

TIH LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199400941K)

INTERESTED PERSON TRANSACTION – STRATEGIC SUPPORT SERVICES AGREEMENT WITH ASM
ADMINISTRATION LIMITED

1. INTRODUCTION

The board of Directors (the “Board”) of TIH Limited (the “Company”) wishes to announce that the Company has entered into a strategic support services agreement dated 30 January 2015 (the “Agreement”) with ASM Administration Limited (“ASMAL”), in respect of the formation of a strategic alliance with ASMAL for further mutual business cooperation and commercial benefit (the “Support Arrangement”).

ASMAL is an associate of Argyle Street Management Limited (“ASML”), a controlling shareholder of the Company holding an interest of approximately 53.38% of the share capital of the Company. As such, ASMAL is an interested person of the Company and the Agreement is classified as an interested person transaction (“IPT”) under the listing manual (the “Listing Manual”) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”).

2. DETAILS OF THE SUPPORT ARRANGEMENT

Under the Agreement, ASMAL shall provide, inter alia, the following services (the “Services”): (i) sourcing, using its reasonable endeavours, potential investment opportunities for the Company, and (ii) any other services as may be agreed in writing between TIH and ASMAL and which are within the capacity and capability of ASMAL to provide (the “Services”).

In consideration for, inter alia, the provision of the Services, the Company shall pay, or procure the payment of, US\$500,000 per annum to ASMAL (the “Fees”).

The Agreement shall take effect from and including 1 July 2014 (the “Effective Date”). The Agreement shall remain in force for one year commencing from the Effective Date and shall be automatically renewed for successive consecutive one year periods unless terminated in accordance with the Agreement.

The latest audited net tangible assets (“NTA”) of the Company and its subsidiaries (the “Group”) is S\$116.18 million as at 31 December 2013. The value of the Support Arrangement of US\$500,000 per annum (equivalent to approximately S\$675,000 at an exchange rate of S\$1.3505 : US\$1.00) is approximately 0.6% of the Group’s latest audited NTA. Accordingly, the Support Arrangement will not require the approval of the shareholders of the Company as its value is less than 5% of the NTA of the Group.

4. RATIONALE FOR THE SUPPORT ARRANGEMENT

The Agreement will help to formalise the working relationship between TIH and ASMAL. The Company considers the Fees to be fair, reasonable, on normal commercial terms and to the benefit of the Company and its shareholders (including minority shareholders). In arriving at this conclusion, the Company has taken into account the inherently private nature of similar

sourcing arrangements. It is envisaged that ASMAL will source investments for which there are no competitors (as far as it is aware of), which will improve deal pricing and return from the Company's standpoint. ASMAL will consider the Company to be its preferred co-investment partner in such deals, and accord due priority to the Company than other potential co-investors. In addition, the strategic alliance between the Company and ASMAL will allow pooling of talent and resources for mutual benefit.

5. AUDIT COMMITTEE'S STATEMENT

The Audit Committee and the Board, having reviewed the terms of the Support Arrangement and the benchmarking study performed by an independent consulting firm, are of the view that the Support Arrangement is entered into on an arm's length basis on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

6. OTHER IPTS

In respect of the financial year ended 31 December 2014 to date, the aggregate value of all IPTs entered into by the Company with ASML and its related affiliates (including the Agreement) is approximately S\$22.59 million, amounting to approximately 19.44% of the Group's latest audited NTA as at 31 December 2013. The current total value of all IPTs (including the Agreement) is S\$23.18 million for the financial year ended 31 December 2014 to date.

However, for the purposes of determining whether shareholder approval is required for the Support Arrangement under Rule 906 of the Listing Manual, the Audit Committee and the Board are of the view that the value of certain IPTs previously entered into between entities-at-risk of the Group and ASML-related affiliates (as announced on 4 April 2014, 16 May 2014, 9 June 2014, 15 October 2014, 16 October 2014, 20 October 2014 and 10 December 2014) (the "Previous IPTs") should be excluded, as the Audit Committee has previously formed the view that the Previous IPTs, which were entered into in the context of co-investments with ASML, fall under various exemptions to Rule 906 (specifically, the exemptions under Rule 916(2) and Rule 915(3) of the Listing Manual)¹. As such, excluding the aggregate value of the Previous IPTs, the aggregate value of all IPTs entered into by the Company with ASML and its related affiliates (including the Agreement) is approximately S\$0.68 million, amounting to approximately 0.6% of the Group's latest audited NTA as at 31 December 2013.

7. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Saved as disclosed above, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the IPT.

By Order Of the Board
Allen Wang
CEO
TIH Investment Management Pte Ltd

30 January 2015

¹ Please refer to the Company's announcements dated 4 April 2014, 16 May 2014, 9 June 2014, 15 October 2014, 16 October 2014, 20 October 2014 and 10 December 2014 for further details on the Previous IPTs and the Audit Committee's views.