

TIH Limited

NEWS RELEASE

TIH REPORTS NET PROFIT OF S\$0.5 MILLION FOR 1Q2017

- ***Total comprehensive income of S\$14.4 million recorded, attributable to fair value gain in available-for-sale investments***
- ***Higher Net Asset Value of S\$134.9 million as at March 31, 2017***
- ***Continued focus on leveraging network to grow investment portfolio and fund management business***

Singapore, May 4, 2017 – TIH Limited (“TIH” or the “Group”), a Mainboard-listed private equity fund company, today announced profit attributable to shareholders of S\$531,000 for the three months ended March 31, 2017 (“1Q2017”).

For 1Q2017, the Group reported total comprehensive income of S\$14.4 million. This was mainly attributable to the increase in fair value gain on available-for-sale investments of S\$13.9 million held through Fortune Code Limited (“Fortune Code”) and net fair value gains of S\$0.7 million on investments at fair value through profit or loss from various portfolio investments. Contributing to total comprehensive income was also interest income of S\$0.8 million arising from the loan granted to a portfolio company. The above-mentioned gains were partially offset by operating expenses of S\$1.0 million.

As at March 31, 2017, the Group’s Net Asset Value (“NAV”) was S\$134.9 million (representing a NAV of S\$0.56 per share), an increase of S\$14.4 million from the NAV of S\$120.5 million (S\$0.50 per share) as at December 31, 2016. The Group’s higher NAV was mainly due to fair value gain in Fortune Code of S\$13.9 million and investments at fair value through profit or loss of S\$0.7 million.

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

Over the first quarter of 2017, TIH continued to pursue attractive investment opportunities by leveraging onto its extensive network and market expertise. The Group made total investments of S\$8.1 million during the period, including:

- S\$4.6 million in Fortune Code as an additional loan to maintain its pro-rata share of 7.9513% of the total funding, comprising both equity and shareholder loans by shareholders to Fortune Code; and
- S\$1.5 million in a joint venture with Loxbit Public Company Limited through Killian Court Pte. Ltd., a wholly-owned subsidiary of the Company, to invest into K2 Venture Capital Company Limited, which will invest in high growth startup investment opportunities mostly in Thailand.

Outlook

The International Monetary Fund has recently raised its outlook for global growth, citing a post-election surge in confidence in the United States and better growth prospects in Asia and Europe, amidst broad-based gains seen in manufacturing and trade globally. But uncertainties such as the threat of deepening geopolitical tensions, and rising US interest rates remain. The positive market sentiments have been reflected in the private equity markets of the Asia Pacific region with robust deal values in the sector. However, competition for deals is projected to become more intense in the coming years and private equity firms will have to source more effectively, improve their rigor in due diligence, and develop a value-creation model that can drive a meaningful performance improvement.

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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 have had a good start to 2017, and will continue to look out for attractive investment opportunities in Asia, including special situations and deleveraging by corporates. At the same time, TIH IM will continue to source for third-party assets to manage or deploy in return for recurring fee income.”

Mr Kin Chan, Chairman of TIH, said, “Backed by our strong network in Southeast Asia and Greater China, TIH will continue to broaden our investment capabilities and portfolio diversity so as to bring long-term value and greater returns to our shareholders.”

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About TIH

TIH Limited (“TIH”) is a 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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