

TIH LIMITED

("Company" or "TIH")

Incorporated in the Republic of Singapore

Unique Entity Number: 199400941K

FOLLOW ON INVESTMENT IN BATAVIA ENTERPRISE LIMITED

The Board of Directors of the Company (and together with its subsidiaries, the "Group") refers to the Company's announcements made on 16 May 2014 and 2 November 2016, whereby the Company had announced that its indirectly wholly owned subsidiary, Lilydale International Limited, had entered into a Shareholders 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. TIH had subscribed for 44% of the shares in Batavia while ASML had subscribed for the remaining 56%.

On or about 17 July 2017, TIH and ASML had made a follow on investment in Batavia, of which TIH's pro rata portion is US\$0.13 million (the "Transaction").

ASML is a controlling shareholder of the Company. 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.

FINANCIAL EFFECTS

The Transaction is done in the ordinary course of the Company's business and is classified as an investment at fair value through profit or loss. Following this additional follow on Transaction, the Company's total capital commitment in the Batavia Transaction of US\$0.13 million (equivalent to approximately S\$0.18 million at exchange rate of US\$1.00: S\$1.367) is approximately 0.15% of the Group's net asset value ("NAV") as at 31 December 2016 and 0.13% of the Company's market capitalization as at the date of this announcement (based on the last traded share price on 17 July 2017 of S\$0.565 and approximately 242 million issued shares).

The *pro forma* financial effects of the transaction presented below are purely for illustration purposes only, and are based on the audited financial statements of the Company for the financial year ended 31 December 2016:

- (a) **NAV:** For illustrative purposes only, and assuming that the transaction had been completed, and the Transaction had been fully paid, on 31 December 2016, the investment has no impact on the NAV of the Company as the cash consideration is replaced by an investment at fair value through profit or loss.
- (b) **Earnings:** The transaction is classified as investment at fair value through profit or loss. Accordingly, any change in revaluation of the investment will have an impact on the Company's earnings. Assuming no immediate revaluation from this investment, there would be no impact on the Company's earnings if the transaction was completed on 1 January 2016.

- (c) **Share Capital:** The transaction will not have any impact on the issued share capital of the Company

VALUE OF INTERESTED PERSON TRANSACTIONS

For the current financial year commencing on 1 January 2017 and up to the date of this announcement, (a) the total value of all transactions by the Group with all interested persons, including this transaction, is approximately S\$6.91 million; and (b) the total value of all transactions, including this transaction, entered into by the Group with ASMHL, ASML, or their affiliates is approximately S\$6.91 million. As the total aggregate value of all transactions with ASMHL, ASML and their affiliates during the same financial year exceeds 5% of the Group's latest audited net tangible assets, Rule 906 of the Listing Manual is applicable, unless any of the exemptions under Rule 916 of the Listing Manual applies.

EXEMPTION UNDER Rule 916(2) OF THE LISTING MANUAL

Pursuant to Rule 916(2) of the Listing Manual, investment in a joint venture with an interested person does not require the approval of shareholders of the Company if: (i) the risks and rewards are in proportion to the equity of each joint venture partner; (ii) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and (iii) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture ("**Rule 916(2) Exemption**").

STATEMENT BY AUDIT COMMITTEE

Pursuant to Rule 916(2) of the SGX Listing Manual, the Audit Committee, having considered the terms of the Transaction, is of the view that: (i) the risks and rewards of the transaction are in proportion to the equity interests held by the Company and ASML; and (ii) the terms of the transaction 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.

BY ORDER OF THE BOARD

Allen Wang

CEO

TIH Investment Management Pte. Ltd.

Investment Manager of

TIH Limited

17 July 2017