

TIH Limited

NEWS RELEASE

TIH POSTS 2Q2019 AND 1H2019 FINANCIAL RESULTS

- ***Higher Net Asset Value of S\$123.11 million as at June 30, 2019***

Singapore, August 7, 2019 – TIH Limited (“TIH”, or the “Company” and together with its subsidiaries, the “Group”), an SGX Mainboard-listed private equity fund company, today announced that the Group narrowed its net loss attributable to shareholders and total comprehensive deficit to S\$2.36 million for the three months ended June 30, 2019 (“2Q2019”). The Group reported total comprehensive income attributable to shareholders of S\$10.85 million for the six months ended June 30, 2019 (“1H2019”).

The Group’s income is mainly derived from the realisation and/or revaluation of its investments. The Group’s 2Q2019 loss and total comprehensive deficit of S\$2.36 million was mainly due to fair value loss on equity investments at fair value through profit or loss (“FVTPL”) of S\$2.12 million and operating expenses of S\$1.23 million. The losses were partially offset by interest income of S\$0.21 million arising from a loan granted to a portfolio company and other operating income of S\$0.75 million mainly from consultancy services and advisory fee income.

After adjusting for dividends of S\$0.44 million from a subsidiary, Killian Court Pte Ltd, to the Company, the net loss in equity investments at FVTPL of S\$2.12 million for 2Q2019 was mainly attributed to the decrease in fair value of Fortune Code Limited of S\$3.41 million, which was partially offset by the increase in fair value of other portfolio investments held through subsidiaries of S\$1.29 million.

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As at June 30, 2019, the Group's Net Asset Value ("NAV") was S\$123.11 million (representing a NAV of S\$0.51 per share), an increase of S\$8.44 million from the NAV of S\$114.67 million (S\$0.47 per share) as at December 31, 2018. The Group's increase in NAV was largely due to the fair value gains on equity investments at FVTPL of S\$11.21 million, which was partially offset by dividend payment of S\$2.42 million for the financial year ended December 31, 2018.

Depending on prevailing public market conditions, the Company's investments in listed securities may fluctuate, affecting fair value valuations of its current portfolio investments, which do not indicate a permanent increase or diminishing of the investment portfolio's valuations.

Principal international economic organisations have been downgrading forecasts in recent months, with the World Bank being the latest to lower its global economic growth forecast in 2019 to 2.6 per cent, down from its earlier projection of 2.9 per cent. The downgrade in global growth forecast reflects falling business confidence, the slowest pace of global trade growth since 2008 and sluggish growth in emerging and developing economies.

The Southeast Asian region has seen increased levels of interest from private equity and venture capital investors, especially from Chinese investors for tech start-ups as they eye opportunities arising from the region's consumers going online. Coupled with the growing amount of dry powder, the maturing investor landscape inevitably leads to stiffer competition, higher valuations and active value creation in investment portfolios.

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Mr Allen Wang, Executive Director of TIH and Chief Executive Officer of TIH Investment Management Pte. Ltd. (“TIH IM”), said: “Amidst the challenging and volatile macro environment, we remain all the more focused on our strategy to seek out opportunities in special situations, corporates deleveraging and non-core secondary assets at attractive valuations.”

“To fully utilise the Capital Markets Services License held by the Group’s wholly owned subsidiary TIH IM, we are also engaged in discussions with various potential investors to raise non-dilutive capital in bespoke funds that target specific opportunities. This will expand the Group’s income streams and tap the deep bench of proven expertise and experience assembled at TIH IM.”

Mr Kin Chan, Chairman of TIH, added: “TIH has the backing of strategic shareholders with deep expertise across sectors and an extensive network in Greater China and Southeast Asia. We are well-positioned to leverage on our business network to develop win-win business opportunities with our business partners to enhance shareholder value.”

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About TIH

TIH Limited (“TIH”) is an SGX-listed closed-end fund set up in 1994. Throughout its operating history and investment experience, TIH has invested in a broad variety of sectors including Consumer & Industrial Products, Healthcare, Technology, Media & Telecommunications, Food, Manufacturing and Chemicals, with a strong focus and dedication to Asia. TIH has extensive experiences in cross-border private equity investments and divestments, including but not limited to restructuring, mergers & acquisitions, joint ventures and turnaround opportunities.

TIH seeks to work closely with the management of investee companies to create value through strategic, operational and corporate finance inputs.

For more information, please visit www.tih.com.sg.

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