

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

**INVESTMENT IN PRACHINBURI LIMITED**

The Company wishes to announce that its indirectly wholly owned subsidiary, Spring Rose Investments Limited ("SRIL"), has entered into a Shareholders Agreement dated 9 June 2014 (the "Agreement") with Gelgah Street Limited ("Gelgah"), a company controlled by Argyle Street Management Limited ("ASML") to set up Prachinburi Limited ("PL") solely for the purpose of investing in a secured convertible loan issued by a company producing plasticizers and specialty chemicals in Indonesia and Thailand (the "Transaction"). The Transaction is contingent upon the satisfaction of various condition precedents by the counterparty.

SRIL will subscribe for 1,000 shares (approximately 33.96%) of PL for a sum of US\$10 million, while Gelgah will subscribe for 1,945 shares of PL (approximately 66.04%) for a sum of US\$19.45 million. Both SRIL and Gelgah will subscribe for the shares of PL at an issue price of US\$1,000 per share. ASML and the ASM Funds did not have an existing equity interest in the Transaction 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 entered into this Transaction due to the attractive potential return of the underlying investments in this Transaction.

The Company's commitment in the Transaction is up to the sum of US\$10 million, which was determined based on the Company's proportionate share in PL and the underlying Transaction. This is the amount of financial capital at 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\$10 million (equivalent to approximately S\$12.46 million at exchange rate of 1.246) is approximately 10.7% 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\$18.5 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\$6.4 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\$10 million (approximately S\$12.46 million) is approximately 10.7% of the Group's Net Asset Value as at 31 December 2013 and 3.99% of the Company's market capitalization as at the date hereof (based on the last traded share price on 9 June 2014 of S\$1.330 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

9 June 2014