

# TIH Limited

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## NEWS RELEASE

### TIH REPORTS 1Q2020 FINANCIAL RESULTS

**Singapore, May 14, 2020** – TIH Limited (“TIH”, or the “Company” and together with its subsidiaries, the “Group”), an SGX Mainboard-listed private equity fund company, today reported a total comprehensive deficit attributable to owners of the Company of S\$17.84 million for the three months ended March 31, 2020 (“1Q2020”).

The Group's income is largely derived from the realisation and/or revaluation of its investments. For 1Q2020, the Group's total comprehensive deficit was mainly attributed to fair value loss on equity investments at fair value through profit or loss (“FVTPL”) of S\$6.76 million, after adjusting for dividends from a subsidiary of S\$0.74 million; fair value loss on debt investment at FVTPL of S\$11.27 million and operating expenses of S\$1.49 million. The losses were partially offset by other operating income of S\$1.50 million.

The net loss in equity investment at FVTPL of S\$6.76 million was primarily attributable to the decrease in fair value of Fortune Crane Limited (“Fortune Crane”) of S\$11.06 million, due to the significant decline in share price of the underlying quoted shares investment amidst the COVID-19 pandemic. This was partially offset by an increase in fair value of other portfolio investments held through subsidiaries of S\$4.30 million. Killian Court Limited had distributed dividends of S\$0.74 million to the Company and correspondingly recorded a decline in equity investments at FVTPL of S\$0.74 million.

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The Group's Net Asset Value ("NAV") as at March 31, 2020 was S\$108.77 million (representing an NAV per share of S\$0.45), as compared to the NAV of S\$126.61 million (representing an NAV per share of S\$0.52) as at December 31, 2019. The decrease of S\$17.84 million was largely due to the fair value loss on equity investments at FVTPL of S\$6.76 million and fair value loss on debt investment at FVTPL. The fair value loss on debt investment at FVTPL of S\$11.27 million, relates to a shareholder loan granted to Fortune Crane, as part of total investment to acquire the underlying quoted shares.

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

The Board of Directors has declared an interim one-tier tax exempt dividend of 1.0 Singapore cent per share for the financial year ending December 31, 2020. This is to replace the proposed final dividend for financial year ended December 31, 2019 which was withdrawn earlier (as announced by TIH on April 13, 2020) in light of the deferment of the Annual General Meeting. Further details will be announced separately via SGXnet.

The emergence of the COVID-19 pandemic is set to plunge the global economy into a deep recession in 2020. As a result of the unprecedented shutdown of economies around the world, the global economy is projected to contract by 3.0 per cent in 2020, according to the International Monetary Fund (the "IMF") estimates in April 2020. In comparison, the IMF had originally forecasted global growth for 2020 at 3.3 per cent in January earlier this year.

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Meanwhile, authorities had gradually reopened the markets in Greater China in March to a rebound in venture capital funding. The rise in activity suggests that funds have taken advantage of lower valuations resulting from the pandemic. However, the fundraising activity is still significantly less than that of previous years.

COVID-19 has injected a high level of uncertainty into global markets that has affected investor sentiment. While deal making is likely to slow in the Southeast Asia region in the near term, investors remain positive about the region's prospects, which is expected to drive continued investments in the form of acquisitions.

TIH Executive Director and TIH Investment Management Pte. Ltd. Chief Executive Officer Mr Allen Wang said: "Looking back on the first quarter of 2020, the Group has proven relatively resilient against macro shocks. Excluding the decrease in fair value of a portfolio company, the rest of our portfolios have performed well. Looking ahead, we will continue to explore valuable investing opportunities, including special situations, corporates deleveraging and non-core secondary assets."

TIH Chairman Mr Kin Chan added: "We will leverage on the expertise of our stakeholders in a wide range of sectors and strategic partnerships across Greater China and the Southeast Asian regions, to build up our portfolio, enhance our recurring income streams and thus the long-term value for our shareholders."

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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](http://www.tih.com.sg).

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