at 31 December 2014	After the Subscription
NTA of the Group (S\$'000)	43,981	44,424 <sup>(1)</sup>
Number of shares	240,443,565	240,443,565
NTA per share (cents)	18.29	18.48

**Key Assumption:**

(1) Includes the fair value gain on the Placement Shares (net of tax) of approximately S\$443,000 based on the last traded market price of the shares of the Issuer of RM0.83 ("Fair Value Gain").

##### (iii) Earnings per Share

For the purpose of illustration only, assuming that the Subscription had been completed on 1 January 2014, the proforma effect of the Subscription on the earnings per share of the Group ("EPS") for FY2014 would be as follows:

	Audited for FY2014	After the Subscription
Profit after tax of the Group (S\$'000)	1,298	1,741 <sup>(1)</sup>
Weighted average number of shares	240,443,565	240,443,565
EPS (cents)	0.54	0.72

**Key Assumption:**

(1) Includes the Fair Value Gain.

(iv) Gearing

For the purpose of illustration only, assuming the Subscription had been completed on 31 December 2014, the proforma effects of the Subscription on the gearing of the Group as at 31 December 2014 would be as follows:

	Audited as at 31 December 2014	After the Subscription
Total borrowings (S\$'000)	5,128	5,128
Shareholders' fund (S\$'000)	45,900	46,343 <sup>(1)</sup>
Gearing (times)	0.11	0.11

**Key Assumption:**

(1) Includes the Fair Value Gain.

6. **DISCLOSEABLE TRANSACTION UNDER CHAPTER 10 OF SECTION B: RULES OF CATALIST OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("CATALIST RULES")**

The relative figures computed on the bases set out in Rule 1006 of the Catalist Rules in respect of the Subscription and based on the audited consolidated financial statements of the Group as at 31 December 2014 are as follows:

<b>Rule 1006(a)</b>	
Net asset value of the assets to be disposed of, compared with the Group's net asset value.	Not applicable

<b>Rule 1006(b)</b>	
Net profits attributable to the assets acquired, compared with the Group's net profits.	Not applicable <sup>(1)</sup>

(1) The Subscription will be reported as held for trading financial asset in the Company's statement of financial position and the net profits of the Issuer will not contribute to the Group's net profits.

<b>Rule 1006(c)</b>	
Aggregate value of the Consideration given (S\$'000)	S\$5,005
The Company's market capitalisation as at 31 July 2015, based on the total number of issued shares excluding treasury shares and the weighted average price of the Company's shares transacted on the Catalist on 31 July 2015, being the market day preceding the date of acceptance of the Placement Letter (S\$'000)	S\$19,235
Size of relative figure	26.02%

<b>Rule 1006(d)</b>	
The number of equity securities issued by the Company as consideration for the Subscription, compared with the number of equity securities previously in issue.	Not applicable

<b>Rule 1006(e)</b>	
The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate to the Group's proved and probable reserves.	Not applicable

Based on the relative figures computed pursuant to Rule 1006(c), the Subscription is classified as a discloseable transaction and subject to the disclosure requirements under Rule 1010 of the Catalist Rules.

**7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors and the controlling shareholders of the Company has any interest, direct or indirect, in the Subscription (other than through their shareholdings in the Company).

**8. FURTHER INFORMATION**

No person is proposed to be appointed as a Director of the Company in connection with the Subscription. Accordingly no service contract is proposed to be entered into between the Company and any such person.

**9. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Subscription, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement 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 the announcement in its proper form and context.

**10. DOCUMENTS FOR INSPECTION**

A copy of the Placement Letter is available for inspection during normal working hours at the Company's office address at 62 Burn Road #06-01 TSH Centre Singapore 369976 for three months from the date of this announcement.

**11. TRADING CAUTION**

Shareholders are advised to exercise caution in trading their shares. The financial effects of the Subscription as set out in this announcement are based on certain assumptions and there is no certainty that these assumptions will materialise as some of them relate to future events. Shareholders are advised to read this announcement carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board  
Anthony Lye Chee Fei  
Chief Executive Officer

3 August 2015

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

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

The contact person for the Sponsor is Mr Ong Hwee Li, Registered Professional, SAC Capital Private Limited at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542, telephone: (65) 6532 3829.