

TIH LIMITED
("Company" or "TIH")
Incorporated in the Republic of Singapore
Unique Entity Number: 199400941K

INVESTMENT IN BATAVIA ENTERPRISE LIMITED

The Company wishes to announce that its indirectly wholly owned subsidiary, Lilydale International Limited ("Lilydale"), has entered into a Shareholders Agreement dated 16 May 2014 (the "Agreement") with Albany Road Limited and Harcourt Road Limited (both wholly controlled subsidiaries of the Argyle Street Management Limited ("ASML") group to invest in Batavia Enterprise Limited ("Batavia"), which will undertake property development in Taiwan (the "Transaction"). TIH will subscribe for 44% of the shares in Batavia for a sum of US\$1.76 million, while ASML will subscribe for the remaining 56% for a sum of US\$2.24 million. ASML did not have an existing equity interest in the Batavia prior to the execution of the Agreement.

ASML is a controlling shareholder of the Company and also the manager of various ASM Funds and the beneficial shareholder of more than 20% interests in the ASM Funds. ASML is therefore an interested person for the purposes of Chapter 9 of the listing manual of the Singapore Exchange Securities Trading Limited.

Save as disclosed in this Announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, (other than through their respective shareholdings in the Company) in the Transaction.

VALUE OF INTERESTED PARTY TRANSACTIONS ("IPT") FOR THE COMPANY'S INVESTMENT IN THE TRANSACTION

The Company's participation in the Transaction will strengthen the strategic alliance in future business development with ASML. The Company entered into this transaction due to the attractive commercial valuation of the assets in this transaction and the potential to participate in the future development of the assets.

The Company's commitment in the Transaction is up to the sum of US\$1.76 million, which was determined based on the Company's proportionate share in the assets. This is the amount of risk to the Company under the Agreement.

The latest audited net tangible asset of the Company and its subsidiaries (the Group) is S\$116.18 million as at 31 December 2013 (the "Relevant Figure"). The value of the interested person transaction of US\$1.76 million (equivalent to approximately S\$2.21 million at exchange rate of 1.2538) is approximately 1.9% of the Relevant Figure.

VALUE OF IPT FOR CURRENT FINANCIAL YEAR

For the current financial year up to the date of this announcement, the total value of all transactions entered into by the Company with ASML and its related affiliates (including that contemplated in the Transaction) is approximately S\$6 million. The current total of all interested person transactions entered into by the Company for the current financial year up to the date of this announcement (excluding that contemplated in the Transaction) is S\$4.2 million. As the total

aggregate value of all transactions with ASML during the same financial year exceeds 5% of the Relevant Figure, Rule 906 of the Listing Manual is applicable.

STATEMENT BY AUDIT COMMITTEE

Pursuant to Rule 916(2) of the SGX Listing Manual, the Audit Committee, having considered the terms of the Agreement, is of the view that the risks and rewards of the Agreement are in proportion to the equity interests held by the Company and ASML. The Audit Committee is also of the view that the terms of the Agreement are not prejudicial to the interests of the Company and its minority shareholders. Therefore, shareholders' approval is not required for this transaction under Rule 916(2) of the SGX Listing Manual.

FINANCIAL EFFECTS

The investment of approximately US\$1.76 million (approximately S\$2.2m) is approximately 1.9% of the Group's Net Asset Value as at 31 December 2013 and 0.67% of the Company's market capitalization as at the date hereof (based on the last traded share price on 16 May 2014 of S\$1.395 and approximately 234 million issued shares).

DISCLOSURE ANNOUNCEMENTS

For Shareholders' information, this announcement discloses information under Rule 1010 of the Listing Manual. The Transaction is made in the ordinary course of the Company's business and is not subject to the requirements of Rule 1014 of the Listing Manual and accordingly, the investment is not subject to the approval by the Company's shareholders.

BY ORDER OF THE BOARD

Stanley Cheong
Director

16 May 2014