

TIH Limited

NEWS RELEASE

TIH POSTS 3Q2019 NET PROFIT OF S\$2.65 MILLION

- ***Total comprehensive income of S\$2.65 million, attributable to fair value gains on equity investments at fair value through profit or loss***
- ***Higher Net Asset Value of S\$125.76 million as at September 30, 2019***

Singapore, November 8, 2019 – TIH Limited (“TIH”, or the “Company” and together with its subsidiaries, the “Group”), an SGX Mainboard-listed private equity fund company, today announced a net profit attributable to shareholders and total comprehensive income of S\$2.65 million for the three months ended September 30, 2019 (“3Q2019”). For the nine months ended September 30, 2019 (“9M2019”), the Group reported a total comprehensive income attributable to shareholders of S\$13.51 million.

The Group’s income is mainly derived from the realisation and/or revaluation of its investments. The Group’s 3Q2019 total comprehensive income of S\$2.65 million was mainly due to fair value gain on equity investments at fair value through profit or loss (“FVTPL”) of S\$2.91 million, other operating income of S\$0.76 million and interest income of S\$0.21 million from a loan granted to a portfolio company. These gains were partially offset by operating expenses amounting to S\$1.19 million.

After adjusting for dividends from a subsidiary of the Company, Killian Court Pte Ltd, the net gain in equity investments at FVTPL for 3Q2019 of S\$2.91 million was mainly attributed to the increase in fair value of other portfolio investments held through subsidiaries of S\$4.15 million. This was partially offset by the decrease in fair value of Fortune Crane Limited of S\$1.25 million.

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As at September 30, 2019, the Group's Net Asset Value ("NAV") was S\$125.76 million (representing a NAV of S\$0.52 per share), an increase of S\$11.09 million from the NAV of S\$114.67 (S\$0.47 per share) as at December 31, 2018. This was largely due to the fair value gains on equity investments at FVTPL, after adjusting for dividends from subsidiary of S\$14.12 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.

Over the past year, global growth has been slowing, due to broad-based weakening across most major economies. Geopolitical tensions, such as the US-China trade war and the Gulf tensions, continue to afflict the economy, pinching investor confidence and business sentiments. The latest forecast from the International Monetary Fund in October puts global growth at 3.0 per cent for 2019, the lowest level since 2009 and a 0.3 percentage point downgrade from the outlook in April 2019. There has also been an increasing trend of monetary policy easing, with central banks turning dovish and reducing interest rates.

On the other hand, despite the softening global financial markets, the Southeast Asian region remains attractive to private capital and venture capital investors. Besides the rising volume of dry powder, the conducive business environment such as strong government backing for entrepreneurship, established infrastructures and large number of prominent start-ups are strong pull factors for these investors.

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Mr Allen Wang, Executive Director of TIH and Chief Executive Officer of TIH Investment Management Pte. Ltd. (“TIH IM”), said: “We will capitalise on the opportunities in the region and our expertise amidst this period of global uncertainty to source for opportunities in special situations, corporates deleveraging and non-core secondary assets at attractive valuations.”

“We will also continue to engage various potential investors to seek out non-dilutive financing to deploy or manage, so as to expand the Group’s recurring income base and increase value for our shareholders. Our wholly-owned subsidiary TIH IM has a Capital Markets Services License, and we intend to fully utilise this to our advantage and enhance shareholder value,” added Mr Wang.

Mr Kin Chan, Chairman of TIH, commented: “With the strong support of our strategic stakeholders that possess deep expertise across a wide range of sectors and are spread across an extensive network in Greater China and Southeast Asia, we are well-positioned to improve on our business network and portfolio diversity.”

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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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